



Eidesvik

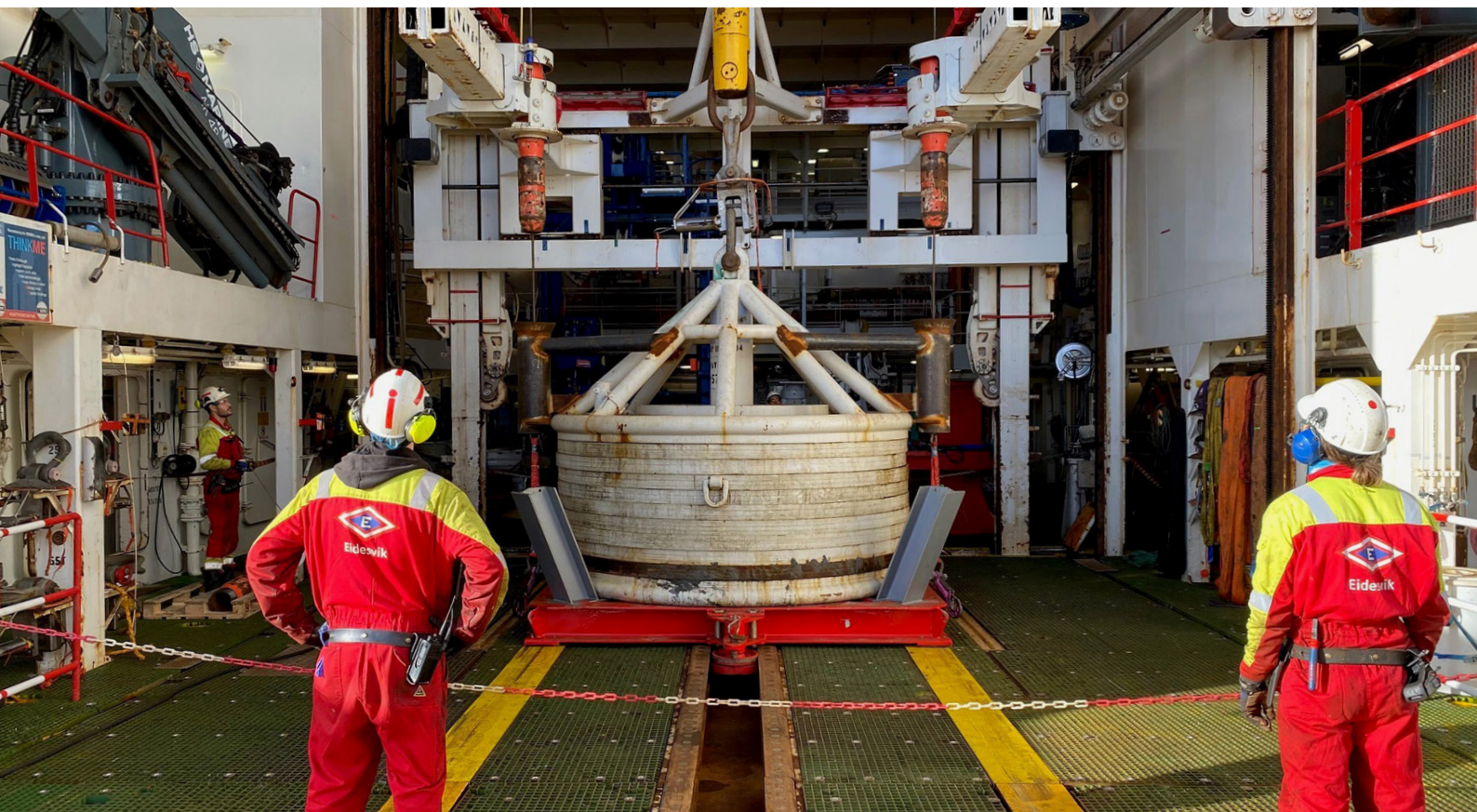


SUSTAINABILITY REPORT 2023

EIDESVIK OFFSHORE ASA

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Eidesvik is founded on a clear commitment to sustainability throughout our business and in all our operations. We have a clear vision of being a frontrunner within future oriented shipping and marine operational solutions, and to position the company at the front end of the development of zero-emission shipping solutions.

OUR PRIORITIES




BE A SAFE AND FAIR EMPLOYER



REDUCE OUR EMISSIONS




CONTRIBUTE TO THE ENERGY TRANSITION




BE A RESPONSIBLE PARTNER

KEY HIGHLIGHTS 2023

To our business, sustainability is increasingly becoming a commercial and strategic imperative, as we aim to meet the demands from our employees, customers, investors, regulators, and civil society, and for our overall license to operate. We made good progress on our sustainability agenda in 2023 and key highlights include:



19% REDUCTION IN GREENHOUSE GAS (GHG) EMISSIONS PER OPERATIONAL DAY



17% REDUCTION IN GHG EMISSIONS PER NAUTICAL MILE IN TRANSIT



STARTED OUR APOLLO AMMONIA VESSEL PROJECT WITH FINANCING FROM THE EU



100% OF SUPPLIERS DEFINED AS CRITICAL FOR OUR OPERATIONS HAVE SIGNED OUR COUNTER-PARTY CODE OF CONDUCT



STRENGTHENED OUR PROCEDURAL FRAMEWORK FOR HUMAN RIGHTS

STATEMENT FROM THE BOARD

At Eidesvik, our overarching objective is to generate profit while minimizing adverse effects on society and the environment. The Eidesvik Board of Directors is fully committed to upholding the expectations of our diverse stakeholders for sustainable growth, with sustainability recognized as a key pillar in our overall strategy.

We acknowledge the responsibility placed upon the company to act responsibly and champion environmental stewardship. To meet these expectations, we are unwavering in our dedication to invest in technologies that effectively reduce emissions. Our 2030 and 2050 targets challenge us to lead by example and collaborate with our clients and suppliers to drive sustainable innovation.

While climate change mitigation topics remain a priority, addressing social factors is equally crucial. Providing a safe and supportive working environment, access to development opportunities, and encouraging diversity, are integral to attracting and retaining top talent within our organization.

In this report, we provide transparency to our stakeholders regarding the progress and achievements made by Eidesvik in 2023. Building robust, sustainable businesses is a long-term endeavour, and although significant challenges lie ahead, we are encouraged by the positive developments to date. As members of the Eidesvik

Board of Directors, we pledge to continue supporting the management to ensure the sustainable development of the company's operations and investment considerations.



Arne Austreid
Chairman of the Board

ABOUT THE REPORT

The report has been prepared in accordance with the Norwegian Shipowners' Association Guidelines for ESG reporting in the shipping and offshore industries. GRI and SASB are the main standards used. The report presents our material environmental, social, and governance (ESG) performance, along with how we manage material sustainability topics, for the year ended December 31, 2023.

Determination of material ESG topics for reporting was undertaken in 2021 by an independent expert ESG advisor, in consultation with our staff and stakeholders, and was approved by the Board of Directors (BoD). The materiality determination method followed the GRI Materiality Standard, GRI 3 (2021). In 2023 the materiality analysis was adjusted in accordance with the European Sustainability Reporting Standards (ESRS) topic list.

ACTIVITY METRICS 2023¹

As of 31st December, 2023

NUMBER OF SHIPBOARD PERSONNEL

366 2022
357

TOTAL DISTANCE TRAVELLED BY VESSELS (NM)

260 859 2022
265 453

OPERATING DAYS

3045 2022
3162

TIME AT DP (PERCENTAGE OF OPERATION)

27 2022
26

NUMBER OF ASSETS IN FLEET

13 2022
16 (12 IN OPERATION)

¹ All vessels owned and on management included

MESSAGE FROM THE CEO

Dear Stakeholders,

It is with great pride we present Eidesvik's 2023 Sustainability Report, highlighting our efforts to meet stakeholders' expectation of responsible business practices. As we reflect on our achievements and challenges outlined in this report, we remain resolute in our commitment to sustainability.

Social Responsibility:

For us, sustainability always starts with people. Our goal is that every person working for and with us goes home safe and well. After several years with zero lost time injuries, the company experienced three LTIs in 2023. This shows that we can never rest in our efforts to eliminate potential unsafe situations. Safety is a 24/7 concern that shall always be our highest priority.

In 2023 we have further developed our procedures for securing decent working conditions and human rights in our value chain. We continued to roll out our Counterparty Code of Conduct, ensuring our suppliers and partner recognise our strict standards for protection of human rights, safety, and the environment.

Environmental Stewardship:

Eidesvik remains steadfast in our pursuit of environmentally responsible shipping solutions. Our strategy is to be a market leader within green offshore vessels. This includes converting ships to alternative fuels, as a necessary step on our Net Zero pathway. Recognising the complexity of this transition, we understand that success extends beyond our individual efforts and financial commitments; it requires collaboration, innovation, and supportive public policies. Our vessel innovation projects stand as exemplification of this philosophy; how collaboration with all stakeholders in our value chain is necessary to achieve more significant results.

Through consistent and dedicated work, we successfully met our environmental targets in 2023, reducing green-

house gas (GHG) emissions per operational day by 19% and per nautical mile by 17%. A large portion of the reduction is attributed to the implementation of new technologies and energy-efficiency measures, as well as the dedication of our personnel in ensuring optimal operation of our vessels. This shows that a successful decarbonisation journey is dependent on two key ingredients: Technology *and* people.

Transparency and Accountability:

Eidesvik is committed to transparency and accountability in all aspects of our business. This Sustainability Report reflects our commitment to open communication and the sharing of information regarding our environmental, social, and governance practices and results. Throughout this report you'll see that Eidesvik makes a positive impact in big and little ways, from increasing awareness on human rights in our supply chain to starting new world's first environmental projects. I'm proud of the company and our people, and for our commitment to keep improving.

We welcome your feedback as we continually strive to enhance and meet the highest standards of sustainability.



Gitte Gard Tarmo

Gitte Gard Tarmo

ABOUT EIDESVIK OFFSHORE

Eidesvik Offshore ASA ('Eidesvik') owns and operates a world-wide fleet of purpose-built vessels, providing services to the offshore supply, subsea and offshore wind markets. Eidesvik is listed on the Oslo Stock Exchange, with headquarter located at Bømlo on the Norwegian west coast.

MAIN ACTIVITIES

OFFSHORE SUPPLY

Our fleet of platform support vessels (PSVs) provide cargo supply between onshore bases and offshore oilfields. Several vessels also meet the requirements for standby/rescue vessels and oil recovery, in accordance with the rules of The Norwegian Clean Seas Association for Operating Companies (NOFO).

SUBSEA

Eidesvik owns and operates subsea construction vessels, with full capabilities for construction and module handling, inspections, maintenance and repair of subsea installations including ROV (remotely operated underwater vehicle) operations.

OFFSHORE WIND

Eidesvik delivers shipping services to the construction, commissioning, operation and maintenance phases of offshore wind farm.





SUSTAINABILITY GOVERNANCE

Eidesvik's sustainability performance is managed by the Board of Directors (BoD) and the Top Management Team², and sustainability is a regular topic at the BoD meetings. The CEO has the overall responsibility for the integration of sustainability into Eidesvik's operations, setting priorities and driving implementation, and for including sustainability in core processes related to strategy, planning and risk management. Our Top Management Team reviews all KPIs and targets annually.

Our VP Sustainability oversees the sustainability work in the Company and our efforts to meet existing and future reporting requirements.

BOARD OF DIRECTORS

- Oversight for sustainability
- Approves the sustainability report

CEO

- Overall responsibility for sustainability
- Setting priorities for and driving implementation

TOP MANAGEMENT TEAM

- Set targets and review performance
- Executes strategy within individual's area of responsibility

VP SUSTAINABILITY

- Oversees the sustainability work
- Reporting

BUSINESS AREAS AND FUNCTIONS

- Day-to-day responsibility for sustainability
- Implement sustainability initiatives

² Top Management Team: Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Technology Officer, Human Relations Vice President, HSE & QA Vice President

We have established policies and procedures which set out how we manage environmental, social and governance (ESG) issues. Implementing these policies and procedures mitigates our risks and negative ESG impacts. Relevant policies include our:

- Environmental Policy
- Environmental Aspects Procedure
- Ship Energy Efficiency Management Plan
- Company Energy Efficiency Management Plan
- Energy Efficiency Best Practice Procedure
- Energy Efficiency Measures & blue:E Observations³
- Code of Conduct
- Health, Safety & Quality Policy
- Human Resource Policy
- Human Rights Policy
- Counterparty Code of Conduct Policy
- Equality and Anti-Discrimination Act Policy

Our policies and procedures are available for all employees and can be found in the Eidesvik Management System (EMS). Our policies are reviewed and updated as necessary by the Top Management Team in the annual management reviews.

THE ESG COMMITTEE

Eidesvik has an ESG committee with representatives from all parts of the organization. The committee performs quarterly monitoring of development within our sustainability metrics and evaluate necessary corrective actions. The group also represent a forum for information sharing and development of recommendations to the Top Management Team across departments and functions.

³ Blue:E – Eidesvik Energy Efficiency Programme

PARTNERSHIPS

At Eidesvik, we recognize that cooperation across the value chain is essential in solving the sustainability challenges facing our industry. Therefore, we participate actively in various trade organization and development initiatives that will drive the industry in the right direction. These include:

- Norwegian Shipowners' Association
- Haugesund Shipowners' Association
- Maritime CleanTech
- FUTURE-PROOF
- Incentra
- International Marine Purchasing Association
- International Marine Contractors Association





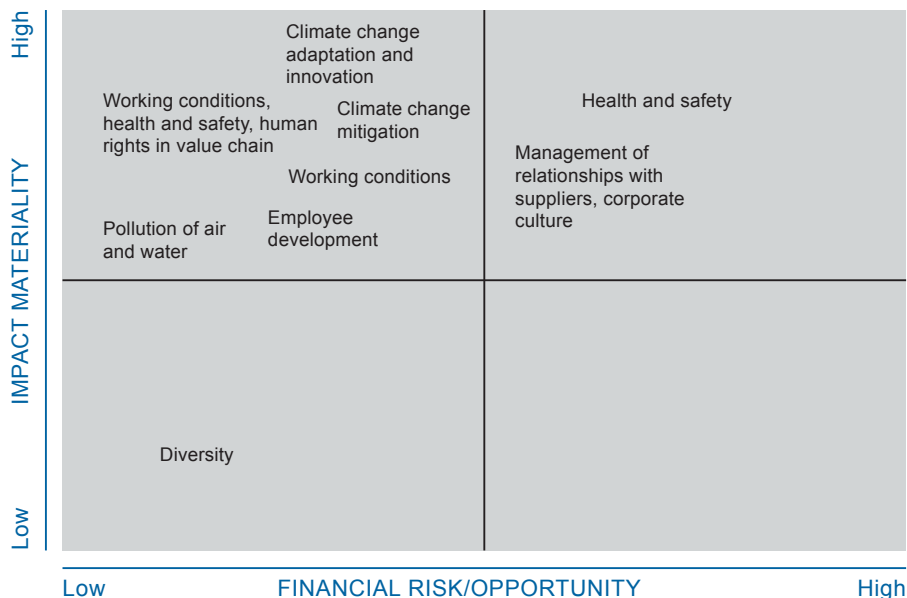
MATERIALITY ASSESSMENT

By prioritising areas which Eidesvik has an impact on, and which may influence our business, we are able to manage material opportunities and risks, while also communicating relevant disclosures to our stakeholders.

In 2021, we updated our sustainability priorities by conducting an extensive double materiality assessment to identify our most significant impacts on ESG factors and to identify key strategic and financial priorities. Our review of material topics followed the GRI Materiality Standard (GRI 3, 2021) and considered the severity and likelihood of our impacts. The assessment included external and internal stakeholder engagement to help evaluate the significance of our impacts and our strategic and financial priorities. In addition to involving employees, the BoD and the Top Management Team, we involved financial institutions, customers, suppliers and industry associations in the stakeholder dialogue.

Based on research, stakeholder dialogue and prioritisation by key personnel in Eidesvik, we have determined the most significant impacts of Eidesvik’s business activities, as well as strategic and financial priorities. In 2023 our list of material topics was adjusted in accordance with the European Sustainability Reporting Standards (ESRS) topic list. Based on the existing materiality assessment, sustainability topics defined as material for Eidesvik were scored according to the criteria in the ESRS 1 General Requirements for assessing impact materiality and financial materiality. Appropriate thresholds were established by Eidesvik’s Top Management Team. Nine material topics were identified and positioned in the materiality matrix based on their scoring (see diagram).

OUR SUSTAINABILITY PRIORITIES:





OUR SUSTAINABILITY PRIORITIES

OUR TARGETS AND PERFORMANCE:

HEALTH AND SAFETY



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
Zero Lost Time Incidents	3	0
<1 TRCF1	1,47	0,43

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS, CORPORATE CULTURE



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
All suppliers defined as critical for our operations will be audited within a three-year period.	2	2
0 fines or non-monetary sanctions due to non-compliance with laws and/or regulations related to human rights, corruption and other unethical business practices.	0	0

CLIMATE CHANGE MITIGATION



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
Yearly reduction in tons CO ₂ e emissions per nautical mile in transit (year-on-year)	17%	0%
Yearly reduction in tons CO ₂ e emissions per operational day in transit (year-on-year)	19%	26,5%

CLIMATE ADAPTATION AND INNOVATION



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
50% reduction in CO ₂ emissions by 2030, climate neutral fleet by 2050 (baseline 2008)	32% (PSV) 21% (Subsea/Wind) Total 25.5%	27,5% (PSV) 17,1% (Subsea/Wind) Total 23.4%

WORKING CONDITIONS



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
Employee satisfaction (eNPS score >30)	23	26

WORKING CONDITIONS, HEALTH AND SAFETY, HUMAN RIGHTS IN VALUE CHAIN



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
100% of suppliers defined as critical for our operation to sign Counterparty Code of Conduct	100%	NA

EMPLOYEE DEVELOPMENT



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
Trainee rate 7% of workforce	9.9%	8.9%
Performance appraisal reviews (100%)	72%	73%

POLLUTION OF AIR AND WATER



TARGETS:	PERFORMANCE 2023:	PERFORMANCE 2022:
Zero spills to sea	0,002 m3 (7 spills)	0.4 m3 (21 spills)

THE SUSTAINABLE DEVELOPMENT GOALS

Eidesvik supports the UN Sustainable Development Goals (SDGs) established by the United Nations in 2015. Our priorities are mapped against the most relevant SDGs that we aim to contribute to:

- SDG 8 – Decent work and economic growth
- SDG 9 – Industry, Innovation, and Infrastructure
- SDG 13 – Climate Action
- SDG 14 – Life below water
- SDG 17 – Partnership for the goals





HEALTH & SAFETY

Our targets and performance

Target for 2023	Actual 2023
0 LTIs	3 LTIs
<1 TRCF1	1.47

Safety is a key concern at Eidesvik. Our offshore operations are advanced, and often carried out under challenging conditions. This requires that we establish a strong safety culture with a continuous focus on improvement.

We want to protect our people, the environment and our business and eliminate any risk of fatalities and severe injuries. To achieve our objective, we continuously implement measures to reduce risk exposure for our employees and third parties, to minimize risk of environmental pollution, and to secure company reputation and assets. All vessels conduct risk analysis regularly, any hazards are highlighted, and actions are implemented to reduce and/or remove the hazards. In 2023, 1,182 new and/or revised risk analyses were conducted.

Our quality and safety system “Eidesvik Management System” (EMS) is certified by DNV and meets the requirements of the ISM code, ISO standards: 9001-2015, 14001-2015, MLC 2006 and ISPS Code. The EMS is continuously improved based on experience and feedback. Our Health, Safety and Quality Policy sets out our general approach to health and safety.

The Top Management team is continuously carrying out awareness work within health and safety, with a particular focus on sharing key lessons across the fleet to facilitate improvement. An important aspect of this is the ‘Time out for Safety’ (TOFS) initiative. TOFS is used to safely stop activities that could be unsafe or a planned TOFS can be incorporated during the planning of a task. The total number of TOFS in 2023 was 216. This is a number that confirms the good reporting culture established within the company.

All accidents and incidents are to be reported, and proactive measures are taken to ensure that that all employees report these without hesitation. Furthermore, we have established a KPI for reporting of “near misses” to highlight the importance of identifying possible hazardous situations. We have a particular focus on the safety observations (SO) reporting method, especially proactive reports. Reports are reviewed at safety meetings on board the vessel. In 2023 4,624 SOs were reported;

whereof 39.7% were proactive. This constitutes a large percentage of the total number of reports in the HSEQ field. All reports are evaluated, and all recommendations and complaints are treated as valuable information for improvement. We undertake safety audits on all activities on board the vessels, and we ensure the systematic follow up of any findings. In 2023, 393 safety inspections and audits were carried out whereof:

- 22 Internal ISM/MLC/ISPS
- 14 Statutory ISM/MLC/ISPS by DNV
- 4 Port State Controls
- 230 Protection & Environmental Committee (PEC) safety inspections
- 123 Charter/Client safety inspections

We had 3 LTIs in 2023, and our Lost Time Incident Rate (LTIR) was 1.47. This number is far from our target of 0 LTIs, and the Top Management Team is addressing the issue rigorously. We have implemented measures such as enhancing the frequency of Management vessel visits and ensuring that safety is prioritized across all of our communication channels.

Our TRCF1 was 1.47 in 2023, an increase from 0.53 in 2022. Slips, trips and falls, and manual handling were the most frequent causes of injury in 2023. Fingers, hands, and backs were the main body parts injured. Our target is to have 0 LTIs and a TRCF1 of less than 1.

Absence due to illness in 2023 was 5.9%, compared to 5.1% in 2022. Our target is to have an absence due to illness below 5%. Eidesvik is focused on preventive actions, both related to the physical and psychosocial working environment, and closer follow-up from the Company and management to increase attendance at work. We have our own occupational health service, and employees are also able to subscribe to private health services as well as cover for physiotherapy.





MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS, CORPORATE CULTURE

Our targets and performance

Target for 2023	Actual 2023
All suppliers defined as critical for our operations will be audited within a three-year period.	2 suppliers audited
0 fines or non-monetary sanctions due to non-compliance with laws and/or regulations related to human rights, corruption and other	0

Eidesvik is committed to operating with the highest ethical standards in all its operations. Through our operations and purchasing decisions, Eidesvik also has an impact on social, environmental, and economic conditions in our supply chain. Monitoring and addressing potential ESG risks in our supply chain strengthens trust in our business and increases our readiness for stricter regulations on responsible business practices.

Eidesvik purchases goods and services from a range of suppliers across the world. We aim to source locally whenever possible and to select and develop suppliers with a strong focus on sustainability. Eidesvik is a member of procurement organization Incentra⁴, which annually evaluates suppliers in the shipping and offshore sector, in accordance with international standards for human rights, environmental principles and anti-corruption.

⁴ <https://incentra.no>

We have an established Counterparty Code of Conduct (CCoC), which incorporates anti-corruption, human rights, labor conditions and environmental issues. This CCoC is attached to all requests and purchasing orders and all new suppliers are obligated to read and follow the expectations stated in the CCoC. Per 31 December 2023 all suppliers defined as critical for our operation have signed the CCoC. Existing and new suppliers are also screened for any type of sanctions through the Descartes MK Denied Party Screening program.

We conduct ISO 9001 and 14001-2015 based audits of selected existing suppliers. Within a three-year period, all suppliers defined as critical for our operations will be audited. For this purpose, we have developed a Subcontractors Checklist that incorporates issues related to management systems, human rights, labour rights, health and safety policies, environmental policies, non-discrimination, anti-corruption and anti-bribing.

For shipyards we have a policy of always performing audits before entering into an agreement. All audits incorporate the Subcontractors Checklist as outlined above and are carried out as interviews with the supplier's Management, and workers within production, HR and HSEQ. Furthermore, in 2023 we integrated aspects related to human rights and working conditions in our selection process for yards. In this process all yards considered for agreements are asked to provide documentation that sufficient policies and process within human rights and decent working conditions are in place.

ANTI-CORRUPTION AND BUSINESS ETHICS

Our Code of Conduct is our main governing document outlining our principles, rules and expectations regarding ethical business practices. All department managers are required to go through all policies, including the Code of Conduct, with new employees during the familiarization process. We conduct our business in compliance with all anti-bribery, anti-corruption and anti-money laundering laws, rules and regulations including, but not limited to, the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, the Norwegian Penalty code section 276 a – 276 c and other legislation applicable to our industry. When conducting operations in countries with a high risk of corruption, according to the Transparency International's Corruption Perception Index, we conduct risk assessments for those specific countries, in line with our procedures.

Our procedure regarding reporting of complaints or breaches of our Code of Conduct and other policies is followed up by the Designated Person Ashore (DPA) function and our complaints procedure. Employees can report incidents or suspicious cases through the Eidesvik Management System. Complaints can also be submitted anonymously by internals as well as externals through our website.

Eidesvik has not been involved in any legal proceedings associated with bribery, corruption, anti-competition or any other breaches of our Code of Conduct in 2023.

CYBER SECURITY

Rapid digital transformation means an increase in potential threats related to cybercrime. As a result, the topic is becoming increasingly important for Eidesvik and the offshore industry. In accordance with the cyber security measures required by the IMO we have implemented cyber security risk management and established a Cyber Security Policy to provide security rules and regulations to ensure integrity and confidentiality in our operations. The cyber risk management is integrated into existing management systems. Our cyber security procedure outlines our approach to risk management, training and awareness, procedures to prevent security breaches and emergency response requirements in cases of security breaches.

In line with the rapid digital transformation, the offshore industry faces an ever-growing array of cyber threats, necessitating heightened attention to cybersecurity. With technological advancements come increased vulnerabilities, making it crucial for Eidesvik to prioritize cybersecurity measures. The escalating importance of this issue is underscored by the regulatory requirements from the International Maritime Organization (IMO) regarding cybersecurity measures. In accordance with these regulations, Eidesvik has implemented comprehensive cyber security risk management protocols. Central to our strategy is the establishment of a robust Cyber Security Policy, crafted to clarify security protocols and rules aimed at preserving the integrity and confidentiality of our operations. This policy serves as a cornerstone, providing a framework for stringent practices for cyber risk management seamlessly integrated into our existing management systems.

At the core of our cybersecurity framework lies a procedure outlining our approach to risk management. This encompasses not only proactive measures such as training and awareness programs, but also detailed procedures designed to prevent security breaches. Furthermore, our procedure includes emergency response protocols, ensuring swift and effective action in the event of a security breach.

To bolster our efforts in ensuring cyber security, all employees undergo annual training courses. This ensures that all staff are updated on the latest threats and best practices in cyber security, contributing to strengthening our overall defense against the ever-shifting landscape of cyber risks.

SHIP RECYCLING

Ships contain hazardous materials, and ship recycling must be performed according to strict standards to protect human health, safety and the environment. All of Eidesvik's vessels hold a valid and certified Inventory Hazardous Materials (IHM) on board. Our vessels thereby achieve compliance with both the EU Ship Recycling Regulation (EU SRR) and the Hong Kong Convention (HKC) for the Safe and Environmentally Sound Recycling of Ships. At Eidesvik we will recycle all future vessels in accordance with globally accepted standards for ship recycling to ensure no harm to workers or the environment. In 2023, no vessels were sent to recycling.





CLIMATE CHANGE MITIGATION

Our Environmental Strategy

Target for 2023	Actual 2023
Yearly reduction in tons CO ₂ e emissions per nautical mile in transit (year-on-year)	17%
Yearly reduction in tons CO ₂ e emissions per operational day (year-on-year)	19%

OUR AMBITION:
Be a market leader within green offshore vessels

Minimizing our emissions is a strategic priority for Eidesvik. Together with our clients we are actively engaged in both reducing CO₂ emissions from our fleet, and in contributing to the development of new technology that will reduce emissions across the industry.

Our aim is to be a market leader within green offshore vessels, and we have an in-house Technology & Development department dedicated to investigating technologies and solutions that can reduce emissions from our operations.

We are proud of our history as a pioneer within the demonstration of new technologies that reduce emissions. With the delivery of Viking Energy in 2003, Eidesvik became the very first to introduce LNG as fuel for offshore vessels. The next environmental chapter was written between 2006 and 2012, with the early full-scale testing of fuel cell technology and the pioneering implementation of a battery hybrid system onboard our PSV Viking Lady, followed by the world’s first Battery Power notation given to Viking Energy in 2016. Through our innovation projects ShipFC, Retrofit and Apollo we also aim to launch the first offshore vessel operating on green ammonia.

Eidesvik acknowledges that the transition from fossil fuel to clean energy will have a high impact on our fleet and operations in the long term. However, we assess the financial impact to be moderate to low, as oil & gas will need to be replaced with new energy markets also in need of offshore shipping services. Eidesvik has built extensive experience in the renewable markets and have proven expertise and capability to transition to new markets. As a risk mitigating measure we are also closely monitoring new markets where we can utilize our core competencies.

Ambitious climate goals will also necessitate stricter emissions requirements for shipping, which will have significant impact on our fleet in the medium to long term. Though we recognise that the topics of climate change mitigation and adaptation have high impact materiality for Eidesvik, we consider the financial materiality associated with these topics to be moderate to low. Eidesvik has a long history of being early adopters of alternative energy sources and technology. Currently, 83% of our

fleet is equipped with battery hybrid systems, and close to 40% has LNG dual fuel engines. This ensures that our current fleet can comply with known emission regulations in the short and medium term. In the long term, stricter requirements necessitating a transition to new carbon-free fuels will come with a considerable cost. Despite the prevailing contract structures within our industry, wherein charterers largely bear the costs of meeting existing requirements and regulations, the inherent risk persists at a significant level. Nonetheless, our anticipation is for forthcoming regulations to offer the necessary predictability, rendering compliance financially feasible.

GREENHOUSE GAS EMISSIONS

Our ambition is to have a climate neutral fleet by 2050. Our mid-term goal is to reduce emissions by 50% in 2030, compared to a 2008 baseline. These ambitious targets represent a considerable undertaking, necessitating a thorough transition to new and green fuels for a substantial portion of our fleet in combination with the introduction of newbuilds equipped with zero-emission technology.

We have developed different scenario roadmaps for how to reach our targets with the current fleet. In one of these roadmaps the 2030-target will require a successful transition to new and green fuels for six vessels including the addition of two close-to-zero emission newbuilds. Eidesvik believes that our 2030 target is feasible, however we recognize that the outcome is subject to external factors beyond our control. Firstly, the target relies on the establishment of new environmental requirements that create a market for low and zero emission vessels, coupled with the assurance of sufficient returns. Until such a market is in place, the transition is dependent on effective public funding schemes that meet the requirements of the offshore industry.

Furthermore, we need to see a continued maturation and widespread commercialization of zero-emission technology and fuel infrastructure. As shipowner we are committed to do our part in terms of investigating a range of fuel and technologies that has the potential to take us to a 50% reduction in 2030 and carbon neutrality in 2050.

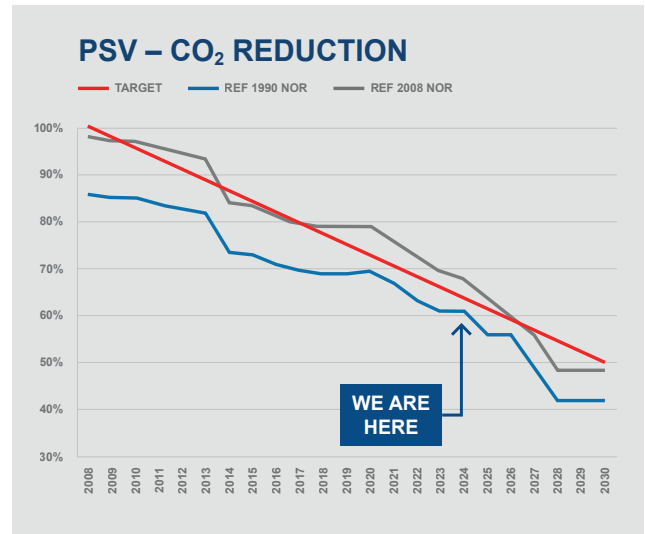
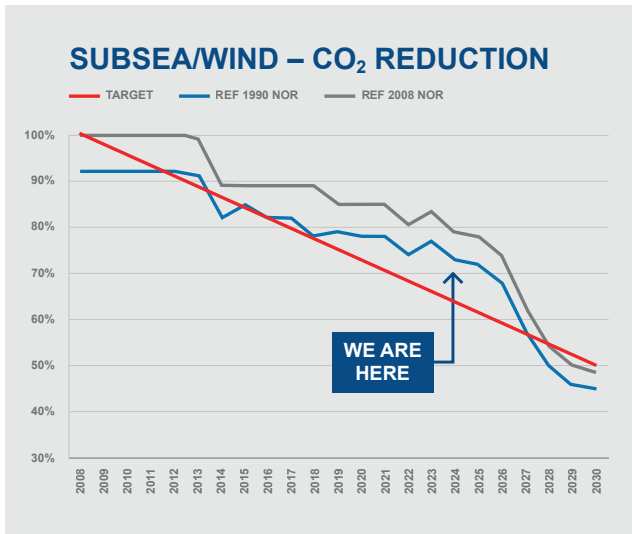
EMISSION REPORTING

For our sustainability reporting Eidesvik's Climate Accounts are based on the international standard 'A Corporate Accounting and Reporting Standard', developed by the Greenhouse Gas Protocol Initiative (GHG Protocol), which is the most widely used and recognized international standard for measuring greenhouse gas emissions. In this report, the greenhouse gas emissions related to scopes 1, 2 and 3 have been converted into carbon dioxide equivalents (CO₂e).

Eidesvik's Scope 1 emissions are derived from the vessels we own and operate. For our reporting we have applied the principle of "equity share", in which we account for GHG emissions according to our share of equity in the vessels we operate. In 2023, Eidesvik's Scope 1 amounted to 59.414 metric tons CO₂e. This is a decrease of 16.420 tons from 2022. A portion of this reduction can be attributed to the sale of one vessel in November 2022. We expanded the fleet again with the acquisition of one vessel in April 2023. Considerable reductions have also been achieved through increased use of shore power and energy efficiency measures such as reduced speed and hull cleaning.

Overall, emissions of CO₂e per nautical mile decreased from 0.209 tons in 2022 to 0.173 tons in 2023. CO₂e emissions per operational day have decreased from 23.98 tons in 2022 to 19.51 tons in 2023. Our goal is to have yearly reductions in these two performance indicators. Due to the scope of operations for offshore vessels, the GHG emissions intensity indicators used by the IMO, such as the AER, are not suitable for our operations. AER is calculated on the basis of a ship's carbon emissions per actual capacity-distance, however offshore vessels are not dedicated to cargo transport. Offshore vessels also spend much of their operational time in Dynamic Positioning (DP). A process is ongoing in IMO/IMCA to define suitable GHG emission intensity metrics for offshore vessels. While awaiting clarification, Eidesvik has chosen to monitor CO₂e emissions per nautical mile in transit and per operational day as this gives a better picture of our development. Linking the indicator to a work proxy is also in line with the suggestions presented by IMCA to IMO as a suitable method for measuring carbon intensity for offshore vessels.

By the end of 2023, we had achieved a 21% reduction in emissions from our subsea/wind fleet and 32% for the PSV fleet compared to 2008.



Our Scope 2 emissions cover indirect emissions from the generation of purchased electricity, heating, and cooling consumed by Eidesvik at our offices in Bømlo. Company cars are also included in our Scope 2 emissions.

Eidesvik has since 2021 reported on parts of our Scope 3 emissions that are indirect emissions that occur in our value chain. Our reporting has included residual waste, paper waste and paper consumption. For 2023 we have also included business air travel in our reporting. Air travel is necessary for transporting our personnel to vessels and business meeting. These emissions are tracked through the online portal of our global travel service provider.

GHG SCOPE 1, 2 AND 3 EMISSIONS FROM EIDESVIK OPERATIONS IN METRIC TONS CO₂ EQUIVALENTS⁵

	2023	2022	2021
SCOPE 1⁶			
Fleet emissions	59.414	75.834	81.547
Company cars	10	14	15
SCOPE 2			
Purchased electricity			
Market-based ⁷	232	202	212
Location-based ⁸	9	9	4
Shore-based power supply			
Market-based	1 428	617	352
Location-based	54	29	7
SCOPE 3			
Residual waste, paper waste, paper consumption ^{9,10}	0.4	0.4	0.4
Business air travels ¹¹	459	Not reported	Not reported
Scope 1, 2 (market-based) and 3	61.543	76.667	82.226

⁵ Calculated in accordance with the GHG Protocol (Equity control approach)

⁶ Scope 1 TIW emissions factors from the FuelEU Maritime, Annex II

⁷ Reference for market-based emissions factors: Calculated using emissions factors from AIB and NVE.

⁸ Reference for location-based emissions factors: – Norwegian Residual Mix, AIB

⁹ Scope 3 – category 5. Calculated as CO₂e using emissions factors from DERFA.

¹⁰ Scope 3 – category 1 (paper consumption). Calculated as CO₂e using emissions factors from DERFA.

¹¹ Calculated in accordance with the ICAO Carbon Emissions Calculator

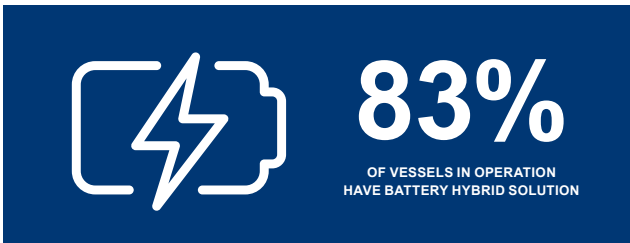
ENERGY EFFICIENCY

Eidesvik established in 2010 a program for optimizing operations to reduce the consumption of fuel and energy, the Eidesvik Energy Efficiency Programme; blue:E (EEEP). For each vessel, a set of measures to reduce energy consumption and CO₂e emissions has been defined and implemented. Reports for each vessel are prepared quarterly. All fuel saving activities have been thoroughly logged for the past eight years, giving us datasets to support further improvements both on daily operations and technology. Measures initiated in 2023 include amongst other hull cleaning, and the implementation of a new transit mode aimed at ensuring vessels operate at the utmost energy efficient transit speed.

We take a proactive approach towards our clients and regularly present to them solutions that can further increase energy efficiency and reduce emissions from their marine operations. One example of this can be found within the Retrofit project, a collaborative initiative with our client Aker BP aimed at mitigating emissions from supply vessel operations. In this project we developed in 2023 solutions for optimisation of vessel cooling systems and oil treatment systems that combined will give considerable reductions in fuel consumption and emissions. These measures will be implemented on selected vessels in 2024.

A key part of the blue:E program is employee awareness of energy efficiency and its impacts on both the environment and cost savings. This has become an important part of day-to-day operations. Employee reporting is an essential part of the program. This allows employees to report negative and positive observations related to energy efficiency on board the vessels. In 2023, 610 blue:E-reports were submitted. We review all reports at the end of each year, and the Ship Energy Efficiency Management Plan (SEEMP) and the Company Energy Efficiency Management Plan (CEEMP) are adjusted accordingly.

In addition to the SEEMP and CEEMP required by IMO we have developed a Company “Energy Efficiency Best Practice Procedure” that has been implemented on all vessels. The Procedure encompasses measures we have identified as effective in terms of ensuring vessels are operated in an energy efficient manner. We have also developed Energy Efficiency Guideline procedures specific for each vessel.



EU TAXONOMY

The EU taxonomy is the centrepiece in EU ESG related regulations, as it provides the framework that defines the economic activities that can be considered environmentally sustainable for companies, investors, and policymakers. This will allow for comparing the environmental performance across companies – and will assist companies and investors in determining which economic activities are environmentally sustainable. Large and listed companies will have to report on their proportion of turnover, investments and operating expenses that are considered sustainable.

Maritime transport has been included as part of the classification system, with technical screening criteria for different types of maritime transport, however the offshore shipping segments have not yet been adopted in the Taxonomy. As required by the Taxonomy regulation Eidesvik will start to report on the criteria for the financial year 2025.



CLIMATE CHANGE ADAPTATION AND INNOVATION

Our targets and performance

Target for 2023	Actual 2023
50% reduction in CO ₂ emissions by 2030, climate neutral fleet by 2050 (baseline 2008)	32% (PSV) 21% (Subsea/Wind) Fleet overall: 25.5%

At Eidesvik we aim to be a frontrunner within green innovation. Decarbonising our fleet is a strategic imperative for us. With our inhouse Technology & Development department we are monitoring the landscape for new technologies, while doing our part to contribute to research and development.

STEPS TOWARDS A CLIMATE NEUTRAL FLEET



CONTINUED FOCUS ON ENERGY EFFICIENCY AND REDUCING EMISSIONS

By the end of 2023, we had achieved 25.5% reduction compared to 2008, with 2% achieved in 2023.



FUTURE FUELS AND NEW TECHNOLOGIES

Focus on research and development of new technologies and the use of new green fuels to reduce emissions.



COLLABORATION

We work with clients, industry partners and regulators to drive innovation, develop infrastructure and policy to support climate neutral shipping.

FUTURE FUELS AND NEW TECHNOLOGY

Eidesvik has a long history of investigating new fuels and technologies, in collaboration with our clients and suppliers. Our continuous work to develop feasible approaches for large-scale CO₂e emission reductions in our fleet commenced at full speed in 2023 with kick-off in the EU funded project Apollo.



Funded by
the European Union

THE APOLLO PROJECT

In autumn 2021, Eidesvik and the technology group Wärtsilä signed a landmark cooperation agreement aimed at converting an offshore supply vessel to operate with ammonia-fuelled combustion engines. In 2023 an important step was taken with the inclusion of five additional partners and the start of the Apollo project, with funding from the EU Horizon Europe funding program. In Apollo a Wärtsilä ammonia engine, including fuel supply and safety systems, will be installed in one of Eidesvik's supply vessels, subject to Enova funding.

The conversion will allow the vessel to operate on ammonia, cutting its CO₂ emissions by at least 70%. Partners include Eidesvik, Equinor, Wärtsilä, Maritime CleanTech, Breeze Ship Design, DEME Group, VTT Technical Research Centre of Finland and Demokritos.

The Apollo project has received funding from the European Union's Horizon program under grant agreement No. 101096299. This publication reflects only the author's views and the European Union is not liable for any use that may be made of the information contained therein.



SHIP FC: EQUINOR & EIDESVIK

In 2020 Eidesvik entered into the 5 year European joint development project ShipFC where Viking Energy will be retrofitted with a 2 MW fuel cell running on green ammonia. The ammonia fuel system will allow the vessel to sail solely on the clean fuel for up to 3,000 hours annually. Thus Viking Energy may become the world's first supply vessel to sail long distances without emissions of greenhouse gases. Testing will take place while the vessel is on contract for Equinor and the project encompasses 14 European partners.

The ShipFC project has received funding from the Fuel Cells and Hydrogen 2 Joint Undertaking under grant agreement No 875156. This Joint Undertaking receives support from the European Union's Horizon 2020 research and innovation programme, Hydrogen Europe and Hydrogen Europe research. www.shipfc.eu

THE RETROFIT PROJECT: AKER BP & EIDESVIK

Newbuilds are often presented as the only solution to making the shipping industry greener and more sustainable. However, at Eidesvik we are equally focused on the great potential for significantly reducing emissions from the existing fleet. As a shipowner we believe we can achieve increasingly large emissions reductions as well as save capex by prolonging the lifetime of existing vessels with new green technologies

Based on this belief Eidesvik and E&P company Aker BP Eidesvik Aker BP launched the ambitious joint technology project "Retrofit" in 2021. Retrofit's mission is to capture emission reductions of 70 percent or more on selected vessels. The work to map available new technologies from a cost-benefit perspective has commenced with full speed in 2023, with the investment decision to implement several energy efficiency measures on one vessels as a direct result and several other vessels being considered.



WORKING CONDITIONS

Our targets and performance

Target for 2023	Actual 2023
Employee satisfaction (eNPS score >30)	23

We aim to carry out our business in a way that supports and respects the protection of internationally proclaimed human rights. We do not engage in or support the use of child labour and support the elimination of all forms of forced labour, as outlined in our Code of Conduct. We ensure that all our employees, onshore and offshore, are working under conditions that meet the requirements set out in the International Labor Conventions and the Maritime Labor Conventions. Freedom of association and right to collective bargaining is respected and outlined in our Code of Conduct and our Human Rights Policy.

Eidesvik's ambition is to have highly qualified employees that are able to execute our strategy and deliver high quality services. Furthermore, the Company believes that creating a diverse and inclusive working environment where all employees feel valued and have equal career opportunities is not only the right thing to do but is financially beneficial for our business.

Our priorities in this area include:

- Securing an inclusive and safe working environment for all, with zero tolerance for bullying and harassment.
- High focus on retaining and developing employees.
- Maintaining a dynamic apprentice program through the availability of a wide range of trainee and cadet positions.
- Ensure high quality leadership in all levels of the organization.
- Supporting competence development through a combination of formal training, on the job training and own initiative.

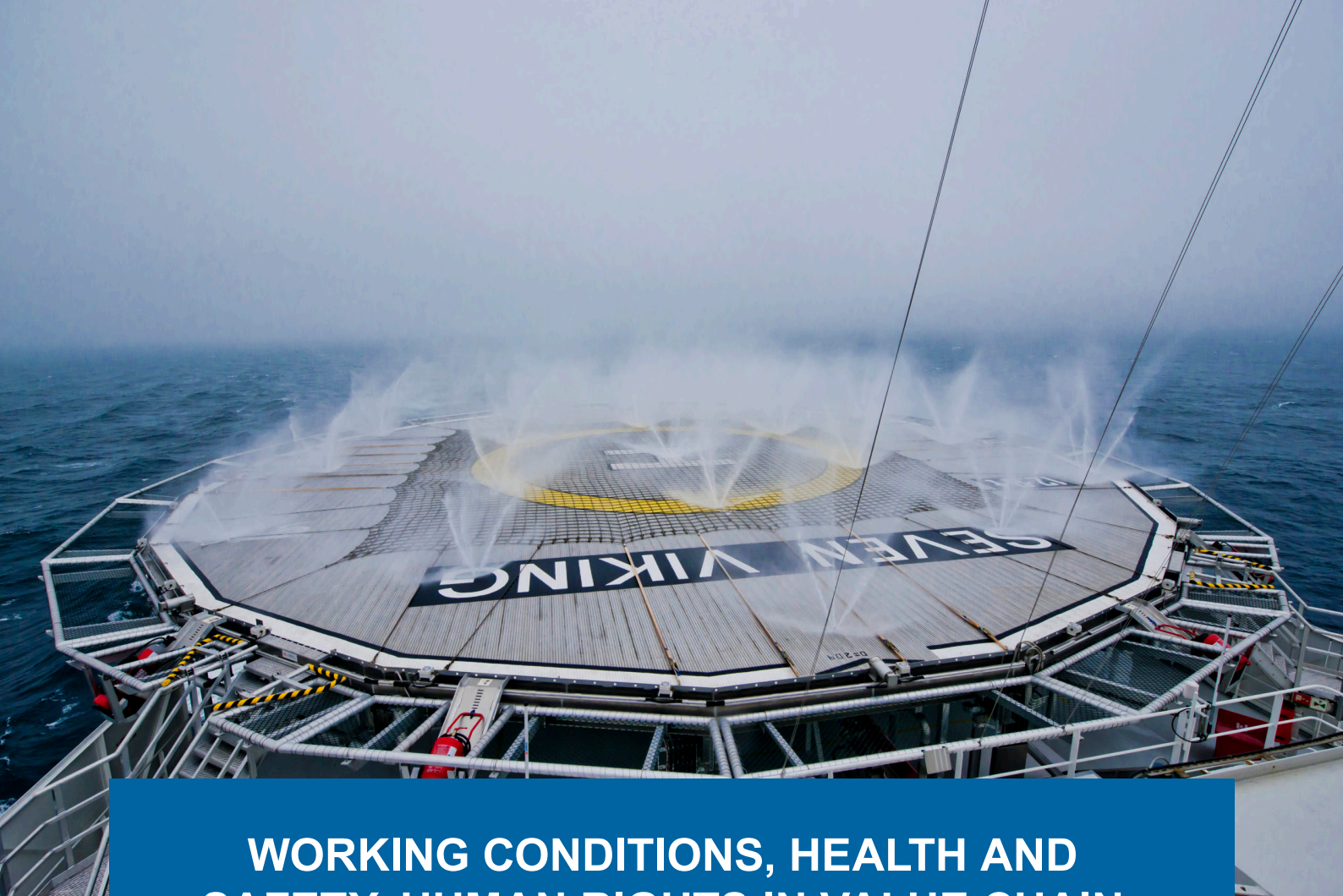
Eidesvik recognizes that a good work-life balance is important. For personnel working onshore we offer opportunities for flexible hours and use of home office. Our employee satisfaction survey shows that our employees feel they have a good balance between work and leisure with a score of 4.3 out of 5 in 2023.

We use the Employee Net Promoter Score as a measure for employee wellbeing. Scoring ranges from minus 100 to 100. We aim to have a score above 30. In 2023, our score was 23, which is a decrease from 26 in 2022. The main reason identified for the decline is structural differences in pay rates where pay rates in offshore are lower than in other industries in need for the same seafarer competence as us, for example the aqua culture industry. Another reason identified is fewer carrier opportunities caused by the last years' challenging situation in the offshore oil and gas industry in which we have not been able to grow our fleet.

Eidesvik has a strategy for growth and we are working on identifying opportunities to expand our fleet. One newbuild for the subsea and offshore wind industries was announced in early 2024. All seafarers are covered by collective bargaining agreements between the Norwegian Shipowners' Association and the seafarer's unions. We are actively engaged in discussions and negotiations regarding these agreements.

We have a range of initiatives to promote employee welfare, including the occupational health services, a physical exercise campaign, access to physical therapy, employee agreements giving beneficial terms at a bank and regular social events throughout the year. In 2023, we also initiated the development of a new work-life balance policy aimed at accommodating employees who require reduced work hours. The plan is to implement the policy in 2024.





WORKING CONDITIONS, HEALTH AND SAFETY, HUMAN RIGHTS IN VALUE CHAIN

Our targets and performance

Target for 2023	Actual 2023
100% of suppliers defined as critical for our operation to sign Counterparty Code of Conduct	100%

In Eidsvik, we recognize our responsibility to minimize the adverse impact of our operations, supply chains and other business relationships. This includes ensuring respect for fundamental human rights, health and safety, and decent working conditions in our value chain.

In 2023 the Company developed a Human Rights Policy that describes our approach to managing human risks in our operations. To ensure our suppliers are informed about the high ethical standards we expect, we have established a [Counterparty Code of Conduct](#) (CCoC) which incorporates issues related to anti-corruption, human rights, labour conditions and environmental issues. This CCoC is attached to all requests and purchasing orders, and all new suppliers are obligated to read and follow the expectations stated in the CCoC.

In 2023 much time has been spent on building internal awareness within our purchasing department about potential risk areas related to human rights and working conditions, and the Company's obligations. During the year we integrated human rights and working conditions in our selection process for yards, which is defined as a high-risk area for Eidsvik. In this process all yards considered for agreements are asked to provide documentation that sufficient policies and process within human rights and decent working conditions are in place. Risks related to human rights and working conditions are also part of our risk assessment process for yards and for all new suppliers.

To further expand our competence related to human rights Eidesvik is an active member of the Future-Proof Initiative¹⁰. Future-Proof is a business and human rights collaboration platform created by The Bergen Chamber of Commerce and Industry and the Rafto Foundation. The aim is to assist businesses in complying with their human rights responsibilities and enable knowledge sharing within and across industries. Eidesvik is committed to be an active participant in this platform. Within the forum Eidesvik participates with its VP Sustainability and a dedicated representative from the purchasing department.

REPORTING UNDER THE NORWEGIAN TRANSPARENCY ACT

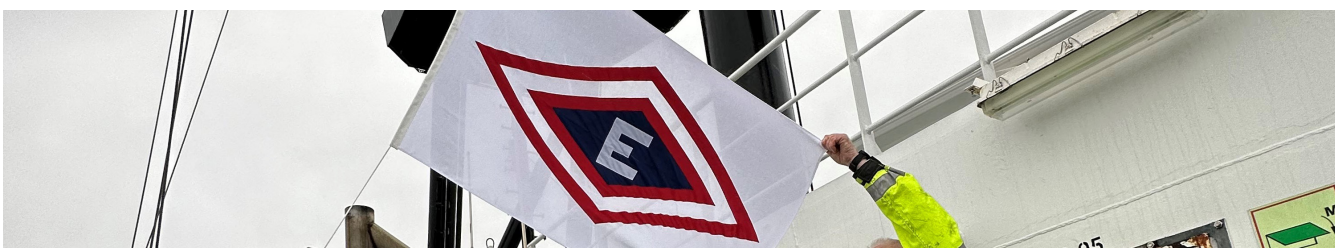
In 2022, the Norwegian Transparency Act entered into force. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions.

Eidesvik recognizes that the nature of our business and the shipping industry does propose a risk that our operations may cause adverse impacts on labour conditions and human rights in our value chain. In accordance with the Norwegian Transparency Act Eidesvik has developed a Company due diligence procedure to identify, prevent or mitigate the Company's risk for, and actual negative impact on, basic human rights and decent working conditions including in the supply chain and through our business relations. As part of our due diligence procedure, we perform annual risk assessments where we identify inherent risk areas and score and evaluate these impact areas in our risk assessment tool. We evaluate severity, likelihood, priority, and mitigation on each impact area.

Relevant elements that we base our risk assessment on are; country, type of industry, and type of raw materials. Mapping and prioritizing of risks is a continuous process where our target is to implement measures where the risk of adverse impacts and our opportunity to influence is the greatest. Examples of salient risk areas identified by the company are:

- Use of shipyard labour: Export Finance Norway has identified repeated examples of breaches on fundamental human rights in European yards – something we have also seen recent examples of in Norwegian yards. As a result of our due diligence process Eidesvik has implemented guidelines to ensure all yards will be audited before entering into an agreement. The audit checklist incorporates issues related to human rights, labour rights, health and safety policies and non-discrimination.
- Use of personnel services from risk countries: Eidesvik is a purchaser of crewing services from the Philippines. The Philippines is defined as a risk country for breaches on human rights, and Eidesvik has implemented a range of measures to ensure our operations do not result in any adverse effects. The measures include bi-annual on-site audits, crew conferences and monthly management meetings with our supplier.

No adverse impacts were identified in 2023. A full account of the due diligence process, defined risk areas and measures implemented is published on our website¹¹.



¹⁰ See <https://fproof.no/>

¹¹ <https://eidesvik.no/investor-relations/financial-reports/>



EMPLOYEE DEVELOPMENT

Our targets and performance

Target for 2023	Actual 2023
Trainee rate 7% of workforce	9.9%
Performance appraisal reviews (100%)	72%

Eidesvik aims to give all employees the opportunity to participate in annual performance and career development reviews. In 2023, 72% of employees completed such reviews. We are focused on career development and aim to recruit from within whenever possible. We have developed a leadership development program in cooperation with Norway's largest leadership and organizational development consultancy AFF and NHH – Norwegian School of Economics. Furthermore, we started in 2023 the development of a structured company career plan for our seafarers. With this plan we aim to ensure high-performing employees are identified and given opportunities to advance their careers. The plan will be implemented during 2024.

A key part of our strategy to ensure the future success of our business and the maritime industry is to attract young people to the industry. Therefore, we have set a goal that a minimum of 7% of the entire workforce should be trainees. In 2023, the rate was 9.9%. We are actively involved in ensuring quality education in the maritime subject at high schools in the local community. We cooperate amongst other with the Western Norway University of Applied Sciences to offer students within Nautical Studies internships on board our vessels.

THE EIDESVIK "BRIDGE PROGRAM"

Bømlo, where Eidesvik is headquartered, is one of the Norwegian municipalities that has accommodated refugees from Ukraine following the Russian invasion. As one of the largest employers in Bømlo Eidesvik wanted to contribute to a successful integration of the refugees, to the benefit of both our new residents and the society.

Several of those seeking refuge in Bømlo possess maritime experience. When learning this, Eidesvik chose in 2023 to set up the "Bridge program" in cooperation with Bømlo Adult Education. Through the programme we provide Ukrainian refugees a combination of onshore and offshore training, offering an introduction to Norwegian work life and valuable experience relevant for their background.

The program includes language training, introduction to the company and our procedures, and a 6-month practice period on board one of our vessels as additional crew members. The first seafarers are currently well underway with their practice period, and the feedback from our vessels has been exceedingly positive.



POLLUTION OF AIR AND WATER

Our targets and performance

Target for 2023	Actual 2023
Zero spills to sea	7 spills (0,002 m³)

Pollution caused by the shipping industry has a negative impact on both humans and ecosystem health. Eidesvik complies with all laws and regulations related to waste management and air pollution, and the company has established a plan to be compliant with the Ballast Water Management Convention. In 2023 we converted two vessels in accordance with the requirements of the OSV Code increasing their capabilities for carrying hazardous liquid substances in bulk. Our plan is to convert 4 additional vessels in 2024.

Our aim is to have zero spills, and the company has systems in place to mitigate the risks of such events happening. If spills do happen, the incidents are reviewed so that the organization can learn from them.

Our overall goal is to continue to be an industry leader in reducing air pollutants such as NOx, SOx and particulate matter (PM). Eidesvik’s fleet runs entirely on low sulphur marine gasoil (LS-MGO) or LNG or a combination of these two and does not rely on any heavy fuel oil. As we are not using heavy fuel oil, we are in compliance with IMO regulations on sulphur – and we are not dependent on scrubbers.

Pollution to air	2023	2022	2021
NOx metric tons	484	486	498
SOx metric tons	16	16	16
PM metric tons	23	23	22

Eleven of the vessels Eidesvik operates are registered in the Environmental Ship Index (ESI). The ESI identifies vessels that have better emissions reduction performance than what is required by the current emissions standards of the IMO. The ESI evaluates the amount of NOx and SOx that is released by a vessel and also includes a reporting scheme for GHG emissions of the ship. The ESI is recognized by the Norwegian Coastal Administration and many ports as a basis for environmental differentiation of fees/rates. Per 31 December 2023 all registered Eidesvik vessels are positioned amongst the top 11% (score >50 of 100) of the 6,350 vessels with valid scores in the index.

OCEAN HEALTH

Ocean health is important to Eidesvik, and we recognize that our operation has the potential to cause damage to the surrounding environment, particularly the marine environment, through discharges, noise and potential spills. Our ability to manage these risks and to mitigate our negative environmental impact is critical not only for the environment, but for our business. Our ambition is to comply with all rules and regulations regarding marine pollution and have zero spills.

Eidesvik's fleet had 7 spills during 2023, totalling 0.002 m³ in volume, which is a substantial improvement from 2022. All incidents were reviewed by the Top Management Team and lessons learned have been recorded. Our target remains zero spills to sea.

We recognize that proper waste management is important to keep our oceans healthy. In 2023, we generated a total of 174 metric tons of waste on board our vessels. All waste is either delivered onshore (86.8 % in 2023) or incinerated¹⁴. Ashes from incineration are delivered ashore and logged as required. Waste generated in accordance with Annexes I, II and III is handled in accordance with requirements.

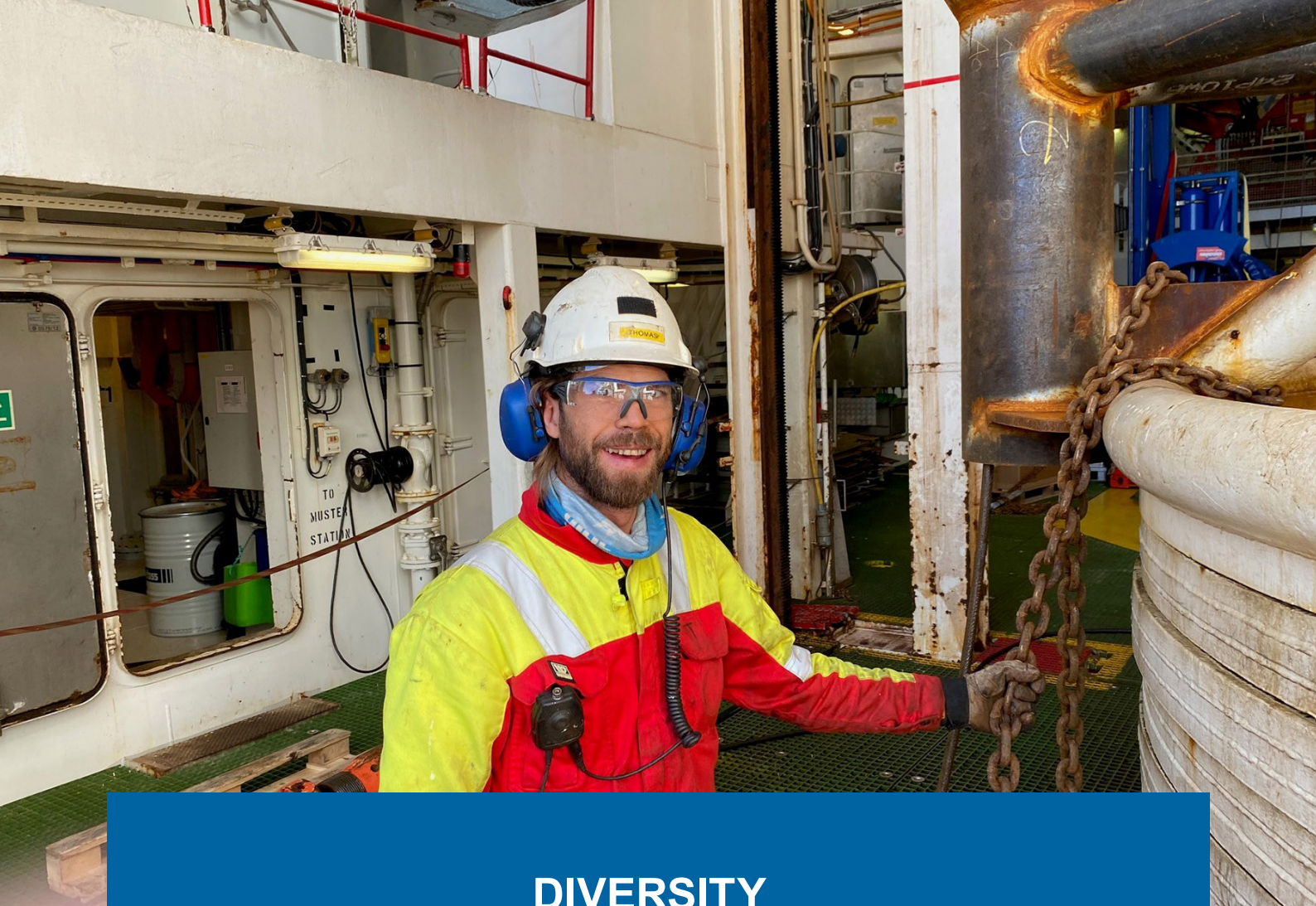
Our entire fleet is classed with DNV, and International Oil Pollution Prevention (IOPP) certificates with supplement are in full compliance with MARPOL's latest amendments and annexes.

¹⁴ Our waste management follows MARPOL Annex V – Prevention of Pollution by Garbage from Ships. We follow any amendments to the Annex and revise our waste management approach accordingly.

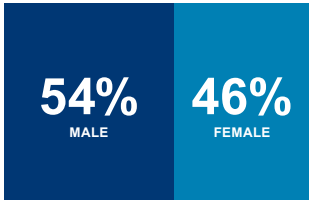
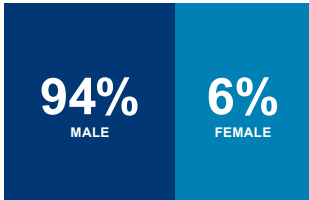
OVERVIEW OF ENVIROMENTAL IMPACT FROM OUR OPERATIONS

ACTIVITY	ENVIRONMENTAL IMPACT	EIDESVIK MITIGATING ACTIONS
Exhaust gas	Air pollution	<ul style="list-style-type: none"> • Install dual fuel engines • Install exhaust catalyst • Rebuild engines • Adaptive autopilot • Polishing of propellers • Logistics optimization • Optimise use of engines • Optimise trimming of vessels • Install battery hybrid systems • Install shore power connection • Reduced speed
Incinerator	Air pollution	<ul style="list-style-type: none"> • Increase delivery to shore • Improved design
Boiler	Air pollution	<ul style="list-style-type: none"> • Upgrades
Oil and chemicals	Pollution to sea	<ul style="list-style-type: none"> • Improve maintenance/routines • Latest generations of equipment for processing bilge water • Practices in cleaning oil spills
Ballast water	Pollution to sea	<ul style="list-style-type: none"> • Install cleaning system for ballast water in vessels according to IMO requirement





DIVERSITY



OFFSHORE CREW

ONSHORE CREW

Eidesvik considers it an advantage to have a diverse team. We do not discriminate in hiring, compensation, access to training, promotion, termination, or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation. Eidesvik does not condone discrimination of worker representatives and ensures that they have the sufficient training and resources to carry out their representative functions.

We have a company Equality and Anti-Discrimination Policy in place, describing how all Eidesvik employees shall make active, targeted and systematic efforts to promote equality.

The majority of our workforce is Norwegian, but we also have employees from Sweden, Denmark, the Faroe Islands, Finland, the UK, Germany, Latvia and Poland. We have an agreement with ship management provider OSM Thome, which we rely on for temporary crewing services from the Philippines.

Men have typically dominated the shipping industry, particularly offshore. This is also reflected in our organization where only 6% of our seafarers are women. However, onshore we have 46% female representation. 40% of our Top Management Team is female. While we do aim to attract more female seafarers, we recognize that this is a challenge. Recruiting more women to the industry is often on the agenda at leadership meetings. We are also heavily involved in Maritim Oppl ring¹⁵ where we serve on the board are actively working on mapping how to recruit more women to the industry. In 2023 a focus area has been to recruit more female Apprentices and among eight Cadets recruited for 2024 three are female. We also support initiatives through the Norwegian Shipowners' Association that aim to recruit women.

	MALE	FEMALE	<30	30-50	>50	TOTAL
Seafarers	343	23	135	141	90	366
Onshore	27	23	2	22	26	50
Top Management	2	3	0	1	4	5
Board of Directors	5	3	0	2	6	8

Eidesvik analyses the gender pay gaps of its employees. A salary comparison of employees at all levels shows that women's income was 80.3% to that of men's in 2023. More information on gender pay gap can be found in our annual report¹⁶. Eidesvik has guidelines in place for salary placement and salary adjustment which is outlined in the Company's Employee Handbook, which is based on our HR policy and Code of Conduct. For onshore employees Eidesvik determines each employee's salary individually after a fair judgement of the persons qualifications, including competence, performance, results and responsibility. All seafarers are covered by collective bargaining agreements between the Norwegian Shipowners' Association and the seafarer's unions, which sets wage agreements that the Company cannot deviate from. These agreements ensure equal treatment in relation to wages and working conditions. 1 female and 4 males have taken parental leave in 2023.

To ensure compliance with the Norwegian Equality and Anti-Discrimination Act the company has developed an Equality Efforts Compliance Procedure that covers our obligations related to activity duty and reporting. VP Human Relations is responsible for defining targets and responsibilities. Through the procedure, we use our annual employee survey to investigate whether there is a risk of discrimination. The survey results are presented internally and discussed in detail with union representatives and management both onshore and offshore. Together with union representatives and management we define necessary measures and actions for areas for which risks are defined. Furthermore, we perform internal audits to investigate compliance with our policies related to work environment and our non-tolerance for harassment. The requirements of the Equality and Anti-Discrimination Act is also integrated in our recruitment procedure. In 2023, we had zero breaches of our Human Resources Policy on gender, age, religion and ethnicity.



¹⁵ <https://maropp.no/>
¹⁶ <https://eidesvik.no/investor-relations/financial-reports/>



CLIMATE RISK

Eidesvik follows the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

As a starting point, Eidesvik based its climate risk review on the analysis on a 2°C scenario acknowledging that action is needed on economic, political, and technological levels to combat climate change. As shown in the International Energy Agency's (IEA) World Energy Outlook 2023 there is huge uncertainty over the trajectory for future demand of oil and gas. As a result of the global energy crisis predated Russia's invasion of Ukraine and the instability in the Middle East, many governments are now taking longer-term steps to ensure energy security: some seeking to increase or diversify oil and gas supply; many looking to accelerate structural change with aims to increase the pace of clean energy deployment. Each of the scenarios examined in the World Energy Outlook show an eventual decline in global oil demand to 2050, although the timing and sharpness of the drop vary widely. Though the range of possible outcomes for future demand of oil and natural gas is considerable, a decline in the demand from the late 2020s has been the main element when assessing economic impacts of climate-related risks for Eidesvik.

GOVERNANCE

The Top Management Team holds the responsibility to assess and manage climate-related risks and opportunities. Minimizing potential climate risks and identifying opportunities is on the agenda of Board meetings and is also recognized by the Top Management Team to be a crucial part of

Eidesvik's strategy. The team is leading the strategy process, as well as risk management, and discusses risks and opportunities with the technical department and more generally in the ESG context with other teams. Both parties are responsible for reviewing present and future climate risks for the shipping industry and the Company. Going forward, Eidesvik will continue to carefully monitor climate risk, especially regarding regulatory and market changes.

STRATEGY

Eidesvik has identified several climate related risks with potential impact and incorporated mitigation and management efforts into its overall business strategy. This includes developing adaptive capacity to respond to climate change through maintaining the position of the clear market leader within green offshore vessels. Early adoption of new technology and strengthening the organization with additional green tech resources makes Eidesvik more competitive in the future market, paving the way for increased revenue and improved reputational risk management.

Furthermore, new services capitalizing on Eidesvik technology competence and experience may lead to a strengthened position within other markets such as offshore wind, and to help offset other climate-related risks. In the end of 2023, 30% of our backlog was within the offshore wind market.

Investments in new projects within the oil and gas sector, or areas tightly connected to oil and gas, must take into account the global change where the investment horizon carries more risk and uncertainty than historically.

RISK MANAGEMENT

Risk management is an integrated part of Eidesvik's daily operations and management processes. Climate risk is integrated within the risk management system and will as such be effectively assessed and handled. Key risks, including regulatory changes or emissions associated with fuel consumption, are reported to the Board and relevant

teams within the Company. The established innovation culture and 20 years of experience among onshore and offshore personnel in implementation of new environmentally friendly technology promotes further climate risk mitigation.

METRICS AND TARGETS

Eidesvik aims to reduce emissions by 50% by 2030, and to have a climate neutral fleet by 2050, compared to baseline year 2008. We also aim for yearly reductions in CO₂e emissions per operational day and per nautical mile in transit. We use Scope 1 and 2 emissions to monitor our emissions reductions.

A SUMMARY OF OUR MAIN RISKS AND THEIR POTENTIAL FINANCIAL IMPACTS:

	RISKS	POTENTIAL FINANCIAL IMPACTS
Physical	<ul style="list-style-type: none"> • More frequent/severe storms • Rising sea levels and temperatures 	<ul style="list-style-type: none"> • Increased predictability and higher costs related to crew changes or vessel damages. • Costs related to increased off-hire risk and modification to air conditioning systems.
Regulatory	<ul style="list-style-type: none"> • CO₂ efficiency requirements, stricter emission regulations, zero-emission regulations. • The EU taxonomy and jurisdictional regulations – associated liabilities. 	<ul style="list-style-type: none"> • Lower valuation of assets, existing vessels might be outdated. Refinancing debt. • Higher capital expenditure in relation to investments in retrofit or new vessel.
Technological	<ul style="list-style-type: none"> • Radical technology change – new low and zero emission technologies. • Unsuccessful investments or lack of infrastructure for new fuels and technology. 	<ul style="list-style-type: none"> • Increased capital requirements to stay competitive. • Decreased revenue if unsuccessful. Write-offs on stranded assets.
Market	<ul style="list-style-type: none"> • Falling demand on oil & gas leading to lower vessel demand. • Changes in customer requirements or financial conditions, refinancing processes etc. 	<ul style="list-style-type: none"> • Deteriorating rates, negative impact on access to and pricing of capital, lower valuation. • Reduction in client base and/or increased competition – leading to decrease in revenues.
Reputational	<ul style="list-style-type: none"> • Shifts in employee preferences, expectations of shareholders, environmental organizations. • Stigmatization of the sector, lack of political support and increased stakeholder concern. 	<ul style="list-style-type: none"> • Increase in recruitment costs. • More difficult to attract investors, negative impacts on access to and pricing of capital. • Fewer state funding opportunities.



DATA SUMMARY

Accounting metric

Unit of measure

Data 2023

Data 2022

Data 2021

CLIMATE FOOTPRINT

CO ₂ EMISSIONS				
Gross global Scope 1 emissions ¹⁷	Metric tons (t) CO ₂ e	59,414	75,834	81,647
Gross global Scope 2 GHG emissions	Metric tons (t) CO ₂ e	Market-based: 1670 Location-based: 63	Market-based: 819 Location-based: 38	Market-based: 564 Location-based: 11
Gross global Scope 3 GHG emissions	Metric tons (t) CO ₂ e	459.4 ¹⁸	0.38	0.36
GHG intensity	Metric tCO ₂ e/nm	0.173	0.209	0.204
	Metric tCO ₂ e/ operational day	19.51	23.98	30.51

ENERGY MIX				
(1) Total energy consumed	Gigajoules (GJ)	770,937	769,208	857,368
(2) Heavy fuel oil	Percentage	0	0	0
(3) Renewable ¹⁹	Percentage	1.1	0.3	0.5

AIR POLLUTION

AIR EMISSIONS OF POLLUTANTS ²¹				
NO _x emissions (excluding N ₂ O)	Metric tons (t)	484	486	487
SO _x emissions	Metric tons (t)	16	16	16
Particulate matter (PM10)	Metric tons (t)	23	23	22

ECOLOGICAL IMPACT

ECOLOGICAL IMPACTS				
Shipping duration in marine protected areas and areas of protected conservation status	Number of travel days	0	0	0
Spills and releases to the environment	Number	7	21	19
	Cubic meters (m ³)	0.002	0.4	4.3
Waste generated	Percentage of waste to onshore waste handling	86.8	84.2	89.4
	Number, metric tons	151	122	49

¹⁷ Adjusted for 2021-2023 according to the equity approach

¹⁸ Business air travels included in reporting scope from 2023

¹⁹ Shore power

²⁰ Data for CO₂, NO_x, SO_x and particulate matter calculated per Statistics Norway's "Emission factors used in the estimation of emissions from combustion"

ACCIDENTS, SAFETY AND LABOUR RIGHTS

EMPLOYEE HEALTH AND SAFETY				
Lost time incident rate (LTIs/million hours worked)	Rate	1.47	0	0
Total Reportable Case Frequency (TRCF1)	Number	1.47	0.53	0.45
Sick leave	Ratio	5.9	5.1	6.9

ACCIDENT AND SAFETY MANAGEMENT				
Marine casualties	Number	0	0	0
	Percentage	0	0	0
Port state control	Deficiencies	4	13	0
	Detentions	0	0	0

HUMAN RESOURCES

DIVERSITY				
Shipboard personnel	Under 30 years	135	130	155
	30-50 years	141	136	157
	Over 50 years	90	91	87
	Male/Female	343/23	337/20	374/25
	Total	366	357	399
Board of Directors	Under 30 years	0	0	0
	30-50 years	2	3	1
	Over 50 years	6	5	7
	Male/Female	5/3	5/3	5/3
	Total	8	8	8
Top Management	Under 30 years	0	0	0
	30-50 years	1	1	3
	Over 50 years	4	5	3
	Male/Female	3/2	3/3	5/1
	Total	5	6	6
Onshore	Under 30 years	2	1	2
	30-50 years	22	22	29
	Over 50 years	26	25	27
	Male/Female	27/23	26/22	34/24
	Total	50	48	58
Part-time employees	Number (male/female)	0/0	0/0	0/0
Temporary employees ²¹	Number (male/female)	0/0	0/0	0/0
Parental leave	Weeks (male/female)	4/36 ²²	6/0	9.5/52
Ratio of basic salary of women to men	Ratio	Management: 87% Other employees: 68%	Reported in 2021	Management: 89% Other employees: 65%

²¹ Excluding employees contracted through OSM Thome.

²² 1 female and 4 males have taken parental leave in 2023.

Accounting metric	Unit of measure	Data 2023	Data 2022	Data 2021
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Nationality mix in workforce	Percentage	Norway: 83.2 Sweden: 8.53 Latvia: 0.27 Germany: 0.8 Finland: 1.07 The Faroe Islands: 2.4 Danish: 3.2 Polish: 0.27 UK: 0.27	Norway: 85 Sweden: 6.4 Latvia: 0.25 Lithuania: 0.25 Germany: 0.74 Finland: 0.74 The Faroe Islands: 2.2 Danish: 2.9 Polish: 0.24 UK: 0.2	Norway: 89 Sweden: 3.7 Latvia: 0.4 Lithuania: 0.8 Germany: 0.8 Finland: 0.25 The Faroe Islands: 1.5 Danish: 1.5 UK: 0.4
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EMPLOYEE DEVELOPMENT & WELFARE

eNPS score	Number	23	26	37
Trainee rate	Percentage	9.9	8.9	9.3
Performance appraisal	Percentage	72	73	70

BUSINESS ETHICS

BUSINESS ETHICS

Number of calls at ports in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index ²³	Number	0	0	0
Facilitation payments	Number	0	0	0
Fines	Value in reporting currency	0	0	0
	Number	0	0	0

²³ The company did not operate in any of the 20 countries with the lowest rankings as rated in Transparency International's Corruption Perception Index in the period 2021 – 2023.

SHIP RECYCLING

SHIP RECYCLING

Number of ships recycled	Number	0	0	0
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