



Human rights due diligence assessment

1 References

QMS reference documents:

- FOWIC Code of Conduct

SMS reference documents:

- FOWIC Code of Conduct

External reference documents:

- Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act)
- OECD Due diligence guidance for responsible business conduct
- OECD Guidelines for multinational enterprises
- UN Guiding principles on business and human rights

2 Introduction

The purpose of human rights due diligence is to promote the company's respect for fundamental human rights and decent working conditions in connection with the provision of Fred. Olsen Windcarrier's (FOWIC) services; and to ensure general public access to information regarding how FOWIC addresses adverse impact on fundamental human rights and working conditions.

FOWIC human rights due diligence serves as input to FOWIC materiality assessment. Human rights are identified as a material topic for FOWIC. Policies are implemented on material topics with the objective to manage material impacts, risks and opportunities. Actions are established, and targets set to track effectiveness of policies and actions. Reference is made to FOWIC Sustainability Statement, located on the webpage: [Sustainability \(windcarrier.com\)](https://www.windcarrier.com/sustainability) to read more about FOWIC's process to identify material topics and manage impacts, risks and opportunities (material topics).

This document describes how FOWIC work with the OECD six step of due diligence on the topic "human rights" including potentially adverse impact identified and key actions to manage the potential impact.

3 Responsible business conduct embedded in policies and management systems

Reference is made to OECD guidance section 1.

FOWIC Code of Conduct owned and signed by CEO. FOWIC HSEQ Manager, Sustainability Manager & DPA and COO should be involved in reviewing. The Code of Conduct is reviewed as a part of Management Review with all senior Management. It is aligned towards the Bonheur/FOCO Code of Conduct.

FOWIC Code of conduct is available on FOWIC's web page. FOWIC have the following related training requirements:

- Code of Conduct



- Corporate Social Responsibility – CSR
- Policy & Anti-corruption and anti-bribery

Training is applicable for all employees. All employees shall complete the training upon employment and refresher training every second year thereafter.

FOWIC Code of Conduct shall be issued to all vendors. The vendor evaluation questionnaire issued to vendors requires signatures to confirm the vendors have an equivalent Code of Conduct and/or comply with FOWIC Code of Conduct.

4 Identify and assess adverse impact

4.1 Input

FOWIC have utilized experienced gathered throughout the years working in the different areas/operations and external sources in the identification of adverse impact. The following sources has been used in the assessment:

- [European Bank of Reconstruction and Development \(EBRD\) index](#)
- [ITUC GRI - Home \(globalrightsindex.org\)](#)

4.2 Context

4.2.1 Business profile

Industry/Sector	<ul style="list-style-type: none"> • Offshore wind industry • Shipping/offshore vessel
Business activities	<ul style="list-style-type: none"> • Transport, installation and maintenance of offshore wind turbines <ul style="list-style-type: none"> ○ Crew management ○ Engineering ○ Project Management ○ Operation of vessels ○ Technical Management ○ Chartering of 3rd party vessels ○ Contract Management for 3rd party vessels ○ Commercial Management
Geographical presence	<ul style="list-style-type: none"> • Europe • Asia • USA

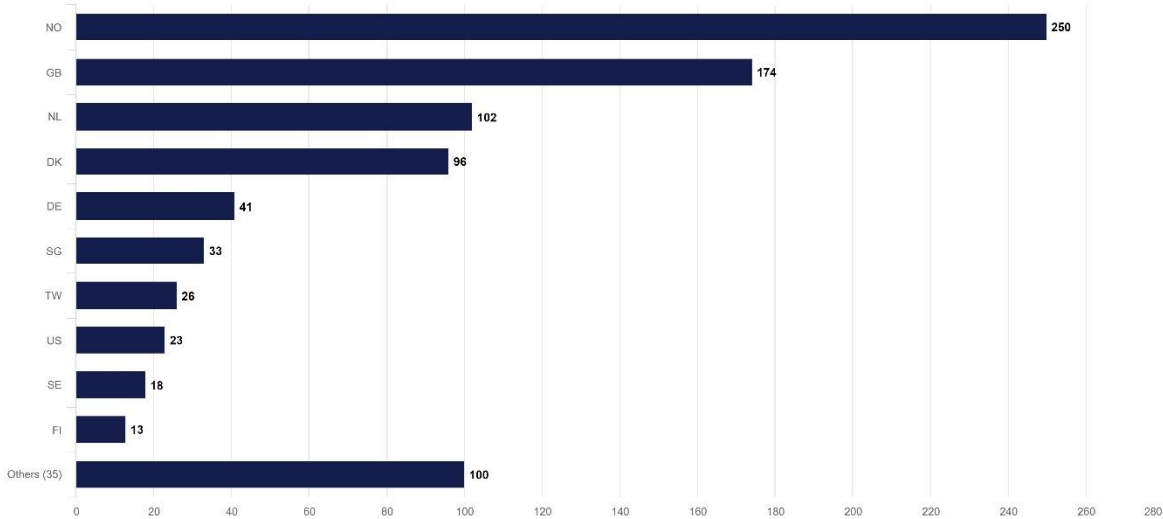
4.2.2 Supply chain

FOWIC have a large numbers of vendors. Majority of the vendors comes from Norway, UK, the Netherlands and Denmark. Majority of the vendors are “wholesale of transport equipment except motor vehicles, motorcycles and bicycles” (NACE code 46.69) and “Engineering activities and related technical consultancy” (NACE code 71.12).



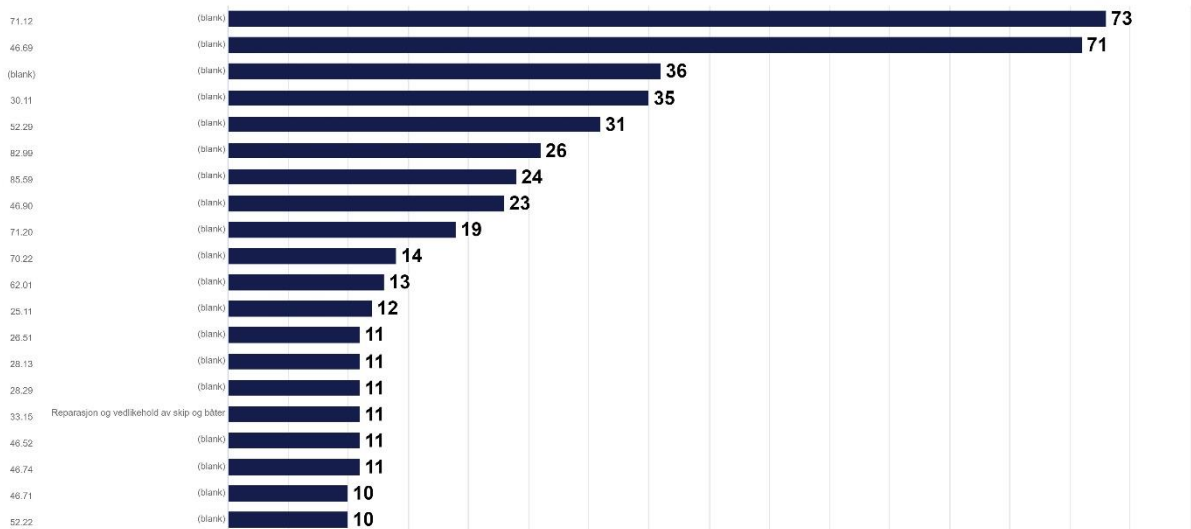
Suppliers: Distribution by country

Client supplier id: (blank)



Suppliers: Distribution by NACE codes

Client supplier id: (blank)



4.3 Assessment

4.3.1 Industry

To assess the risk associated with an industry we use the European Bank of Reconstruction and Development's (EBRD) index which links social risk to NACE codes. These are standardized codes in the EU to be able to compare economic activity across countries. We try to automatically enrich the vendors with these when setting up "Social risk evaluation", using third-party data sources (Enin). The EBRD divides the risk into "Low", "Medium" and "High" and we use this directly as Industrial risk.



4.3.1.1 Industry risk – own operations/services

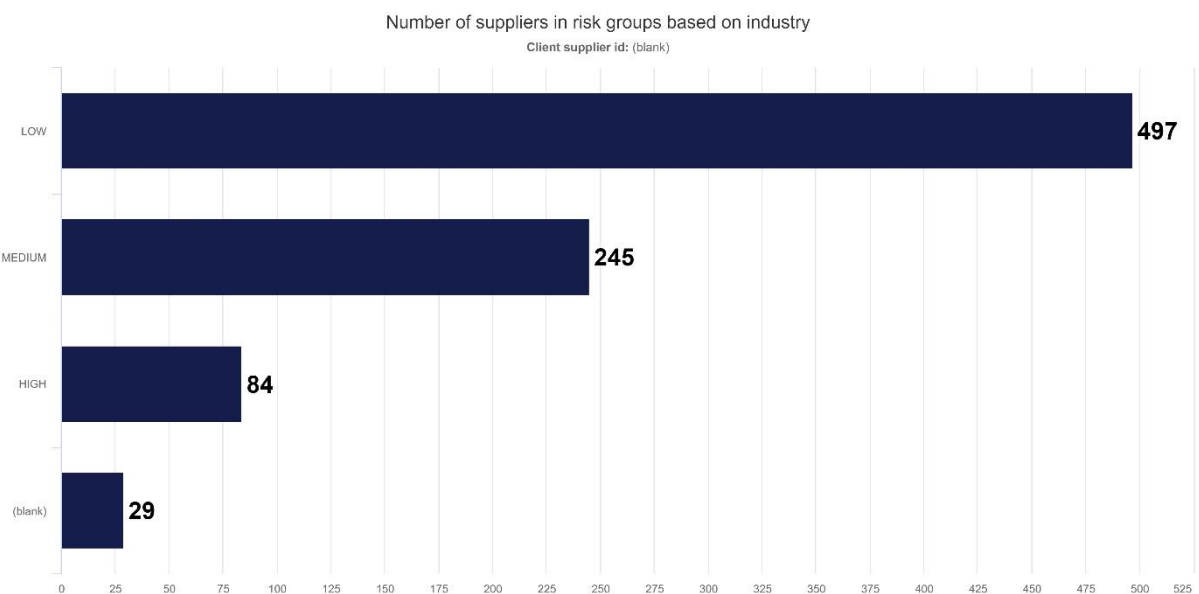
#	Activity	Remarks	Potential adverse impact	Risk
1.	Operations of ships (50.12) Crew Management (78.20)	FOWIC have approximately 160 marine crew onboard the vessels	Health and safety risks are present due to inherent dangers of seafaring. Extended periods of time spent offshore and away from normal support systems. Risk of bullying and harassment.	M
2.	Offshore wind industry (35.11) (42.22)	FOWIC provides services for Offshore Wind industry. FOWIC have limited influence on Clients Operation	Potential human rights issues in sourcing raw materials. Potential human rights issues related to land usage in construction and affected communities.	H
3.	Project management (71.12)	NACE code categorised as low.	Potentially risk of deviation from right to rest and leisure including reasonable limitation of working hours and periodic holidays with pay.	L
4.	Technical engineering (71.12)	NACE code categorised as low.	Potentially risk of deviation from right to rest and leisure including reasonable limitation of working hours and periodic holidays with pay.	L

Industry risks from own operation have been included in FOWIC Materiality assessment.

4.3.1.2 Industry risk – vendors

In the mapping work, FOWIC uses a digital platform developed. The platform simplifies the implementation of due diligence assessments in line with the requirements of the Transparency Act. Through the platform, FOWIC has obtained a systematized overview of first-tier vendors, business partners and other known subcontractors. Based on this overview, the platform has made initial assessments of the risk of negative impact on basic human rights and decent working conditions.

The categorisation has resulted in the following result:





High risk industries are split between the following categories:

NACE (Number)	Count	NACE (name)	Industry Risk
30.11	35	Building of ships and floating structures	High
46.71	10	Wholesale of solid, liquid and gaseous fuels and related products	High
46.75	9	Wholesale of chemical products	High
22.23	4	Manufacture of builders' ware of plastic	High
43.99	4	Other specialised construction activities n.e.c	High
09.10	3	Support activities for petroleum and natural gas extraction	High
20.59	3	Manufacture of other chemical products n.e.c	High
22.19	2	Manufacture of other rubber products	High
37.00	2	Sewerage	High
13.96	2	Manufacture of other technical and industrial textiles	High
14.12	1	Manufacture of workwear	High
15.12	1	Manufacture of luggage, handbags and the like, saddlery and harness	High
20.30	1	Manufacture of paints, varnishes and similar coatings, printing ink and mastics	High
13.94	1	Manufacture of cordage, rope, twine and netting	High
13.92	1	Manufacture of made-up textile articles, except apparel	High
35.21	1	Manufacture of gas	High
39.00	1	Remediation activities and other waste management services	High
46.72	1	Wholesale of metals and metal ores	High
46.77	1	Wholesale of waste and scrap	High
82.91	1	Activities of collection agencies and credit bureaus	High
Grand Count	84		

Based on the assessment the vendors in the shipbuilding and repair have been identified to the most material risk. It should be noted that the count includes potential shipyards for future projects and shipyards that has been used in the past but is unlikely that FOWIC will used again.

Result from industry risks in supply chain have been included in FOWIC Materiality Assessment.

4.3.2 Geographic risk

We use the ITUC's index for working conditions as a basis for saying something about the risk associated with a country. ITUC divides the countries into 6 categories:

1. Occasional violations of rights
2. Repeated infringement of rights
3. Regular violations of rights
4. Systematic violations of rights
5. No guarantee of rights
6. No guarantee of rights due to breakdown in the rule of law

In the field geographical risk, this will be converted to "Low", "Medium" and "High" in the following way:

Category 1 = "Low"

Category 2-3 = "Medium"

Category 4-6 = "High"



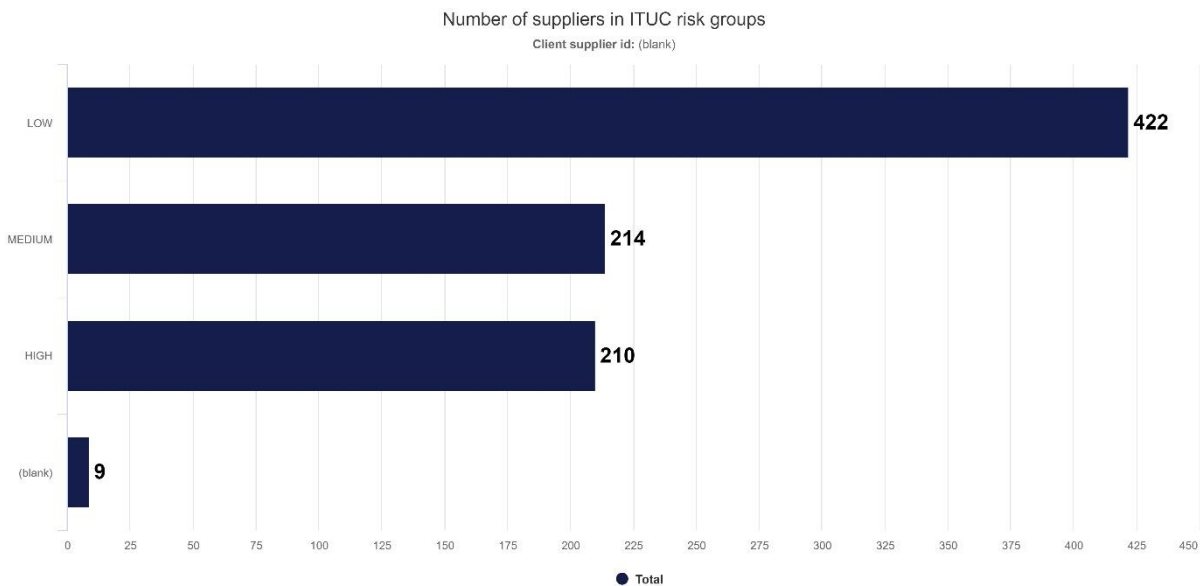
4.3.2.1 Geographic risk – own operation

#	Area	Remarks	Potential adverse impact	Risk
1.	Partnership: Asia – Japan (ITUC 2/6)	Fred. Olsen Windcarrier (FOWIC) has a partnership with Shimizu Corporation (Shimizu) to support growth and development in the offshore wind industry in Japan and worldwide	Risk of partner not adhering to fundamental human rights.	Med.
2.	Own operation: International waters	Vessels sail under Malta Flag and follows Maritime regulations and the MLC regardless of area.	Risks related to operating in international waters with Malta flag (ITUC 3/5 – 2022) is considered low. However, some risks related to the industry (ref. 3.3.1)	Med.
3.	Own operation: Europe – Norway (ITUC 1/6)	FOWIC have main offices in Norway	Risks related to operating in Norway is considered low. However, some risks related to the industry (ref. 3.3.1)	Low
4.	Own operation: Europe – Denmark (ITUC 1/6)	FOWIC have offices in Denmark.	Risks related to operating in Denmark is considered low. However, some risks related to the industry (ref. 3.3.1)	Low

4.3.2.2 Geographic risk – supply chain

In the mapping work, FOWIC uses a digital platform. The platform simplifies the implementation of due diligence assessments in line with the requirements of the Transparency Act. Through the platform, FOWIC has obtained a systematized overview of first-tier vendors, business partners and other known subcontractors. Based on this overview, the platform has made initial assessments of the risk of negative impact on basic human rights and decent working conditions.

The categorisation has resulted in the following result:





High risk geographic area/countries are split between the following:

Geographical area/country	Count	Geography Risk
United Kingdom of Great Britain and Northern Ireland (the)	172	High
United States of America (the)	23	High
China	6	High
Greece	2	High
Indonesia	2	High
India	1	High
Malaysia	1	High
Philippines (the)	1	High
Hong Kong	1	High
Vietnam	1	High
Grand Count	210	

The assessment shows a significant increase in high-risk vendors based on geographic location. This is a significant increase compared to 2022. The reason for this is the ITUC change in classification of UK that in 2022 were a medium risk.

5 Cease, prevent or mitigate

Reference is made to OECD guidance section 3.

Based on the assessment FOWIC have identified own workforce health, safety and working conditions as priority in our own operations and shipyard vendors in high-risk countries as a priority in the value chain.

Follow-up high risk vendors with self-evaluation in procurement platform

All active vendors shall complete a self-evaluation in the procurement platform. This includes a third-party validated questionnaire where the vendor shall disclose their own work with human rights due diligence and their commitment to fundamental human rights.

Conduct CSR audit of material high risk vendors

In-depth Corporate Social Responsibility audits shall be carried out on prioritised high-risk vendors. The intention with the audit is to verify the responses in the self-evaluation and identification of any potential barriers against human and workers' rights.

Although site visits have been conducted where social responsibility and human rights have been a topic, a full audit have not been completed in 2023.

Conduct Code of Conduct and Corporate Social Responsibility training

FOWIC have implemented a bi-yearly Code of Conduct and Corporate Social Responsibility training. This is a computer-based training that shall be conducted by all persons in FOWIC's workforce. It shall be conducted upon employment in FOWIC or joining a vessel and be repeated as a minimum every other year. The training includes FOWIC's Code of Conduct that shall be read and understood by all.

Conduct work environment survey

FOWIC has changed to a new software provider for measuring employee engagements. Whereas the previous survey was run every 24 months and actions were followed up individually in departments, the new software will run annually with intermittent pulse surveys. Actions are created by the



respective departments both onshore and offshore and housed for tracking within the software system. The first survey was run in February 2024. Departments are completing their work on their results and nearly all actions are mapped as of end Q1 2024. Departments will continue to work with their actions through the year.

The initial results reflect an engaged organization. There was an overall 84% response rate among all employees and overall engagement was measured at 4.0 out of a maximum of 5.0. This is a strong result. The survey shows that employees find meaning in their work, and the report shows a high level of satisfaction. Improvement areas are personal development, workload, and feedback culture.

Conduct bullying and harassment awareness campaigns

In 2022 FOWIC specified the non-acceptance of violence, bullying and harassment in the Sustainability Policy. Bullying and harassment have been an area of focus in 2023 and will continue to be an area of focus in 2024. FOWIC believe that open communication and fostering an open atmosphere in workplaces is key to preventing incidence of harassment. In 2023 Head of People and Culture and DPA visited vessels and conducted anti-harassment workshops. The intention is to keep these visits running in 2024. Bullying and harassment is addressed in the work engagement survey and department heads are addressing reporting and FOWIC's anti-harassment policies during their workshops. The topic has been subject for discussion onboard the vessels in safety meetings and in officers' conferences.

Maintain Safety Management System

FOWIC have a comprehensive ISO 45001 and ISM certified safety management. A key action to prevent accidents and promote health onboard the vessels is to maintain and train employees in this management system. Our policies are the foundation of the system with common principles to guide decision making. Our common safety requirements are described in our HSE Manual. Further, it includes, company and vessel specific procedures, checklists, and forms. One of FOWIC's key safety requirements is our four basic safety tools; Risk Assessment (RA), Permit to Work (PTW), Toolbox Talk (TBT) and 'Take 2' last minute risk assessment.

6 Track

Reference is made to OECD guidance section 4.

Whistle-blower function: The whistle blower function is handled internally with approachability and transparency being encouraged. On board the vessels, the process for handling complaints is in accordance with the Maritime Labour Convention (MLC) 2006 and a copy of the on-board Complaint procedure is provided to all crew members as well as being posted in public locations on-board the vessels. The procedure specifies fair and effective handling of any complaint made by the seafarer and any form of victimisation or penalising of the complaining seafarer is prohibited. Amendments to MLC 2006 regarding the protection of seafarers against shipboard harassment and bullying entered into force in January 2019. A "Hot line" for addressing complaints is available through the Designated Person Ashore (DPA), the name and contact details of which are permanently posted on information boards at various public locations around the vessels.

Reporting routines for office personnel have been implemented in our personal handbook and e-learning courses have been implemented to ensure all employees are aware of the reporting procedures.



FOWIC have established an online channel for external parties to report complaints. Email shall be monitored by Sustainability Manager & DPA. Further case management is subject to case-by-case assessment, top management shall always be informed.

FOWIC shall record any deviation as a Non-Conformity Report (NCR) in FOWIC reporting system SIMPLI. All NCR shall include root causes and corrective and preventive measures.

FOWIC shall provide information within three weeks to anyone who sends a written request in accordance with Transparency Act §7.

FOWIC shall conduct internal audits in accordance with FOWIC audit procedure and audit plan.

7 Communicate

Reference is made to OECD guidance section 5.

FOWIC shall make available relevant information on due diligence policies, processes, activities conducted to identify and address actual or potential adverse impacts, including the findings and outcomes of those activities and significant risks. The account information shall be made available by no later than 30th of June the following year, in accordance with Transparency Act §5.



8 Remediation

Reference is made to OECD guidance section 6.

If FOWIC identifies that the Company have caused or contributed to actual adverse impacts such impacts shall be addressed by providing for or cooperating in their remediation in accordance with OECD. This could be, but not limited to:

- Seeking to restore the affected person or persons to the situation they would be in had the adverse impact not occurred
- Enable remediation that is proportionate to the significance and scale of the adverse impact
- Comply with law and seek out international guidelines on remediation where available
- Consult and engage with impacted rightsholder and their representatives
- Seek to assess the level of satisfaction of those who have raised complaints with the process provided and its outcomes

FOWIC have not identified any actual adverse impact in 2023 and have therefor not completed any remediation process in the reporting year.



Oslo, May 2024

Fred. Olsen Windcarrier ASA – The Board of Directors

Anette S. Olsen
Chairman
Sign.

Richard Olav Aa
Board member
Sign.

Ingelise Arntsen
Board member
Sign.

Håkon Borgen
Board member
Sign

Haakon Magne Ore
Chief Executive Officer
Sign.
