

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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**Prosafe**

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## ABOUT THIS REPORT

This report has been prepared to meet the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Marine Transportation and Oil and Gas Services Standards, with reference to the Global Reporting Initiative (GRI) Standards (2021). The report adheres to the Corporate Social Responsibility (CSR) requirements of the Norwegian Accounting Act section 3-3c and follows the guidance of the Norwegian Shipowners’ Association for ESG reporting. Prosafe has followed the recommendations of the Financial Stability Board’s Task Force on Climate-related Financial Disclosures (TCFD). The report covers material environmental, social and governance impacts, and the management approach of Prosafe for the 2022 calendar year.

# HIGHLIGHTS

## Climate

**Absolute:** 120,040 tonnes CO<sub>2</sub>e GHG emissions  
(Scope 1 + 2 + 3) (98,345 in 2021)

**Intensity:** 69.07 tonnes CO<sub>2</sub>e GHG emissions  
(Scope 1+2+3) per operating day (69.90 in 2021)

## Sickness absence

**1.31 %** (0.27% in 2021)

## Diversity

**33.3 %** female onshore employees (40.3% in 2021)

**5.1 %** female offshore employees (4.8% in 2021)

## Employees

**182** full-time employees (103 in 2021)

## Health & Safety

**0** Lost Time Injury Incidents (0 in 2021)

## Biodiversity

**0** spills (0 in 2021)

## Business Integrity and Anti-Corruption

**86 %** of employees completed Anti-corruption training (40.3% in 2021)

**0** fines and sanctions for non-compliance with laws or regulations

## Operations

**1,738** operating days (1,407 in 2021)



## CEO LETTER



*This year has been one of continued progress towards our long-term goals.*

Dear reader,

I am delighted to present Prosafe's 2022 ESG report. This year has been one of continued progress towards our long-term goals of reducing our emissions and keeping our people safe. Despite the challenges presented by the broader market volatility, we have remained steadfast in our commitment to ESG.

As a company, we have made significant strides towards reducing our direct GHG emissions through several key initiatives. In 2022, we introduced the ability for two of our Dynamically Positioned (DP) vessels to operate using two engines instead of three in normal operational weather conditions, providing fuel savings of up to 15% when in use. To maximise the potential for operating with this new engine configuration, stakeholder engagement and working with clients, technical authorities and regulators to gain acceptance for this mode of operation will be a major priority in 2023.

We have also provided our crews with advisory software tools that allow them to monitor their energy use while operating and provide operational insight that enables us to improve our operational behaviour and procedures.

At Prosafe, safety is our top priority, and we are pleased to report that we had no serious incidents or accidents in 2022. We continue to maintain high standards of safety for our personnel and pride ourselves on proactively investing in training and resources to ensure that our people are equipped to deal with any potential unwanted event.

Prosafe also recognizes the importance of transparency in our ESG reporting, and we have upgraded our report to align with the SASB Maritime Transportation and Oil & Gas Services standards. We have also revised our GHG accounting methodology and conducted a materiality assessment and a climate risk review to ensure that we are taking a proactive approach to managing ESG risks and opportunities.

We recognize that there is still work to be done, and we remain committed to improving our ESG performance in the years to come. As we look to the future, we are monitoring the coming regulations and requirements for reporting on corporate social responsibility, such as the EU's Corporate Social Reporting Directive. We have already started preparations to report in accordance with these requirements when they enter into force. One of the key parts of these regulations will be understanding the total emissions picture from our suppliers' operations. We are preparing for these assessments and capturing the emissions in our value chain and, where possible, challenging our suppliers to commit and take action to ensure sustainable development.

I am proud of the progress we have made this year and remain committed to leading Prosafe towards a more sustainable future. We value your feedback and invite you to read our report.

Sincerely,

Jesper Kragh Andresen  
CEO, Prosafe

## ABOUT PROSAFE

Prosafe is a leading owner and operator of semi-submersible accommodation vessels. We own and operate six semi-submersible Accommodation, Safety and Support Vessels (ASVs) and one Tender Support Vessel (TSV) that can also operate as an accommodation vessel.

Our vessels offer high quality welfare and catering facilities, storage, workshops, offices, medical services and lifesaving equipment. We have the largest and most versatile semi-submersible accommodation fleet in operation worldwide.

Prosafe's versatile fleet of five dynamically positioned, one anchor moored and one passive position moored (POSMOOR) vessels are capable of operating in most offshore environments.

Our vessels have accommodation capacity for up to 500 persons and offer high quality welfare and catering facilities, storage, workshops, offices, medical services, deck cranes and lifesaving and firefighting equipment. The vessels are positioned alongside the host installation and are connected by means of a telescopic gangway so that personnel can walk safely to work.

In 2022, Prosafe had operations offshore Norway, UK, Brazil and Trinidad & Tobago and employed 182 permanent employees at year-end.

Prosafe operates and is independently certified to internationally recognised standards for Quality (ISO 9001); Environment (ISO 14001); Health and Safety (ISO 45001) and Energy Management (ISO 50001).

Prosafe is headquartered in Norway and has offices in Aberdeen (Scotland), Rio (Brazil) and Singapore. The company is listed on the Oslo Stock Exchange with ticker code PRS.

### Vision

Prosafe's vision is to be a leading and innovative provider of technology and services in selected niches of the global

### Mission

Prosafe's mission is to provide customers with innovative and cost-efficient solutions in order to maximize shareholder value

### Strategy

Prosafe's strategy is to be the preferred provider of high-end accommodation vessels globally.

### Core values

Profitability, Respect, Innovation, Safety, Ambition, Focus, the Environment

## PROSAFE'S APPROACH TO ESG

Prosafe is committed to identifying, addressing and reporting its ESG impacts. The company has established governance and management structures which clearly set out the responsibility and accountability within the business for ESG impacts. The company uses internationally recognised standards for identifying (GRI) and reporting (SASB) material ESG topics.

In 2022 Prosafe completed several significant ESG projects:

- Materiality review of material ESG topics using GRI 3 Materiality Standard
- Climate risk review and reporting recommended TCFD, disclosures
- Independent GHG emissions accounting (including scope 3 emissions where data available)
- Human rights risk assessment and disclosure against the Norwegian Transparency Act
- ESG reporting upgrade, including SASB Marine Transportation and Oil and Gas Services Standards.

## MATERIAL ESG TOPICS FOR PROSAFE

In 2022, Prosafe identified and assessed the environmental, social and governance (ESG) impacts that are material to its business. The assessment of material topics for reporting followed GRI's materiality standard (GRI 3: Material Topics). The materiality determination process included internal review, peer benchmarking, stakeholder dialogue and independent expert opinion. A report detailing the review process, including analysis and assessment of impacts, was prepared by an independent consultant and adopted by management. Recommended material topics were presented to, and approved by, Prosafe's Board of Directors. Topics which have a significant environmental, social, human rights or economic impacts are considered material.

Prosafe's stakeholders include employees, customers, suppliers, investors, analysts, banks, NGOs, employee representatives and trade unions. In 2022, Prosafe engaged an independent consultant to review stakeholder feedback and incorporate it in their assessment of Prosafe's material topics. Ongoing engagement with key stakeholders in day-to-day business interactions is supported by focused engagement when critical impacts are identified and when Prosafe seeks to understand how to avoid, remedy or mitigate potential adverse impacts.







## HOW PROSAFE CONTRIBUTES TO THE UN SDGS

Prosafe has been a signatory to the UN Global Compact since 2008. The company is committed to integrating the UN Global Compact's ten principles in the areas of human rights, labour, environment and anti-corruption into our strategy, policies, culture and operations.

Prosafe supports the UN's Sustainable Development Goals (SDGs) and shares the view that its business has a key role to play in the implementation of the goals. The Board of Directors and executive management have been involved in the assessment of the company's contribution to the development goals.

The company has identified four SDGs where it believes Prosafe has a relevant impact: SDG 3: Good health and wellbeing; SDG 8: Decent work and economic growth; SDG 13: Climate action; SDG 14: Life below water.

In 2022, our contribution to relevant SDGs was as follows:

Relevant SDGs	2022 Performance	Prosafe's contribution
SDG 3: Health and wellbeing 	Lost time incident frequency of zero  No fatalities  Low sickness absence (1.31%)	Providing safe, secure and healthy workplaces, with safety as our first priority. Health and safety management is accredited to ISO 45001.
SDG 8: Decent work and economic growth 	Human rights risk assessment in relation to the implementation of the Norwegian Transparency Act  Anti-bribery and anti-corruption training (86% staff trained)  Create value for our stakeholders	Providing meaningful and fairly-compensated work, decent working conditions, training staff in ethical business practices and assessing and addressing potential human rights risks in the supply chain.
SDG 13: Climate action 	Completed Climate Risk Assessment and reporting of TCFD recommended disclosures.  Scope 1, 2 & 3 GHG emissions were 120,040 tonnes.  Scope 1 & 3 GHG emission intensity 60.5 tonnes per operating day.	Committed to GHG reductions in line with Paris Agreement (50% by 2030) and transparent reporting of emissions.  Energy management is accredited to ISO 50001.
SDG 14: Life below water 	No accidental emissions to sea.  No non-regulatory release of ballast water.	Ensuring best-practice. Environmental management is accredited to ISO 14001.

# ENVIRONMENT

Prosafe places a high priority on environmental responsibility, aligning its business strategy with its core values of protecting the environment. We work closely with clients and stakeholders to achieve our ultimate goal of zero negative impacts to the air and sea through our operations.

## CLIMATE CHANGE AND THE ENERGY TRANSITION

### Why is it important

At Prosafe, we acknowledge the impacts of climate change and need for societies to transition to low and no carbon energy sources. We are working diligently to facilitate this transition in our role as an offshore support service provider and we are actively assessing the physical and economic risks and opportunities associated with climate change and the global energy transition.

### Our Approach

Prosafe is committed to reducing its GHG emissions. Adapting to the energy transition and mitigating its risks is a central part of our overall strategy. Our goal is to transform our current operations and explore new business opportunities that support the shift to a more sustainable energy system.

In 2022, Prosafe undertook a review of its GHG emission accounting to establish a more complete and robust basis on which to report. A climate risk review was also undertaken in 2022 to identify and assess how climate-related factors may affect the business financially. A full disclosure of climate risk has been prepared according to the recommendations of the Task Force on Climate-related Disclosure (TCFD) and is included in Appendix 2.

### Our Performance in 2022

With increased operating days in 2022, our total GHG emissions increased to 120,040 tonnes (98,345 in 2021) of carbon dioxide equivalents (CO<sub>2</sub>e).

- Scope 1 GHG emissions include fuel paid for and burnt by Prosafe, largely when off contract i.e. non-operating days.

- Scope 2 GHG emissions include electricity related emissions from our offices and operating sites.
- Scope 3 GHG emissions include fuel paid for by our customers and burnt by Prosafe i.e. operating days.

Total GHG emissions (Scope 1+2+3) increased 22% in 2022 compared to 2021, driven by a 23.5% increase in operating days. Our GHG emission intensity increased 2.5% in 2022 to 60.5 tonnes (59.0 in 2021) CO<sub>2</sub>e per operating day, accounting for all fuel burnt throughout the course of the year. We believe this is the most accurate and useful measure of the carbon intensity of our business activities, as it includes all fuels burnt in both contract and off-contract activities.

GHG emissions and intensity	2022	2021*
Direct GHG emissions (Scope 1) (CO <sub>2</sub> e tonnes)	24,368	25,828
Energy indirect GHG emissions (Scope 2) (CO <sub>2</sub> e tonnes, location-based)	20	-
Other indirect GHG emissions (Scope 3) (CO <sub>2</sub> e tonnes)	95,652	72,517
GHG emissions intensity (Scope 1+2+3) (per contract day in CO <sub>2</sub> e tonnes)	60.5	59.0

\* 2021 reported emissions were revised in accordance with GHG protocol, resulting in some Scope 1 emissions being reclassified as Scope 3.



## ENERGY MANAGEMENT

### Why is it important

Energy management is a critical aspect of our business that not only impacts our bottom line, but also has far-reaching consequences for our environment. The consumption of energy by our operations can contribute to greenhouse gas emissions, air pollutants, and the depletion of natural resources. We are focused on proactively managing our energy use and reducing our carbon footprint.

### Our Approach

Our approach includes investing in energy-efficient technologies, promoting energy-saving behaviours among our employees, and monitoring and tracking our energy usage in our operations to identify opportunities for improvement. We have established an energy management system. We regularly review our energy management strategies and make necessary adjustments to ensure that we are meeting our goals and continuously optimizing our consumption.

There are two main focus areas in the vessel energy chain to achieve efficiency gains:

- The Prosafe fleet operate with diesel-electric power plants, major efficiency gains can be made at the initial energy conversion from fuel to electricity, through more efficient operation of diesel generators, simply running fewer generators at higher more efficient loads
- Thereafter, we will focus on reducing electrical and thermal energy demands from equipment and systems onboard

Data-based decision-making sits at the core of our energy management strategy. Our approach is to build upon the existing digital infrastructure and connectivity within our fleet, rolling out cloud-based data acquisition and analytical tools, together with additional energy metering. These systems provide the necessary awareness and operational insight, enabling us to develop and improve our operational behaviours and procedures, identify potential for technology upgrades, and ensure we can track the effectiveness of and build upon our implemented energy efficiency measures.





### Our Performance in 2022

In 2022, we continued to make significant progress in our energy management efforts. We achieved certification to the internationally recognised ISO 50001 energy management standard in January 2022. This success demonstrates our commitment to energy management and the continual improvement process. We continued the roll-out of our digital platform in the fleet, as well as improvements on energy advisory functions, and visibility for both onshore and offshore vessel management teams to monitor energy use whilst vessels are in operation.

We have now introduced the ability for two of our Dynamically Positioned (DP) vessels to operate using two engines instead of three in normal operational weather conditions, providing fuel savings of up to 15% when in use. We are working with relevant stakeholders to increase the effectiveness of this upgrade, adjusting the operating guidelines on the basis of data driven evidence, to expand the operational window and increase savings potential. To maximise the potential for operating with this new engine configuration, stakeholder engagement and working with clients, technical authorities and regulators to gain acceptance for this mode of operation will be a major priority in 2023.

We are also investigating how energy storage systems can be designed and integrated on the Prosafe fleet of DP vessels to suit our operational profile, providing the required levels of operational redundancy and safety, together with a step change in fuel efficiency and maintenance reduction. We continue to investigate other viable technologies that will allow us to improve the energy efficiency of existing equipment and systems and are developing continuous improvement plans for the fleet.

In 2022, our total energy consumption increased due to a 23.5% gain in the number of operating days.

Energy consumption	2022	2021
Energy consumption (kWh) onshore	109 491	92 738
Fuel consumed (tonnes)	42 982	36 024



## AIR EMISSIONS

### Why is it important

Local air emissions from maritime activities can negatively impact air quality and ecosystems, creating respiratory and other health impacts for people and wildlife.

### Our Approach

Our energy management and emission reduction programmes not only reduce GHG emissions, but have a corresponding reduction in local air pollutants from cleaner combustion. In addition:

- The Prosafe fleet use only low sulphur fuel, following IMO requirements for maximum 0.5% sulphur content, reducing down to 0.1% when operating in regional Environmental Control Areas
- Introduction of shore power use for vessels in layup in Norway, where shore side infrastructure is available together with low carbon intensity on the electrical grid
- Monitoring and managing staff business travel to limit emissions from air travel
- Encouraging remote work and video conferencing to minimise emissions from commuting

All of Prosafe's vessels have International Air Pollution Prevention (IAPP) certificates and are subject to regular review. Our emissions to air increased in 2022, driven by a 23.5% increase in the number of operating days.

Energy consumption	2022	2021
Nitrous oxides (NO <sub>x</sub> tonnes)	2 648	1 868
Sulphur oxides (SO <sub>x</sub> tonnes)	178	125



## ECOLOGICAL IMPACT

### Why is it important

As a company operating offshore support vessels, we prioritize and address the ecological impact of our operations. This includes reducing and managing waste, preventing accidental spills and discharges to the natural environment, and reducing our impact on biodiversity. By taking proactive measures to minimize our impact, we aim to ensure that we are operating in an environmentally responsible and sustainable manner.

### Our Approach

Prosafe takes a proactive approach to addressing its ecological impact, with a focus on reducing waste, preventing spills and discharges, and minimizing impact on biodiversity. Our vessels are equipped with International Oil Pollution Prevention (IOPP) certificates and International Sewage Pollution Prevention (ISPP) certificates to ensure that we are following relevant regulations.

We have an approved Hazardous Substance list and seek to substitute high-risk hazardous substances with lower hazardous products wherever possible. When operating alongside offshore installations, we co-operate with the waste management requirements in the operator's operational permits. Additionally, all of our vessels have a waste management system in place that is documented in the Garbage Management Manual, including assessments of all potential waste products and the requirements for waste segregation for transportation ashore.

Ballast water management is controlled within the confines of the International Maritime Organisation (IMO) regulations, with all our vessels holding International Ballast Water Management (IBWM) certificates. Discharge of sewage is also controlled within the confines of IMO regulations, and all of our vessels have been subject to International Sewage Pollution Prevention (ISPP) surveys and have been issued certification in accordance with MARPOL Annex IV.

### Our Performance in 2022

In 2022, Prosafe had no reportable discharges to the natural environment. We regularly conduct exercises to test our Oil Prevention Emergency Response & Spill contingency plans, and our performance in 2022

demonstrates our commitment to operating in an environmentally responsible and sustainable manner. Our ballast water management practices and discharge of sewage remained within the limits of IMO regulations, and there were no accidental or non-regulatory releases. Our waste generated increased in 2022, driven by a 23.5% increase in the number of operating days.

Spills and waste	2022	2021
Unplanned spills or emissions to ground / sea / air	0	0
Total waste (tonnes)	4 499	2 959
Hazardous waste	246	186

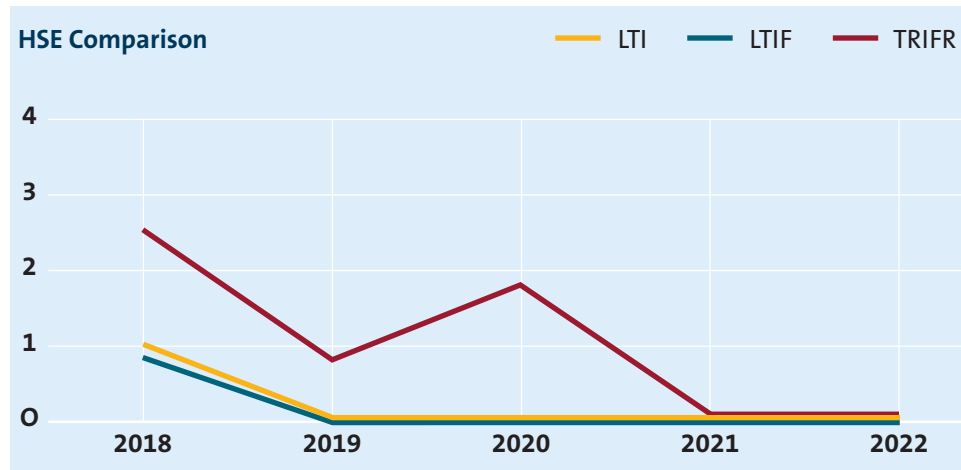


# SOCIAL

## HEALTH AND SAFETY

### Why is it important

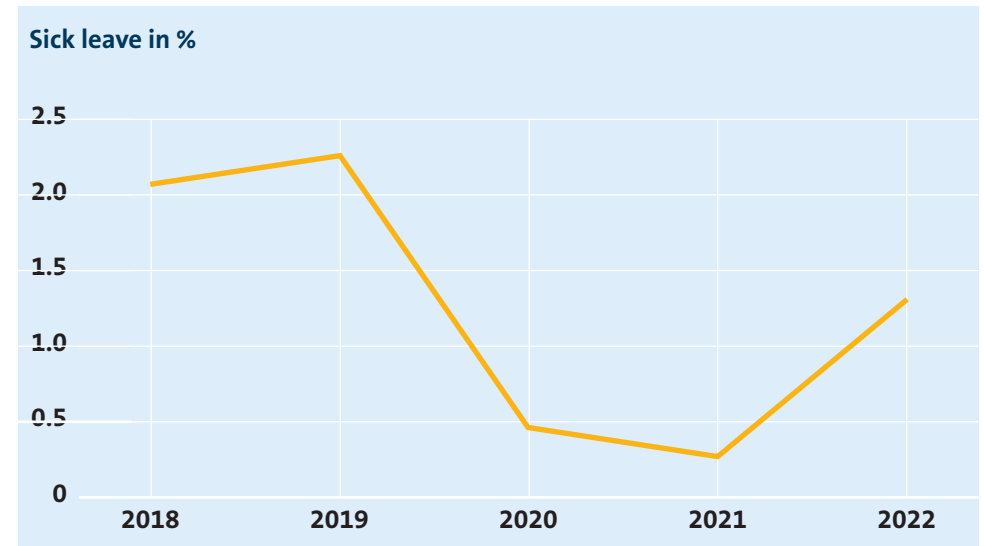
At Prosafe, we understand the significance of ensuring the well-being of our stakeholders. We consider health and safety as a vital aspect of our operations and a critical component of our social responsibility. Our approach to health and safety is driven by our core values and our commitment to ensuring that everyone returns home safely and providing a safe and healthy work environment.



	2018	2019	2020	2021	2022
Number of Lost Time Injuries (LTI)	1.00	0.00	0.00	0.00	0.00
Lost Time Injuries Frequency (LTIF)	0.85	0.00	0.00	0.00	0.00
Total Recordable Injury Frequency Rate (TRIFR)	2.54	0.82	1.81	0.00	0.00

### Our Approach

Health, safety, and environment are line management responsibilities at Prosafe, and strong leadership and collaboration are critical to achieving our goals. We have established policies that provide clear guidance and consider both our legal and moral obligations. Our safety culture promotes employee engagement and empowers our employees to act, with a focus on promoting understanding, feedback, and continuous learning. We strive for zero incidents, injury-free and healthy workplaces.



	2018	2019	2020	2021	2022
Sick leave in %	2,07	2,26	0,46	0,27	1,31



### Our Performance in 2022

In 2022, Prosafe recorded zero Lost Time Injuries (LTIs), with zero Lost Time Injury Frequency Rate, and the Total Recordable Injury Frequency Rate (TRIFR) was also zero. Sick leave was 1.31%, a slight increase from the previous year attributable to the lifting of Covid-19 restrictions, but remaining relatively very low. Prosafe closely monitors and manages absence, and efforts are made to support employees in returning to work, including through occupational health assessments. In 2023, we plan to continue promoting safe and sustainable operations while offering a safe and healthy working environment.

Health and safety	2022	2021
Sick leave	1.31%	0.27%
Lost time injuries (LTI)	0	0
Fatalities	0	0
TRIF (Total Recordable Injury Frequency)	0	0
LTIF (Lost Time Injury Frequency)	0	0
MTC (Number of Medical Treatment Cases)	0	0
RWC (Number of Restricted Work Cases)	0	0
HOC (Number of Hazard Observation Cards)	13 184	10 142
Total exposure hours	908 999	841 230

## EMPLOYEE DEVELOPMENT

### Why is it important

Employee development is critical to the success of Prosafe, as it directly contributes to the growth and success of both the employees and the company. It helps employees to enhance their skills, knowledge and abilities, and enables them to meet their full potential. Investing in employee development also leads to increased job satisfaction, motivation, and engagement, which results in higher levels of productivity and a more positive work environment.

### Our Approach

In annual appraisal dialogues, employees meet with their line managers to review individual work performance and the achievement of personal objectives, giving and receiving feedback and setting objectives for the following year. This dialogue is also used in order to set up individual development plans, discuss career planning opportunities and identify training and development needs for the forthcoming year. In 2022, 95% of the employees that were eligible for appraisal had an appraisal dialogue.

Our approach to employee development is centred around three key principles: continuous learning, individualized development plans, and a supportive work environment.

We believe in providing our employees with ongoing learning opportunities through workshops and training programs. Additionally, we work with each employee to create development plans that align with their career goals and the company's objectives. Our supportive work environment encourages open communication, collaboration, and provides resources for employees to grow professionally.

### Our Performance in 2022

In 2022, we continued to prioritize employee development and saw significant results. Our focus on providing a challenging and motivating workplace and our supportive work environment was reflected in our employee satisfaction survey, where the average score was 3 out of a maximum of 4. These results are at the same satisfactory level as the previous year and demonstrate the effectiveness

of our approach to employee development and the positive impact it has on our employees, the working environment and our business.

The voluntary employee turnover in the Group was 20.6 per cent in 2022, compared with 11.2 per cent in 2021. This increase is mainly due to short term contracts during the period. Upon concluding the contracts, the employed crew sourced other employment resulting in an increase in voluntary turnover.

Employment	2022	2021
Number of employees at year-end	182	103
Annual appraisal dialogues (% of employees)	95%	100%

## DIVERSITY AND EQUALITY

### Why is it important

At Prosafe, we believe that diversity and equality are critical to our success and growth as a company. We understand that a workplace that embraces diversity, with employees from different backgrounds, cultures, and experiences, fosters creativity, innovation, and better decision-making.

### Our Approach

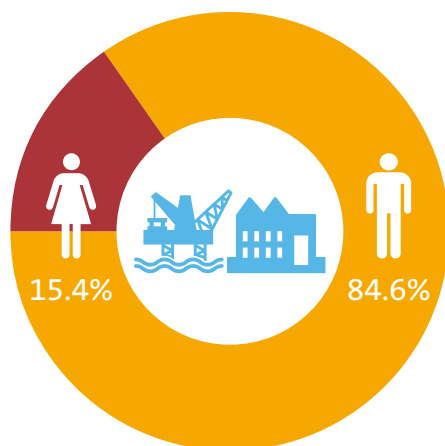
Prosafe is committed to promoting diversity and equality and fostering an inclusive workplace for all employees, regardless of gender, age, disability, pregnancy and maternity, nationality, religion, or sexual orientation. Our equal opportunity policy and practices ensure that all employees are treated fairly and equitably, and that only relevant qualifications and professional criteria are considered when making appointments, conducting performance evaluations, and settling remuneration.

Historically the offshore maritime industry has a low percentage of women working in it. At Prosafe, we are actively working to ensure the operating and employment environment we create is attractive to women and any current or potential employee, regardless of gender, age, disability, pregnancy and maternity, nationality, religion, or sexual orientation.

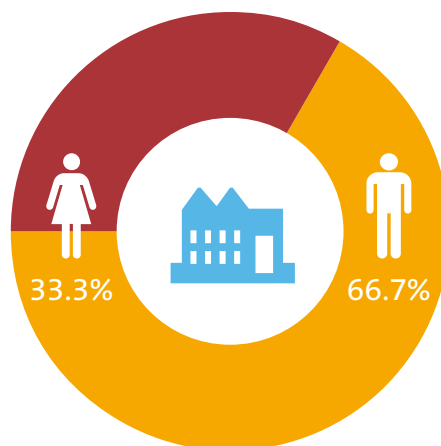
### Our Performance in 2022

Prosafe's commitment to diversity and equality is reflected in its global workforce, with employees originating from 13 different countries from around the world. Women made up 15.4% of all employees, with a slight increase in female offshore employees from 4.8% in 2021 to 5.1% in 2022. Women constituted 19.0% of the managers, and a significant 40% of the Board of Directors. The average age of employees was 44, and fixed-term employees made up 1% of the workforce in 2022. The company is continuously working to overcome the demographic imbalances of the maritime industry and to create a diverse and inclusive workplace that empowers all employees to reach their full potential.

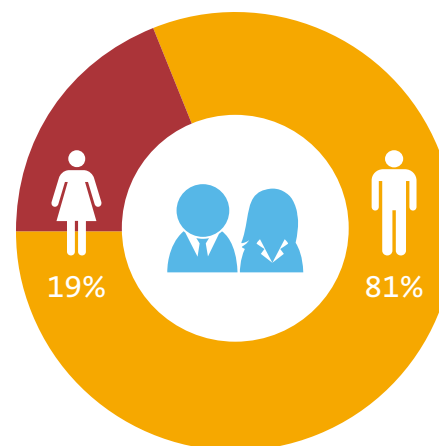
2022 TOTAL EMPLOYEES



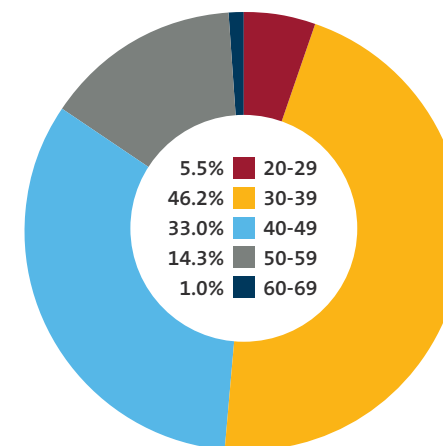
2022 ONSHORE EMPLOYEES



2022 MANAGEMENT



2022 AGE DISTRIBUTION



Demographics	Female % 2022	Female % 2021
Board of Directors	40.0%	50.0%
Management	19.0%	20.0%
Onshore employees	33.3%	40.4%
Offshore employees	5.1%	4.8%
Total onshore + offshore	15.4%	26.3%

All employees shall have a salary that is seen as fair, competitive and in accordance with industry standards. Only relevant qualifications such as education, experience, performance and other professional criteria shall be considered when appointing new employees, making performance evaluations and settling remuneration, and awarding promotion. At year-end, the average salary for female employees in Prosafe was 58% of the average male salary.

A very low level of part-time work, less than 1% of the employees based on employee preferences, was recorded.

## HUMAN RIGHTS AND LABOUR PRACTICES

### Why is it important

Prosafe is committed to respecting human rights and labour standards, as stated in its CSR Policy, Human Rights Policy and Code of Conduct. As a company with operations across developed and in developing regions, Prosafe may be potentially exposed to human rights and labour standard violations in its own operations and indirectly through its supply chain and third-party contractors. Identifying and assuring against these risks is an ongoing, top priority for Prosafe and its partners.

### Our Approach

Prosafe's approach to respecting human rights and labour standards starts with its commitment to its workforce and ends with its suppliers and contractors. The company aims to ensure that all staff across its value chain are treated fairly and without discrimination, have a healthy and safe working environment. The company respects the right to freedom of association and the right to negotiate through relevant representative bodies. In 2022, Prosafe launched a stand-alone [Human Rights Policy](#) which is aligned with the International Bill of Rights and the ILO Fundamental Conventions. This policy provides a framework for managing human rights risks and was approved by the Board of Directors.

Prosafe is taking additional measures to ensure compliance with the new Norwegian Transparency Act which came into force in July 2022. This act requires companies to carry out human rights' due diligence in line with the OECD Guidelines for Multinational Enterprises. In addition, companies must report on the actions taken to mitigate adverse human rights impacts and their effectiveness, as well as to respond to requests for information from the public.

As a first step to comply with the law, Prosafe has identified the following salient human rights issues:

- Employees' right to a healthy and safe work environment and living environment
- Freedom from forced labour and human trafficking
- Access to a clean, healthy, and sustainable environment.
- Non-discrimination in hiring, employment, pay and benefits
- Freedom from workplace harassment.



Prosafe has initiated the process of conducting a gap analysis of its approach to human rights due diligence to identify potential areas for improvements.

A full Norwegian Transparency Act Statement will be published on Prosafe's website together with this report.

### **Our Performance in 2022**

In 2022, Prosafe reviewed its responsible supply chain process and initiated a number of actions as part of the implementation of the Norwegian Transparency Act. The company had operations in 5 countries in 2022, which received Freedom in the World scores of 100, 93, 82, 73, and 47, respectively. The lowest score of 47 is for Singapore and is mainly related to political freedom and civil liberties. Our Singapore activities consist of eight office employees with wage levels and working conditions at par with company practice.

Prosafe did not receive any legal claims from employees regarding human rights violations and no breaches of the Code of Conduct were observed in 2022.

Our annual global employee engagement survey's results in 2022 were at par with those of the previous year, with employees reporting continued good experiences across several subject areas such as employee engagement, performance, and communication. However, we believe that there is still room for improvement and are continuously working towards enhancing our employees' satisfaction and engagement.



# GOVERNANCE

## RESPONSIBLE BUSINESS CONDUCT

### Why is it important

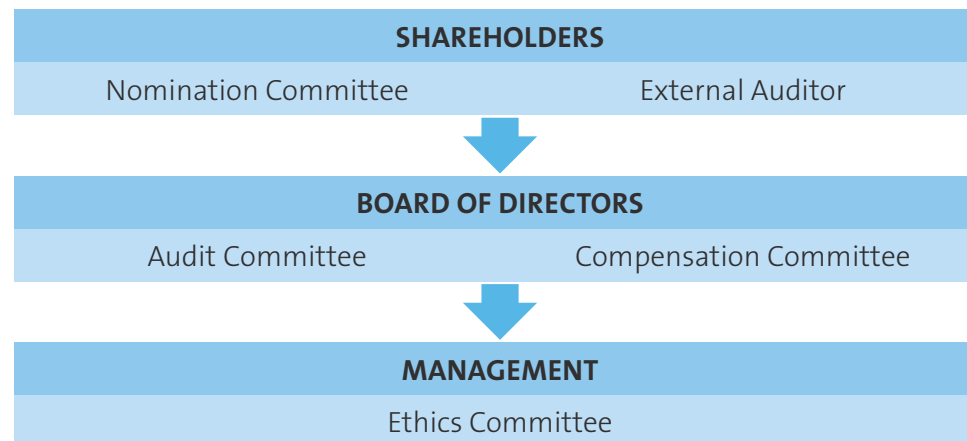
Responsible business conduct, including ethical, transparent and compliant practices, is crucial in order to maintain trust and confidence of stakeholders, employees, customers and the wider society. As a company with global operations, Prosafe recognizes the criticality of implementing sustainable and responsible business practices to promote its long-term growth and success.

### Our Approach

Prosafe's approach to responsible business conduct is rooted in its Core Values, Code of Conduct, and various governing policies such as its Corporate Social Responsibility Policy and principles for Corporate Governance. These policies provide the framework for what the company considers to be responsible conduct and set clear rules and expectations for ethical standards for all employees.

The company's management system is certified to International Maritime Organisation's International Safety Management Code and accredited to several rigorous ISO standards for quality, environmental, health and safety, and energy management. Prosafe is committed to complying with all applicable laws, rules and regulations in every country it operates and conducting business in a fair, ethical and transparent manner.

Prosafe's Ethics Committee is led by the CEO and shall facilitate for anonymous whistleblowing and ensure that reported concerns are investigated and dealt with. The company encourages its employees to report any suspected breaches or unethical behaviour through established whistleblowing channels, which include an online reporting tool for safe, anonymous reporting. The Ethics Committee will also maintain and further develop Prosafe's Code of Conduct.



### Our Performance in 2022

Over the past year, Prosafe has worked vigorously to embed ESG into its policies and management systems. The company has consulted with external experts and stakeholders to devise several quantitative environmental, social and governance KPI targets to drive its development and regularly discusses ESG opportunities, risks and goals with the Board of Directors and executive management.

In 2022, Prosafe's improved its whistleblowing channels by adding an online reporting tool for safe, anonymous reporting that enables employees to report any suspected or unethical behaviour. All reports are handled with discretion and in a professional manner, with no retaliation imposed on those who report and the ability to remain anonymous. There were two whistleblowing cases over the past year, each of which were of minor seriousness and promptly addressed.

Ethical business practice	2022	2021
Number of whistleblowing cases	2	0



## ANTI-CORRUPTION AND ANTI-BRIBERY

### Why is it important

Anti-corruption and anti-bribery practices are critical to maintaining our reputation as a responsible and ethical business. These endeavours ensure that the company operates within the law and in line with the expectations of its stakeholders. By taking a zero-tolerance approach to corruption and bribery, we aim to safeguard ourselves against wrongdoing and demonstrate our commitment to transparency and good governance.

### Our Approach

Prosafe takes a proactive approach to preventing corruption and bribery by embedding anti-corruption and anti-bribery principles into its Code of Conduct and Anti-bribery and Anti-corruption Procedure. The company has zero-tolerance for all forms of corruption, including facilitation payments and political contributions. All employees are expected to adhere to these principles and complete mandatory training. Prosafe assesses and manages corruption risk through country risk assessments, compliance reviews, and due diligence reviews of business partner integrity.

### Our Performance in 2022

In 2022, Prosafe had no legal action taken against it related to corruption, and the company was not aware of any ongoing investigations or legal actions involving anti-competitive, anti-trust, or monopoly violations. Additionally, none of Prosafe's revenue was derived from projects located in the 20 countries ranked lowest by Transparency International's Corruption Perceptions Index.

In recognition of the heightened corruption risk in Brazil, Prosafe uses three independent suppliers to conduct due diligence reviews of its vendors; one company covers the basic compliance and due diligence requirements, one covers IMS requirements and is responsible for the ASVQ, and another covers Petrobras-specific mandates and checks third-party embarkment documentation for all parties. Third party integrity due diligence is conducted on existing and potential commercial agents.

Topic	2022	2021
Political contributions	0	0
Facilitation payments	0	0
Number of monetary fines and non-monetary sanctions for non-compliance with laws and/or regulations	0	0

### Corruption Perceptions Index

Ranking	Country	Score
4	Norway	84
5	Singapore	83
18	United Kingdom	73
77	Trinidad & Tobago	42
94	Brazil	38

## SUPPLY CHAIN MANAGEMENT (ESG Due Diligence)

### Why is it important

Prosafe recognizes the crucial role that its suppliers and business partners play in its success and the impact they have on society, the environment, and stakeholders. Ensuring that its supply chain operates in a responsible and ethical manner is essential for Prosafe to maintain its commitment to sustainability and social responsibility.

### Our Approach

Prosafe has established a robust and comprehensive Supply Chain Management (ESG) Due Diligence process to promote ethical, responsible, and sustainable practices throughout its supply chain. The company's Core Values, Code of Conduct, and standards for corporate social responsibility, health and safety, the environment, quality assurance, and training and competence serve as the foundation of this process.

Suppliers and business partners are encouraged to adopt these values and principles and are subject to regular audits to ensure they are being upheld. The Prosafe Approved Supplier Verification Questionnaire (ASVQ) is the main tool used to assess and monitor the environmental, social, and governance (ESG) practices of suppliers and business partners.

### Our Performance in 2022

In 2022, Prosafe reviewed its existing process for responsible supply chain management and initiated a number of actions to comply with the requirements of the Norwegian Transparency Act.

Prosafe has undertaken a preliminary risk assessment focusing on key suppliers of people-related services such as crewing providers/ medical providers and European Original Equipment Manufacturers OEM that provide the company with service engineers in regions that are deemed higher risk. The risk assessment is based on the following:

- Type of goods/services with a special focus on whether they provide manpower as part of the service
- Location of service requirement
- Perceived risk in the region of operation
- The total annual spend
- Relationship and track record with Prosafe

Through planned, scheduled, and follow-up efficacy monitoring and audit activities, Prosafe was able to review and verify that its suppliers and business partners were meeting the defined standards and requirements. The company continues the work to ensure that all suppliers and partners respect human rights, comply with applicable laws and regulations, avoid bribery and corruption, engage in fair competition, uphold labour standards, and support Prosafe's Core Values and Code of Conduct.

## DATA SECURITY AND PRIVACY

### Why is it important

Data security and privacy are of the utmost importance in today's digital age, as sensitive information can easily be stolen or misused if proper security measures are not in place. The safeguarding of personal data and privacy is also a legal obligation for Prosafe under the European Union's General Data Protection Regulation (GDPR).

### Our Approach

Prosafe is committed to ensuring the highest standards of data security and privacy for its employees, stakeholders and clients. To achieve this, the company complies with GDPR regulations and best practices, and has in place a number of procedural and organizational controls and protective measures. This includes continuous evaluation of new options to improve cyber-security measures, including control of remote access to IT and OT systems, and mail security. Prosafe also runs security awareness campaigns to educate its employees on best practices for working from home and maintaining data security vigilance.

### Our Performance in 2022

Prosafe's approach to data security and privacy has proven effective in 2022, with no reported incidents of data loss, loss of integrity, or downtime of critical IT systems due to cyber-attacks. The company has successfully safeguarded the privacy of its people and stakeholders in accordance with GDPR requirements, ensuring the protection of its stakeholders' personal data.

Topic	2022	2021
Cyber-attacks resulting in loss of data, loss of integrity or other loss	0	0
Cyber-attacks resulting in downtime of critical IT systems	0	0
Notifications about GDPR breaches	0	0

## EMERGENCY PREPAREDNESS

### Why is it important

Emergency preparedness is critical to ensure the safety of our people, the environment and material assets in the event of a crisis. Having effective contingency plans and regular training and exercises helps to minimize harm and ensure the timely provision of relevant information to the outside world.

### Our Approach

Prosafe recognizes the importance of being prepared for any eventuality and has established contingency plans to address potential crises. The company conducts regular emergency response training and exercises in collaboration with customers and third parties to ensure readiness in case of an emergency.

### Our Performance in 2022

We are pleased to report that there were no reportable incidents or accidents in 2022. While we see this as demonstrative of our commitment to emergency preparedness and the effectiveness of our contingency plans, trainings, and exercises, we will nevertheless work diligently to refine and improve our emergency preparedness capabilities.

Topic	2022	2021
Number of emergency drills and exercises conducted within the vessel fleet. (Includes client participation when the vessel is in an operational contract)	469	500
Number of emergency response exercises conducted between vessels and onshore emergency response management teams	7	5

# APPENDIX

## 1. SASB Disclosures

Prosafe discloses against the SASB Marine Transportation (2018) and Oil and Gas Services (2018) Standards, where those disclosures are applicable to the nature of Prosafe's business activities.

Accounting metric	Unit of measure	Data 2022	Data 2021	SASB code
<b>GREENHOUSE GAS EMISSIONS</b>				
<b>CO<sub>2</sub> emissions</b>				
Gross global Scope 1 emissions: Operational control approach	Metric tons CO <sub>2</sub> -e	24 368	25 828	TR-MT-110a.1
Gross global Scope 2 emissions location-based	Metric tons CO <sub>2</sub> -e	20	—*	Additional
Gross global Scope 2 emissions market-based	Metric tons CO <sub>2</sub> -e	42	—*	Additional
Gross global Scope 3 indirect emissions	Metric tons CO <sub>2</sub> -e	95 652	72 517	Additional
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Qualitative description	Page 8	TR-MT-110a.2	
Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Qualitative description	Page 8	EM-SV-110a.2	
<b>Energy consumed</b>				
Total energy consumed	Gigajoules (GJ)	7,748,716	—*	TR-MT-110a.3
	Percentage of energy from heavy fuel (%)	98.05	—*	
	Percentage of energy from renewable / low-carbon sources (%)	1.95	—*	
Average Energy Efficiency Design Index (EEDI) for new ships	Grams of CO <sub>2</sub> per ton-nautical mile	N/A**		TR-MT-110a.4
<b>AIR QUALITY</b>				
<b>Other emissions to air</b>				
(1) NO <sub>x</sub> (excluding N <sub>2</sub> O)	Metric tons	2,648	1,868	TR-MT-120a.1
(2) SO <sub>x</sub>	Metric tons	178	125	
(3) Particulate matter	Metric tons	—*	—*	

Accounting metric	Unit of measure	Data 2022	Data 2021	SASB code
<b>ECOLOGICAL IMPACTS</b>				
Discussion of strategy or plans to address risks and opportunities related to ecological impacts from core activities	Discussion & Analysis	Page 12	EM-SV-160.a2	
<b>Marine protected areas</b>				
Shipping duration in marine protected areas or areas of protected conservation status	Number of travel days	0	30 (at maintenance yard)	TR-MT-160a.1
<b>Implemented ballast water</b>				
(1) Exchange	Percentage (%)	N/A**	N/A**	TR-MT-160a.2
(2) Treatment	Percentage (%)	N/A**	N/A**	
<b>Spills and releases to the environment</b>				
(1) Number	Number	0	0	TR-MT-160a.3
(2) Aggregate volume	Cubic metres (m <sup>3</sup> )	0	0	
<b>RESPONSIBLE BUSINESS CONDUCT</b>				
Management of the Legal and Regulatory Environment				
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion & Analysis	Page 18	EM-SV-530a.1	
<b>ANTI-CORRUPTION &amp; ANTI-BRIBERY</b>				
<b>Corruption</b>				
Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Number	0	0	TR-MT-510a.1
Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Reporting currency	0	0	EM-SV-510a.1
Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion & Analysis	Page 19	EM-SV-510a.2	
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	USD	0	0	TR-MT-510a.2



Accounting metric	Unit of measure	Data 2022	Data 2021	SASB code
<b>HEALTH &amp; SAFETY</b>				
Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Discussion & Analysis	Page 13		EM-SV-320a.2
<b>Health &amp; Safety Incidents</b>				
Lost time incident rate (LTIR)	Rate	0	0	TR-MT-320a.1
Total recordable incident rate (TRIR)	Rate	0	0	EM-SV-320a.1
Fatality rate	Rate	0	0	
Near-miss frequency rate (NMFR) (pr. 1 million exposure hours)	Rate	4.40	2.38	
Total vehicle incident rate (TVIR)	Rate	N/A**	N/A**	
<b>Average hours of health, safety, and emergency response training</b>				
Full-time employees	Rate	—*	—*	EM-SV-320a.1
Contract employees	Rate	—*	—*	
Short-service employees	Rate	—*	—*	
<b>EMERGENCY PREPAREDNESS</b>				
<b>Critical Incident Risk Management</b>				
Discussion of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion & Analysis	Page 21		EM-SV-540a.1
<b>Marine casualties</b>				
Incidents	Number	0	0	TR-MT-540a.1
Very serious marine casualties	Percentage (%)	0	0	
<b>Conditions of class</b>				
Number of Conditions of Class or Recommendations	Number	27	34	TR-MT-540a.2
<b>Port State Control</b>				
Deficiencies	Rate	N/A**	N/A**	TR-MT-540a.3
Detentions	Number	N/A**	N/A**	

Accounting metric	Unit of measure	Data 2022	Data 2021	SASB code
<b>OUR OPERATIONS IN NUMBERS</b>				
Number of shipboard personnel per 31.12.2022	Number	259		TR-MT-000.A
Total distance travelled by vessels	Nautical miles (nm)	N/A**	N/A**	TR-MT-000.B
Operating days	Days	1 738	1 407	TR-MT-000.C
Deadweight tonnage	Thousand deadweight tons	N/A**	N/A**	TR-MT-000.D
Number of vessels in fleet active per 31.12.2022	Number	6	6	TR-MT-000.E

–\* Data unavailable and to be reported in 2023.

N/A\*\* Not applicable to Prosafe's activities.

## 2. TCFD Disclosures

This summary statement of Prosafe’s climate-related risks has been prepared in alignment with the Taskforce for Climate-related Financial Disclosures’ (TCFD) recommendations.

<b>Governance</b>		
1	Describe the Board of Directors’ oversight of climate-related risks and opportunities	<p>In accordance with the principles supporting value-based management, the Board of Directors places significant importance on systematic risk management. This is done by identifying existing and potential risk exposures. This approach satisfies the requirements set out in law and ensures the company’s governance remains fit for purpose in a highly dynamic market environment.</p> <p>This year, Prosafe undertook a Climate Risk Review with support from an independent expert. The review has been presented to the Board of Directors. The review covered risk categories described in the TCFD framework – namely, physical, regulatory, market, technology and reputation risks (and opportunities).</p> <p>Climate-related risks and opportunities are regularly reviewed as part of its overall responsibility for risk governance by the Board of Directors. Going forward, the Board of Directors will receive quarterly updates on climate risk, including emerging regulations, developments in the company’s performance on the decarbonization strategy – emissions reduction trajectories and technological developments.</p>
2	Describe management’s role in assessing and managing climate-related risks and opportunities	<p>The management team regularly reviews climate related risk and opportunity, as part of its daily operations. The management team’s responsibility for ongoing climate risk and opportunity review contributes to our company strategy and enterprise risk management approach. Prosafe has conducted an initial assessment of all relevant risk and opportunity areas, including operations; contracts; charter parties and so forth. Where risks have been identified, they are defined, and specific countermeasures are being developed.</p> <p>In 2022, the management team completed the following projects, where climate-related risks and opportunities were assessed, or that contributed to the assessment of or deployment of countermeasures for climate-related risks and opportunities:</p> <ul style="list-style-type: none"> <li>- ESG Strategy review</li> <li>- TCFD-aligned climate risk review (i.e. this process)</li> <li>- Collection and reporting of climate-related data including GHG emissions</li> <li>- Setting a decarbonization goal/pathway</li> <li>- Establishing a decarbonization plan</li> <li>- Updating the corporate risk register with climate risks.</li> </ul> <p>Management reports material climate related risks and opportunities to the Board of Directors.</p>

<b>Strategy</b>		
3	Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	See separate risks and opportunities table following.
4	Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	<p>See separate risks and opportunities table following.</p> <p>Prosafe has undertaken a climate risk review and analysis to understand how climate risks and opportunities are likely to impact the business, its strategy and financial planning. Using information from these sources and its ongoing monitoring of GHG emission performance across the fleet, Prosafe believes it is well positioned to absorb, mitigate or adapt to climate-related risks; and, in some cases may exploit available opportunities. This position is supported by the following assertions:</p> <ul style="list-style-type: none"> <li>- The financial strength of the business and ability to execute on its financially-planned, long-term asset/fleet/technology upgrade and renewal programme.</li> <li>- Ongoing investment in and updating of the knowledge and capability of human capital within the business to respond to climate-related risks and opportunities.</li> <li>- The review and establishment of available climate related data and information on which to make business, strategic and financial decisions on.</li> <li>- The resilience of the existing business model, financial planning and strategic approach to respond to a wide range of forecast climate scenarios.</li> <li>- Current and forecast demand for low carbon providers in the markets that the company services.</li> </ul>
5	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	<p>Prosafe is currently scoping and assessing what future climate scenarios will look like – ranging from business-as-usual to 2 degrees C or lower, and how these will affect the business. The work in this area is designed to ensure that the business strategy can be refined to better meet future scenarios. For Prosafe, the approach to emissions reductions will be mainly through investments in new assets and technology, with a planned long-term fleet upgrade and renewal programme in place.</p> <p>Reduction pathways required to achieve various climate goals have been analysed, including the IMO's and the Paris Agreement's current 2030 and 2050 climate targets. Prosafe's strategy is evolving in response to these and various future climate scenarios, aiming to adapt as required and ensure resilience is built in, as described in point 4.</p>

<b>Risk management</b>		
6	Describe the organization's processes for identifying and assessing climate-related risks	<p>Prosafe has undertaken a climate risk review to understand its climate risks and opportunities.</p> <p>Risk management is an integrated part of our daily operations and management processes. Every year enterprise risks, including climate risk, are formally presented by management to the Board of Directors, based on input from technical managers. The Board of Directors and management also have an ongoing dialogue during committee meetings regarding climate related risk, such as fleet performance, and investment decisions.</p>
7	Describe the organization's processes for managing climate-related risks	<p>Climate-risk management is integrated in our overall risk management processes, as it is part of assessing the effect of regulatory and propulsion technology developments.</p> <p>Through (i) yearly reviews of the company's most prominent areas of risk exposure and its internal control arrangements, (ii) management guidelines and (iii) the appointment of a dedicated risk management unit to perform risk monitoring and provide regular risk management updates, the Board of Directors aims to ensure that the company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the company's activities.</p>
8	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	The risk management approach to climate-related risks has been updated and incorporated into Board and management processes. It is based on assessing the likelihood and impact of developments and performance of the risks our company face or may face. When the combination of likelihood and impact for a certain factor constitutes a sufficiently high level of risk, that risk is then included in our overall risk management processes.
<b>Metrics and targets</b>		
9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Intensity metrics per unit of operating days are being investigated. Other metrics are being developed for risk measurement.
10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section of the ESG report for 2022.
11	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	<p>In line with the IMO's emission reduction trajectories we are currently following the IMO initial GHG reduction pathway:</p> <ul style="list-style-type: none"> <li>- 50% reduction in emission intensity by 2030</li> <li>- 50% reduction in total emissions by 2050</li> <li>- 70% in emission intensity by 2050</li> <li>- Zero emissions as soon as possible within this century.</li> </ul> <p>More specific GHG emission reduction targets are currently being considered and will be reported in 2023.</p>



### PHYSICAL RISKS

- Physical risks may have financial implications for the company, such as direct damage to assets and indirect impacts from disrupted operations e.g. disconnection of gangway and ceasing of day rate.
- Extreme weather / increased frequency of extreme weather and related knock-on effects that causes disruption in operations, e.g. increased time where the gangway is disconnected.
- Extreme weather / increased frequency of extreme weather and related knock-on effects that causes disruption and impacts on customers' activities, operations and markets. Including similar indirect affects further down the value chain.

### REGULATORY RISKS

- The company is exposed to changes in legal, tax and regulatory regimes within relevant jurisdictions as well as potential private litigation and public prosecution.
- In the current geopolitical context there are newly introduced and further strengthened sanction regimes, and legal risk exposure is elevated.
- Future carbon costs and marine transportation becoming part of the EU ETS will impact cost structures if and when operating in EU waters.
- Impacts of speed of regulatory shift on business planning, strategy and cost structures to comply with new and additional regulation.
- Potential for regulatory non-licensing of oil and gas exploration and production activities.

### MARKET RISKS

- Changing customer requirements and contract risks – meeting market expectations for lower GHG emissions.
- The volatility of the fuel market poses a potential risk. Any sort of regulation can increase product prices; however fuel prices can be particularly volatile in this regard.
- Impacts on business planning, strategy and cost structures to meet new and evolving market requirements.
- Increasing scrutiny from the providers of capital in relation to carbon intensive business activities, affecting both the access to, and cost of, capital.
- Shift from passive disclosure requirements to demonstration of an action-oriented approach.
- Increased cost in the supply chain (due to increased competition, new regulations, increased energy prices and increased costs related to raw materials, e.g. steel)
- Increased scrutiny from financial sector on oil and gas industry globally. (Investors exclude oil and gas from investment portfolio; banks increase price of credit for companies in the oil and gas industry)
- Change in the oil price (a lower oil price will result in fewer development projects being viable)

### TECHNOLOGY RISKS

- IT and cyber risks make up an increasing share of a company's risk profile.
- Tested and fit-for-purpose low carbon technologies are becoming available. The speed and effectiveness of their implementation is affected by multiple factors, including the reliability of the technology itself, validation of its operational efficiency improvements and willingness or ability of the company and its customers to adopt.

### REPUTATION RISKS

- Reputational risks broadly associated with the role of the oil and gas industry in the energy transition, including the management of those risks by clients.
- Reputational effects related to spills, routes affecting ecosystems and biodiversity.
- Ability to meet the fuel efficiency or GHG emission reduction performance of industry peers, with potential positive or negative reputational risks, depending on performance in any given time period.
- Decreased public support for oil and gas. (Increased polarization in public debate. Political parties with climate focus gain increased public support. Could result in Prosafe losing employees, fail to attract talents due to the industry in general being viewed as unattractive and unsustainable)

### OPPORTUNITIES

- Becoming the recognized low carbon operator of choice and preferred chartering partner.
- Access to new funding through green finance or debt or government support offerings to implement emission reduction initiatives.
- Adoption of new technologies to reduce GHG emissions, to stay ahead of competition, ahead of regulations, enhancing reputation and competitiveness.
- Expansion of asset portfolio and tilt towards green energy markets and activities e.g. wind installations.
- High ESG performance driving an enhanced reputation.
- Adaptation leading to improved operational performance.
- Technology opportunities for improving (increasing efficiency) onboard systems, including alternative fuels and hybrid power plants.
- Opportunities in developing partnerships with leading industry actors to accelerate decarbonization.

## LIST OF ABBREVIATIONS

Abbreviation	Definition
Contractors	Third party vendors
CSR	Corporate Social Responsibility
ESG	Environment, Social and Governance
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas Emissions
GHG emissions – scope 1	Direct GHG emissions from operations that are owned and/or controlled by the company
GHG emissions – scope 2	Indirect GHG emissions from energy purchased from third parties for e.g. heating or cooling and consumed within the company
GHG emissions – scope 3	All other indirect GHG emissions from activities of the company occurring from sources that the company does not own or control, i.e. business travel, procurement, waste and water
GRI	Global Reporting Initiative
Hazardous waste	Waste is considered to be hazardous waste according to the regulations under which the activity operates or where the waste can pose a substantial hazard to human health and/or the environment when improperly managed
IMO	International Maritime Organisation
ISO	International Standards Organisation
KPI	Key Performance Indicator

Abbreviation	Definition
LTI	Lost Time Injury, which means the employee was absent from the next work shift because of the injury
LTI frequency	The Lost Time Injury (LTI) frequency is calculated by multiplying the number of LTIs by 1 million and dividing this by the total number of man-hours worked
Marine crew	Includes employees and temporary agency personnel. Contractors (third party vendors) are not included
MARPOL	The International Convention for the Prevention of Pollution from Ships
SASB	Sustainability Accounting Standards Board
SDG	The United Nations' Sustainable Development Goals
Sickness absence	The total number of sickness absence hours as a percentage of planned working hours (Prosafe employees)
TCFD	Task Force for Climate-related Financial Disclosures
Total recordable injury frequency (TRIF)	Number of fatal accidents, lost-time injuries, injuries involving substitute work and medical treatment injuries per million hours worked



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