

Fred. Olsen Seawind Sustainability Report 2022





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INTRODUCTION



CEO letter

Dear shareholders and stakeholders,

As an invested player in the energy sector, we are dedicated to contributing to the development of the offshore wind industry and the production of clean energy. Our mission, vision, and purpose have always been centered around creating a sustainable future for our planet.

We have grown our business substantially in 2022, and we are actively seeking new business opportunities both in our core markets and in new geographies.

While we acknowledge the sustainability challenges related to biodiversity and emissions in our supply chain, we are working closely with environmental organizations, research institutions, and other industry players to find better solutions and minimize our environmental footprint.

At the same time, we believe that social awareness and strong engagement with local stakeholders and communities are essential prerequisites for successful development projects. That's why we engage with local businesses, suppliers, and service providers to ensure that our activities also benefit those in the communities we operate in.

We are a company with high integrity and ethical standards, and we are committed to complying with all applicable laws, rules, and regulations. This is described in our Code of Conduct, and we expect all employees and suppliers to behave and conduct their business in accordance with the principles of this code.

We are confident that our unwavering commitment to sustainability, combined with our strategic partnerships and investments, will contribute significantly to the development of the offshore wind industry and the production of clean energy.

Thank you for your continued support.

Sincerely,
Lars Bender
Chief Executive Officer,
Fred. Olsen Seawind



Lars Bender
Chief Executive Officer

About Fred. Olsen Seawind

Fred. Olsen Seawind is building on the Fred. Olsen companies' maritime history dating back to 1848. The company originates from Fred. Olsen Renewables, which put its first onshore wind farm into operation in the early nineties and has since established 12 wind farms with 338 turbines and a capacity of 788 MW.

In 2021, the business area for offshore wind was established as a separate group, and Fred. Olsen Seawind now exclusively focuses on developing the offshore wind segment. Our 21 permanent employees are located in Norway, England, Ireland, Scotland and Denmark.





Together with our partners we currently have two ongoing projects where site exclusivity has been secured, namely the Codling Wind Park project in Ireland together with EDF, and Muir Mhòr Offshore Wind Farm in Scotland alongside Vattenfall. Installation completion dates are subject to approval of consent and final investment decisions.

We are also working actively on our bids for the two Norwegian projects Utsira Nord and Sørliche Nordsjø II together with our partners Ørsted and Hafslund in the partnership called Blåvinge.

In addition to these projects, Fred. Olsen Seawind is developing a pipeline of offshore wind projects in various phases of early planning stage.



Our projects

Country	Project	Partner	Capacity	Description
	Codling	EDF	1300 MW	Location: Codling Bank in the Irish Sea. Status: A successful outcome in Ireland's first CfD auction was announced in May 2023, guaranteeing a fixed, government backed price on future energy production. The project is moving towards FID in 2025.
	Muir Mhòr	Vattenfall	798 MW	Location: Northeast of Aberdeen, Scotland. Status: The project is working on developing its consent application and is currently undertaking data collection on site.
	Sørlige Nordsjø II	Ørsted Hafslund	Announced 1500 MW in first phase	Location: North Sea. Status: The project is working on its application and bid proposal. Seabed award is expected by end of 2023.
	Utsira Nord	Ørsted Hafslund	Announced 1500 MW, 3 projects of 500 MW	Location: North Sea. Status: The project is working on its application. Seabed award is expected by end of 2023.

About the report

This report is based on the World Economic Forum (WEF) framework. It provides a general description of the company, business context, activities, and performance in 2022 for the metrics 'Environment', 'Social', 'Governance' and 'Prosperity'.

For this document, we have limited the ESG reporting to describe WEF metrics that are relevant for our activities, both current activities and activities planned in the future.

As we do not yet have operational activities, performance figures are limited. As 2022 is our first full year as separate group, performance figures from 2021 are not included. We have not included activities carried out in our joint venture entities.

In 2022 we have kicked off our sustainability work, and during 2023 we will work at further developing our sustainability targets and concretize the actions we need to take in order to reach our targets.



The materiality assessment identifies the key environmental, social and governance topics. It considers the level of materiality of each topic against the importance for the stakeholders and impact on our own value creation.

Preliminary analyses have been undertaken on the topics' significance for each group of stakeholders, with consideration of the likelihood for unwanted events. The most significant material topics have been evaluated towards their expected importance to stakeholders and their impact on business.

We believe providing green energy to the world is our most significant contribution to sustainability. As renewable energy replaces energy produced by fossil fuels it has a direct positive impact on reducing GHG emissions. Energy will continue to be in high demand in the future, and our production will contribute to securing energy supply to households and allow businesses to grow.



ENVIRONMENT



Strategy and objectives - Environment

Applicable UN Sustainability Development Goals:

Objectives:

Increase renewable energy production:

- Our first windfarm in production within 2029
- Continue the development of offshore wind farms in various markets

Reduce GHG emissions:

- Aim at choosing the alternatives with the lowest GHG emissions, taking environmental, social, technical, and economical aspects into account
- For construction projects in planning phase, aim at implementing GHG emission as an evaluation criteria for selecting suppliers
- Continuously assess measures to reduce Scope 1, 2, and 3 GHG emissions

Environmental impacts and nature loss:

- Minimum potential impact on biodiversity and key species

Reduce waste:

- For construction projects in planning phase, consider implementing recyclability of materials as an evaluation criteria for selecting suppliers



Strategy:

Our sustainability strategy is to contribute to the shift towards a sustainable and decarbonised society by delivering renewable energy from offshore wind and through developing our businesses further into existing and new markets.

All projects undergo comprehensive Environmental Impact Analyses in line with the regulators' requirements, evaluating all environmental aspects influencing construction and operations of the power plants.

We are utilising a thorough risk-based approach to eliminate hazards and risks, allowing us to implement project specific measures to minimise the overall environmental impact.

Renewable energy production

(WEF theme: "Climate change")

Our contribution

As an early phase developer of offshore wind farms, Fred. Olsen Seawind contributes to renewable energy production through the initiation and planning of new wind farms.

Our production

Currently, we have a pipeline of secured sites with a capacity of 2 098 MW with the Codling project and the Muir Mhòr project. We are continuously assessing possibilities to grow our portfolio.

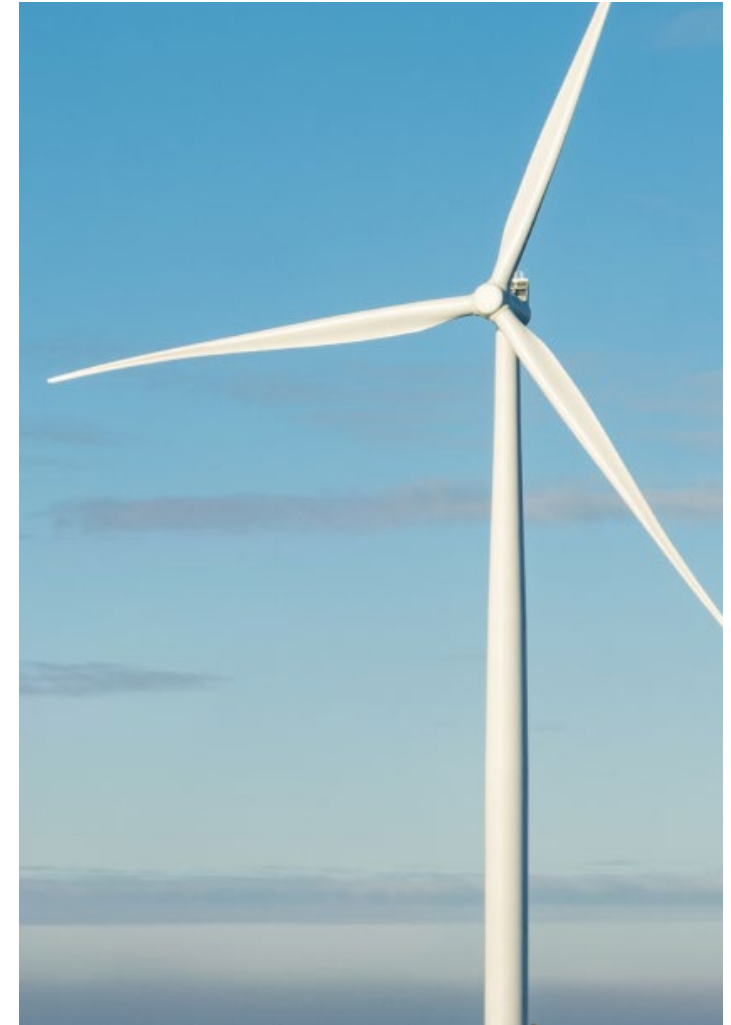
Our activities – early phase development

Our business development and project development departments are responsible for the whole process from identification of new prospects and entering partnerships, until consents have been given and separate entities have been set up together with our partners.

Our activities – joint venture projects

When the national authority has given consent for a new offshore wind farm or seabed has been secured, a project company will be established, in some cases together with our partner(s). The project company takes over the responsibility for detailed planning of the project.

This includes evaluating and recommending principal contractors for cable laying, foundations, wind turbines, installation vessels, etc. The project is also overall responsible for execution of the installation works.



Green House Gas emissions

(WEF theme: "Climate change")

Our 'CO₂ footprint' is calculated in accordance with the GHG Protocol Corporate Standard, dividing the emissions into three main categories:

- Scope 1 –Direct emissions
- Scope 2 –Indirect electricity generated emissions
- Scope 3 –Other indirect emissions

Fred. Olsen Seawind has not yet wind farms under construction or in operation. We have not included emissions included in our joint venture entities. Consequently, there are no scope Scope 1 emissions. Scope 2 and 3 emissions are limited to the following activities:

ENVIRONMENTAL KPIs	2022	Activities
GHG emissions – Scope 1	Not applicable	No GHG emissions from own assets
GHG emissions – Scope 2	2 tCO ₂ eq	Relates to electricity generated emissions from office buildings in Oslo, London and Stirling
GHG emissions – Scope 3	13 tCO ₂ eq	Business travels



Climate risks and opportunities

(WEF theme: "Climate change")

Methodology

Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework has been used for assessing the transition risks and climate related opportunities. For the physical climate risks, the EU Taxonomy framework has been used as guidance.

Transition risks (TCFD)

The following risks have been identified as applicable:

- Increased pricing of GHG emissions
- Enhanced emissions-reporting obligations
- Mandates on/regulation of products and services
- Unsuccessful investment in new technologies
- Uncertainty in market signals
- Increased cost of raw materials
- Stigmatization of sector
- Increased stakeholder concern or negative feedback

Physical risks (EU Taxonomy)

- Cold wave/frost
- Storm (including blizzards, dust and sandstorms)
- Heavy precipitation (rain, hail, snow/ice)

Climate related opportunities (TCFD)

The TCFD framework has been used to identify and prioritise the opportunities that arises in the different scenarios, the top five being:

- Development/expansion of low emission goods and services
- Access to new markets
- Development of new products or services
- Increased demands for lower emission energy
- Use of public sector incentives

Summary of findings

Fred. Olsen Seawind's activities are affected by climate risks in various ways.

Several transition risks are highly relevant, and the company pays close attention to the development in the prices of raw materials and GHG emissions as this is important for our levelized cost of electricity, the regulations from the different governments as this impacts our ability to develop projects and the feedback from environmental organizations and other stakeholders.

The threat by physical risks is limited given the current geographies the company operates in, but an increase in extreme weather conditions such as heavy storms and snow/ice might lead to challenging conditions for installation and maintenance of the turbines. This risk increases in step with the different climate change scenarios.

As the climate change entails a need for green energy to replace fossil fuel, there are climate related opportunities arising for renewable energy production. It is expected that new markets will open up and represent viable business opportunities.

EU Taxonomy

(WEF theme: "Climate change")



Background

The taxonomy is a system of classification that establishes clear and consistent criteria for determining if economic activities are sustainable. It utilises science-based technical screening criteria that must be met for an activity to be considered "green."

EU Taxonomy score

To assess our activities' eligibility and alignment we have used Celsia's taxonomy software solution.

An economic activity must make a substantial contribution towards at least one of EU's six environmental objectives to qualify as eligible within the EU Taxonomy. Production of electricity from wind power fulfills this criterion, and the development and construction of offshore wind farms is considered part of this activity. For the activity to be aligned, the Taxonomy sets out certain additional criteria:

- Do no significant harm to any of the EU's other five environmental objectives
- Comply with minimum safeguards
- Comply with the technical screening criteria set out in the Taxonomy delegated acts

Assessment of activities and scope

We have conducted a thorough review of our business activities in line with the EU Taxonomy.

Fred. Olsen Seawind's most advanced projects, Codling Wind Park and Muir Mhòr Offshore Wind Farm, are both owned by separate joint venture entities (JV's) that in Fred. Olsen Seawind are subject to equity accounting. The projects are not part of Fred. Olsen Seawind's taxonomy reporting. Fred. Olsen Seawind therefore has no reportable capex. It is Fred. Olsen Seawind's objective that all JV's over time can classify their activities as aligned.

The turnover in Fred. Olsen Seawind is related to charges to the JV's for various consultancy services conducted by employees in Fred. Olsen Seawind. This turnover is not assessed to be eligible as it is considered "technical consultancy" which is not an activity covered by the taxonomy.

Early phase development such as market studies and various desktop studies is considered eligible opex. However, as the early phase development activities do not yet comply with all the documentation requirements, the opex is not considered aligned.

Nature loss and biodiversity

(WEF theme: "Nature loss")

Offshore wind farms may have the potential to have biodiversity impacts on fish, birds, and sea mammals.

Through the Environmental Impact Assessment (EIA) process, we will always try to avoid and mitigate the potential nature impact of our business as much as possible.

EIA Process:

An EIA seeks to identify and describe likely significant effects, both positive and negative, that may result from a project. Where likely significant effects are identified, the EIA Report (EIAR) provides a suite of mitigation measures, the purpose of which is to avoid, reduce or prevent impacts from occurring. These measures are then integrated into the design, programme or construction methodology of our projects.

Potential Impacts include changes to the physical, biological or human environments.



Nesting Gulls



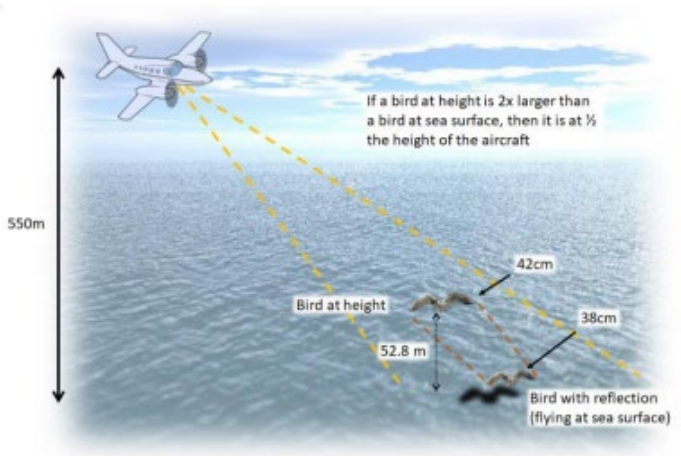
Intertidal benthic survey- CWP



Fisheries co-existence with offshore wind

Nature loss and biodiversity

(WEF theme: "Nature loss")



Hi-Def DAS Methodology



Geotech survey vessel 'Arctic tern' - CWP
Nearshore Survey



FLiDAR Bouy

When planning an offshore wind farm, we will take all necessary actions to reduce biodiversity impacts.

Digital Aerial Surveys (DAS)

Undertaking aerial surveys of all our sites to characterise the baseline conditions. The surveys are completed by camera mounted systems on survey planes. We use this technology to calculate estimates for birds, marine mammals, sharks, turtles and human activity.

Seabed Surveys

For all projects we undertake seabed characterisation surveys of all sites ensuring we have a strong understanding of all seabed conditions, including met ocean and ground conditions.

Ornithology & Marine Mammals

Throughout the EIA process where any potential impact is noted a mitigation strategy is developed to ensure biodiversity features are protected throughout the project life. Potential mitigations include; Marine Mammal Observers during surveys, Bubble Curtains during construction and artificial nesting sites during operation

Stakeholder Engagement

Throughout the lifecycle of our projects we engage with key stakeholders, including other users of the sea, such as commercial fisheries organisations to ensure our plans and proposals have a minimal impact upon existing activities.

Nature Inclusive Design

Throughout the design process of all projects we look to utilise nature inclusive design philosophies where possible.

SOCIAL



Description and objectives - Social

Our people:

Fred. Olsen Seawind currently has business activities in Norway, UK, Ireland, USA and Italy, and we are constantly considering new markets and geographies. At the end of 2022, we were 21 permanent employees.

Human Resources are managed in compliance with the labour laws and regulations for each country. Our personnel management system contains 'Personnel Handbook' and work regulations and provides the necessary rules and guidelines for the employees.

In our industry there is a high demand for employees with relevant experience, and it can be challenging to find the needed resources and people with the right competencies. We want to be an attractive employer, and we invest in our people. We offer training, and we encourage personal and professional development. We cooperate closely with our sister entities in the Bonheur Group, facilitating the sharing of knowledge and the exchange of experiences across the Group.

We have a zero tolerance for discrimination, and we are looking at different measures to implement to ensure equality related to gender, age, ethnic origin, nationality, disability, sexual orientation, religion, or political opinion.

Our objective is zero work related sick leave cases, zero labour rights cases and zero cases of corruption in our entire supply chain.

Applicable UN Sustainability Development Goals:



Human rights

(WEF theme: "Ethical behaviour")

("Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act)")

Background

Fred. Olsen Seawind's main activities are located in UK, Ireland and Norway. These countries are considered as relatively low-risk areas when it comes to human rights, but as our projects move into construction phase, we will have exposure to high risk countries in our supply chain. As our business expands globally, and the suppliers to our joint ventures to a much larger extent are fabricating components globally, a higher focus on fundamental human rights and decent working conditions is needed.

Review for responsible business conduct

In accordance with the new Transparency Act, a preliminary analysis has been conducted, following the OECD six-step process:

Step 1: "Embed responsible business conduct"

The 'Code of Conduct' is published internally and at our website. It states the policies for maintaining high ethical standards and integrity. Responsible business conduct is embedded in our management system and covers aspects that are relevant for own operations, operations owned by our joint ventures, supply chain, and other business relationships.

Step 2: "Identify and assess adverse impacts"

We have undertaken a broad scoping exercise to identify all areas of the business, across its operations and relationships, including supply chains, where risks are most likely to be present and most significant.

The analysis has pointed out our activities in Italy as the primary risk related to breaches of human rights or corruption.

Step 3: "Cease, prevent or mitigate adverse impacts"

We are continuously assessing which markets and geographies we want to be present in, and the risk of adverse impact is a factor that is given a lot of weight in the assessment. More detailed procedures will be developed for our project in Italy if decided to proceed with this project.

Step 4: "Track implementation and results adverse impacts"

The following measures are planned to track implementation and results:

- Whistle-blower function
- Reporting routines for own personnel
- Reporting of complaints
- Reporting of nonconformities
- Response time for inquiries

Step 5: "Communicate how impacts are addressed"

As required in the Transparency Act, §5, relevant information will be made available in accordance with the law.

Step 6: "Provide for or cooperate in remediation when appropriate"

If we identify that the company has caused or contributed to actual adverse impacts, such impacts shall be addressed by providing for or cooperating in their remediation.

Equality and anti-discrimination

(WEF theme: "Dignity and equality")

(Equality and Anti-Discrimination Act, §26 – "Likestillings- og diskrimineringsloven, §26 Aktivitets-og redegjørelsesplikten")

Policies

Our Code of conduct states:

"... we do not accept any form of discrimination on the basis of gender, age, ethnic origin, nationality, disability, sexual orientation, religion, political opinion, or otherwise".

Actual gender balance and part-time work

By the end of 2022, we had the following gender balance:

Employees	Total	NO/DK	UK/IE
Male	13	8	5
Female	8	3	5
Total	21	11	10
Female ratio	38%	27%	50%

The management group had six male and one female employees.

There are no cases of involuntary part-time work in our company. In 2022 we had no employees on parental leave. The sickness rate was 0.6%. We had no occupational illness cases and no labour rights cases.

Risk assessment – equality and anti-discrimination

We have undertaken a thorough assessment of the risks related to discrimination or other barriers to equality.

The most significant risks identified are

1. Gender imbalance
2. Pregnancy, maternity, paternity leaves
3. Physical disabilities

The energy sector is historically male dominated, and there is still a predominance of male employees both in the industry and in the relevant education programs.

Some of the positions in Fred. Olsen Seawind require travelling, and this might be considered a challenge for parents of young children.

In the Oslo office, there are physical obstacles related to the building, as the building is old and not suited for elevators.

Mitigating measures

Efforts are made in order to attract diversity. In job advertisements we emphasize that we are an inclusive and diverse place to work, and that we value variation with regards to gender, age, ethnicity and so forth. When using headhunters, we communicate a desire for diversity.

We are currently analysing the language used in job advertisements in order to use more gender neutral language, and we are conscious of which employees are sent to represent Fred. Olsen Seawind on external events in order to ensure a representation of the company's diversity.

When possible, digital meetings are encouraged over physical meetings in order to minimize the amount of travelling.

GOVERNANCE



In Fred. Olsen Seawind, we always strive to be in compliance with all national, local and maritime laws, rules and regulations that apply to our activities.

To ensure integrity, Bonheur ASA and the Group of companies have implemented whistleblower channels and processes where suspected behavior in breach of the ethical policies such as HSE rules, harassment, insider trading, fraud, bribes or other violations of ethical guidelines can be reported. There have not been reported any breach of the ethical policies or any other unwanted behavior during 2022.

We have a zero tolerance for corruption. As part of the onboarding program, all new employees are required to participate in the established e-learning modules (which currently consist of Code of Conduct, Corporate Social Responsibility, Anti-Corruption/Anti-Bribery and GDPR). The content of these courses is regularly reviewed, and relevant updates are implemented accordingly. At year end 2022, the completion rate of these courses in Fred. Olsen Seawind ASA was 100%.

We will continue to focus on training and further implementation of anti-corruption measures. During 2023, we will work on setting specific targets and continue to develop our corporate governance procedures.

Applicable UN Sustainability Development Goals:



GOVERNANCE KPIs	2022
Corruption/bribery cases	0
Corporate fines	0
Whistle-blowing cases	0

Board composition

(WEF Theme: “Quality of governing body”)

Board’s activities

The board’s activities are conducted in compliance with applicable Norwegian laws and regulations.

The board is engaged in discussions concerning sustainability, and actively seeks opportunities to positively contribute to Fred. Olsen Seawind’s sustainability objectives.

Anette Sofie Olsen (chair)

Anette S. Olsen is the proprietor of Fred. Olsen & Co. which is responsible for the day-to-day operation of Bonheur. As part of these services Anette Olsen holds the position as managing director of Bonheur. Ms. Olsen is chair of the boards of various subsidiaries of Bonheur operating within distinct business segments, hereunder Fred. Olsen Renewables, Fred. Olsen Windcarrier and NHST Media Group. Anette S. Olsen holds a Bachelor’s Degree in business organization and a Master’s Degree in business administration (MBA). She is a Norwegian citizen and resides in Oslo.



Fred. Olsen

Fred. Olsen has been chairman of the Bonheur Board since 1955. He is an Honorary Doctor of the University of Heriot Watt, also of the Queen’s University Belfast, a Fellow of the Royal Institution of Naval Architects and further holds the titles of Industry Pioneer from the Offshore Energy Center Hall of Fame in Galveston, Texas and the Institutium Canarium’s Dominik Wölfel Medal, Vienna. He has previously been chairman of the Aker Group, Timex Corporation, Harland & Wolff and Norwegian Oil Consortium, among others. Mr. Olsen is a Norwegian citizen residing in Oslo.

Richard Olav Aa

Richard Olav Aa has been related to the Bonheur Group for several years, and currently serves as CFO in Fred. Olsen & Co., the management company for Bonheur. Within the Bonheur Group, he has further extensive experience in serving as board member through a number of board positions. Richard Olav Aa also has previously worked in Telenor ASA, Arendals Fossekompagni ASA, Norsk Vekst ASA and Elkem ASA. He holds a Master of Science from Norges Handelshøyskole and is a Norwegian citizen residing in Norway.

Stakeholders

(WEF theme: "Stakeholder engagement")

A stakeholder is a person or organisation that can affect, be affected by, or perceive themselves to be affected by a decision or activity.

The table lists the principal stakeholders, primary and secondary external stakeholders, and internal stakeholders.

This stakeholder list is general and covers multiple scenarios and situations. Depending on the matter at hand, relevant stakeholders will be listed on a case-by-case basis.

Principal stakeholders:	External stakeholders - primary:	External stakeholders - secondary:	Internal stakeholders:
Bonheur Board	Authorities	Environmental groups	Employees
Fred. Olsen Seawind Board	The public	News media	Employees' next-of-kin
Shareholders	Local communities	Social media	Subcontractor personnel
	Fisheries and other users of the sea	Insurers and financial institutions	Fred. Olsen & Co
	Suppliers		Sister companies
	Subcontractors		



The stakeholder list is primarily used when identifying risks, and for communication and consultation. Each stakeholder is evaluated regarding its particular interest, involvement, interdependencies, influence, and potential impact by and from Fred. Olsen Seawind's activities.



Fred. Olsen Seawind engages with stakeholders on several different platforms. We actively seek dialogue with both national and local authorities in the geographies that we operate in, and we cooperate with environmental organizations and potential suppliers in order to learn from each other and create mutual synergies.



Fred. Olsen Seawind communicates information widely via actively using official social media accounts, keeping our website up to date and participating in conventions and open information meetings. Local communities and local municipalities are invited to public exhibitions and dialogue meetings in order to ensure two-way communication.

Risk management

(WEF theme: "Risk and opportunity oversight")

Risk management is an integrated part of all our work processes. A risk management system is under establishment, covering all parts of our activities.

On Fred. Olsen Seawind level, a risk management database is under development. This will cover the corporate risks.

Before entering into construction and operations phases, risk assessments will be developed by each project, and detailed risk registers for the offshore wind farms will be established. These risk registers will include all relevant construction and operational risks.

Opportunities are identified and evaluated as part of all business processes.

Consequence	Very high 5	5	10	15	20	25
	High 4	4	8	12	16	20
	Med 3	3	6	9	12	15
	Low 2	2	4	6	8	10
	Very low 1	1	2	3	4	5
		1	2	3	4	5
		Very low	Low	Med	High	Very High
		Likelihood				

Ethical behaviour

(WEF theme: "Ethical behaviour")

Anti-corruption and anti-bribery

The 'Code of Conduct' states our policies for ethical behaviour. It is published in the management system, available for all employees. The Code of Conduct is subject to annual reviews and updates.

Protected ethics advice and reporting mechanism

Reporting routines for 'whistle-blowing' have been implemented, covering national regulations, what can be reported, whom to report to, how to do it, and how the organisation shall handle the reports.

Information about the whistle-blowing procedures is part of the e-learning courses on compliance.

Compliance training for all employees

As part of communication and implementation of the policies, our employees undertake the following mandatory compliance related e-learning courses:

- GDPR awareness
- Code of Conduct
- Corporate Social Responsibilities
- Cyber Security Awareness
- Policy & anti-corruption/anti-bribery

In addition, internal procedures related to transactions with related parties, procurement procedures and internal control procedures are regularly presented to the organization in joint meetings.



PROSPERITY

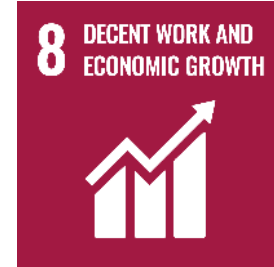


Applicable UN Sustainability Development Goals:

Prosperity relates to our role in contributing to a prosperous society. We contribute to economic growth by providing decent employment and creating societal value. Prosperity is divided into wealth creation, continuous improvement, new technologies, tax payments, and community contributions.

Profitability is a prerequisite for the wealth creation and for long term commitment to create sustainable business opportunities. To be able to maintain our strong market position and enable future growth, we are focusing strongly on continuous improvement of existing operations, development of new technologies and new investments. Contributions to the local societies are an essential component in our sustainability efforts.

Our objectives are linked to the continuous growth of our development portfolio, and our contributions to the development of a new industry with innovative technologies. We are also committed to using local supply chain and will always strive to create value in the communities in which we operate.



Wealth creation

(WEF Theme: "Employment and wealth generation")

Fred. Olsen Seawind develops large scale offshore wind constructions, providing green energy for the future, facilitating economic growth and job creation across industries. We emphasize local supply chain, and work together with local communities and businesses to ensure solutions that are beneficial to all stakeholders.

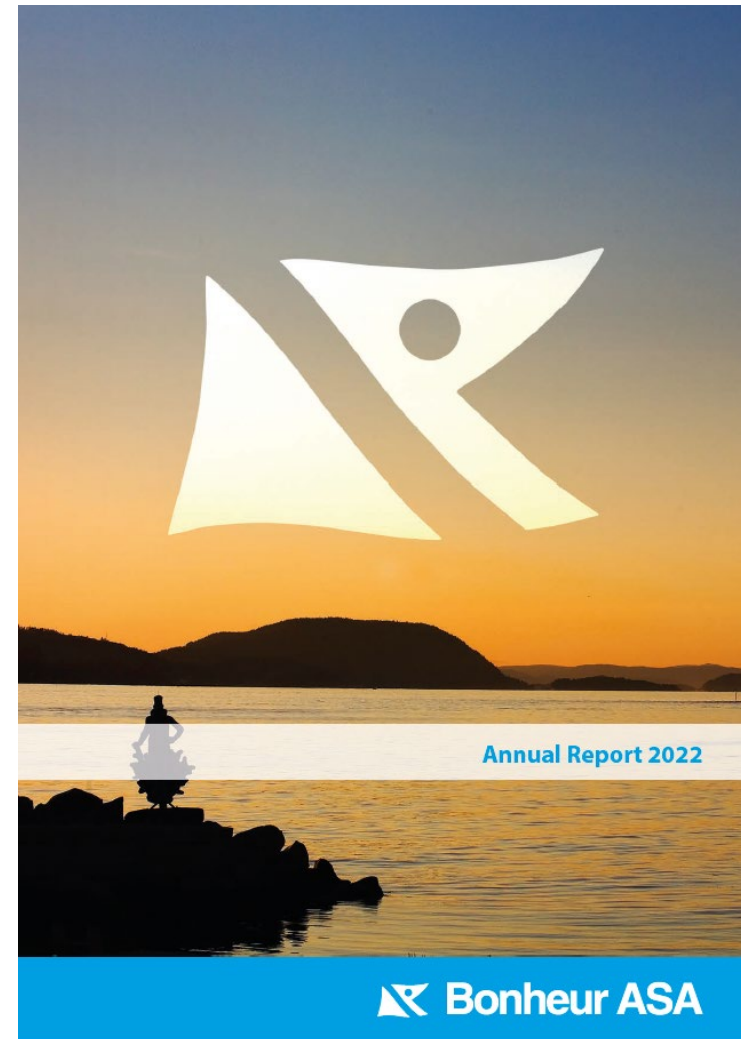
Number of employees

21 persons were permanently employed in Fred. Olsen Seawind at the end of the year.

In addition, several positions are outsourced to contractors, so the total of man-years generated exceeds the number of employees. In addition, consultants, temporary employees, and specialists are engaged when needed.

Financial results

For financial results, reference is made to the quarterly and annual reports at www.bonheur.no.



Continuous improvements

(WEF Theme: “Innovation of Better Products and Services”)

Continuous development of project portfolio

Fred. Olsen Seawind aims to be in the forefront of offshore wind developments. We are one of the early movers in the commercialisation of floating offshore wind concepts through our Muir Mhòr project in Scotland, and we aim to develop floating offshore wind in Norway. We work with our Fred. Olsen related group of companies to unlock the barriers to offshore wind and bring innovative solutions to the development of our projects. We cooperate with local supply chain to increase local benefits and local value creation from our projects.

Participation in Celtic Sea Floating Wind - Temporary Storage JIP

Fred. Olsen Seawind is taking part in the TS-Flow JIP, a new industry partnership set to support the UK’s floating wind industry by identifying offshore storage areas for wind turbines awaiting installation in the Celtic Sea. The project aims at keeping supply chains moving by freeing up space on quaysides and inner harbours for assembling turbines. This is expected to have major impacts on infrastructure in the relevant regions, as it is vital that ports are optimised to provide local delivery for the construction, assembly, and installation of new wind farms.

Participation in the Northwind project

Together with several large industry players from the entire offshore wind supply chain and major research institutions such as SINTEF, UiO and NTNU, Fred. Olsen Seawind is contributing to the Northwind project initiated by The Centres for Environment-friendly Energy Research (FME). FME Northwind works to turn wind R&D into a profitable export industry that creates green jobs and respects nature. The research addresses the grand science and engineering challenges to realise the full potential of the wind energy sector in a sustainable future.



New technologies

(WEF Theme: "Innovation of Better Products and Services")

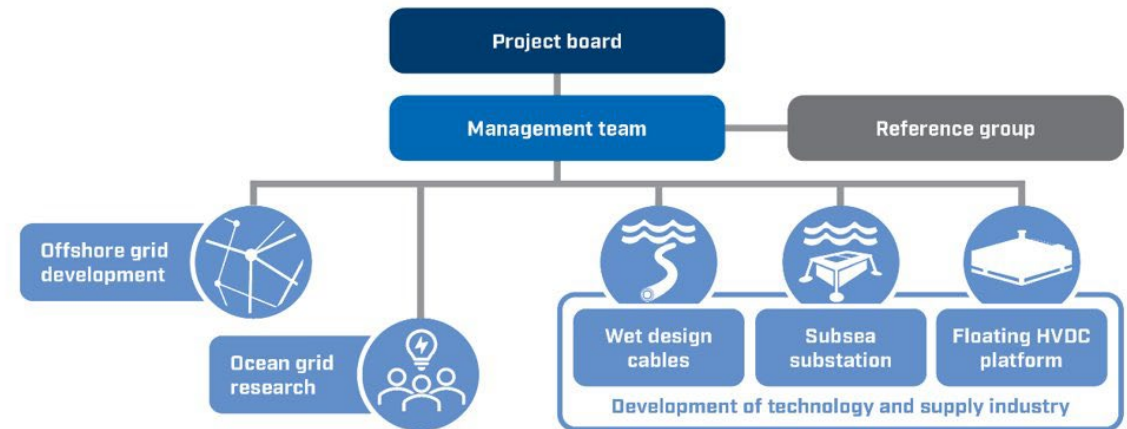
Grønn Plattform, Ocean grid -

New grid solutions for profitable offshore wind development

The project's vision is that offshore wind farms connected to an offshore grid will provide a large share of the energy supply in Europe to reach climate targets, and that Norwegian companies will be actively engaged in this endeavour as leading wind farm developers, operators and suppliers of technology and solutions. This project is an important step towards realising this vision. It will develop new technology, knowledge, and innovations to support the realignment of the Norwegian industry from oil and gas activities towards the growing offshore wind sector, creating new green jobs and increasing international sales, and it will help to meet the climate targets by enabling large-scale deployment of offshore wind farms in Norway and internationally.

The project is organised in five subprojects of which four are industry led addressing high technology readiness level and a 2030-time horizon, whereas the fifth is an open research subproject to address longer-term issues. The five subprojects cover the full value chain from research to technology and market.

Together with leading energy companies, suppliers, manufacturers, research partners and other wind farm developers, Fred. Olsen Seawind contributes to the project by leading the project board and participating in the subproject Offshore grid development.



New technologies

(WEF Theme: “Innovation of Better Products and Services”)

Offshore Wind Sustainability Joint Industry Programme (SUS JIP)

In early 2023, the research programme SUS JIP was set up to increase the application of sustainability principals across the global offshore wind sector. The programme is being led by Carbon Trust, a leading international sustainability advisor with expertise in offshore wind research and carbon certification, with Fred. Olsen Seawind a founding member.

Along with ten other leading international offshore wind developers, the aim of the programme is to decarbonise the offshore wind supply chain by developing the first industry-backed methodology and guidance to measure and address the carbon emissions associated with offshore wind farms throughout their lifecycle, including emissions from the manufacturing of materials and installation of wind farms.

The goal of this work is to help the global offshore wind industry scale as sustainably as possible and continue its important contribution towards meeting the world’s Net Zero target by 2050 and limiting the most extreme impacts of climate change.

To determine which levers to use and when, whilst getting a tangible understanding of their impact across the offshore wind farm project life cycle, the project proposes 3 workstreams:

1) Measurement – outputs entail a methodology, consideration of tools and processes that allow for consistent, transparent, and comparable life cycle quantification of carbon impacts.

2) Data – outputs entail a framework and approach to supply chain data collection in order to enable effective measurement and reporting. This will include, for example, supplier engagement and guidance on minimum data quality standards.

3) Decarbonisation action – Based on the measurement methodology and tool, this workstream will inform decarbonisation strategies and pathways for development, underpinned by rigorous analysis.



Community Contribution

(WEF Theme: "Community and Social Vitality")

Fred. Olsen Social Engagement

In 2016, the Fred. Olsen Social Engagement Group (FOSEG) was established with a view to further strengthen Bonheur ASA's efforts within social and charitable purposes. Among others, FOSEG supports the non-profit organisation "Health and Human Rights Info (HHRI)" in their work to strengthen and develop health and psychosocial work towards people that have been exposed to organised (sexual) violence, war, and serious violation of human rights. FOSEG also has a close relationship with the Development Fund ("Utviklingsfondet") and are actively following their specific water irrigation projects in Ethiopia. Further, FOSEG has supported rescue companies in both Norway and the UK contributing to making traffic at sea safer, as well as the World Wildlife Fund for Nature's fight against plastic in the sea.

Taxes paid

Fred. Olsen Seawind does not yet generate any taxable profits, and no corporate taxes have been paid in 2022. The group has, however, paid social security tax totalling NOK 2.7 million, and made an indirect society contribution through the employee's income tax.

Giving back to local communities



Fred's donation of Energy Adventure books to every Primary school in Orkney.



Families participating in OffshoreWind4Kids event, learning about offshore wind through fun workshops



The OffshoreWind4Kids event in Aberdeen and Edinburgh, sponsored by Fred. Olsen Seawind

