

SUSTAINABILITY

HIGHLIGHTS 2017



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CEO, Jesper Høj-Hansen

Sustainability is integrated and embedded into NorSea Group Denmark's strategy and business practices – we have achieved excellent results and have set ambitious goals for the future.

Concern for the environment and promoting a broader sustainability agenda are integral to NorSea Group Denmark's professional activities and the management of the organisation. We aim to promote good sustainability practice to reduce the environmental impacts of all our activities.

"Sustainability has been a focus area for many years. The figures speak for themselves - from 2009 to 2014 we have reduced our CO₂ emissions by 63%," says Jesper Høj-Hansen, CEO in NorSea Group Denmark A/S.

"This result is the outcome of a thorough analysis of our energy consumption and emissions in all our activities and assets back in 2009. On the basis of these figures we were able to identify in which areas we should make improvements to obtain the greatest results. We know that sustainably is a top priority for our customers and we strive to ensure transparency of our achievements," he adds.

We have come far in our journey; however, we are taking further ambitious steps to continue the direction to become even more sustainable. Our goal is to reduce our CO₂ emission from 2014 to 2019 by another 10%. Implementation of Lean and digitalisation to make a smarter supply chain will be of paramount importance to achieve this goal.

"A Lean process has been well implemented throughout the organisation. This year we will implement a new digital platform in order to optimise the collaboration between the parties in the value chain. With instant and smart communication, we will be able to offer even

more sustainable solutions to our customers in the future", explains Jesper Høj-Hansen.

He stresses that sustainability is an 'umbrella term' that covers health, safety, security and environment issues as well as corporate social responsibility.

"Our focus is to ensure successful and optimal safety and environmental management as an integrated part of increasing the quality of our products and services," Jesper Høj-Hansen concludes.

NorSea Group Denmark's sustainability strategy includes among others these objectives:

- Always strive to deliver the most sustainably product and services and make performances transparent to all stakeholders whether we deliver logistic services, base or facility services, operation and maintenance or steel production or treatment.
- Having integrated sustainability into our business processes enables us to provide sustainable solutions to our customers.
- Always embed sustainability thinking into increasing the quality of our product and services.
- Act sustainably in accordance with the overall guidelines complied with by all NorSea Group subsidiaries.
- Minimise the environmental footprint and – in all our activities - support solutions preventing the climate from changing.
- Make use of local labour in all our operations whenever practically possible.



400,000

TONS OF GOODS HANDLED
ON AN ANNUAL BASIS

SOCIAL AND ECONOMIC PERFORMANCE

SOCIAL PERFORMANCE		2015	2016	2017
Number of employees ^{a)}	FTE	347	391	211
Gender (female/total)	%	20	21	23
Gender (male/total)	%	80	79	77
Employee engagement ^{b)}	%	76	59	77
Performance appraisal	%	24	24	78 ^{c)}

SAFETY PERFORMANCE		2015	2016	2017
Lost time injury frequency (LTIF) ^{d)}	frequency	0	0	0,48
Fatalities	number	0	0	0

a) Average number of full time employees excluding jointly controlled entities and discontinued operations.

b) The number reflects the percentages of satisfied employees who participated in the annual engagement survey. "Satisfied" is the combination of satisfaction, pride, referral and intent to stay in the organisation.

c) The increase in "Performance appraisal" 2017, is because it now also contains the hourly paid employees.

d) Lost time injury frequency measures the number of lost time injuries excluding fatalities per 200,000 exposure hours.

e) The decrease in revenue in 2017 is due to drop in oil prices resulting in decreasing activity

f) Decrease in the consumption of fuel oil was due to change to district heating in 2015 at the locations in Måde.

g) The increase in CO₂ emission from 2015 to 2016, is due to increase of diesel consumption in the same period.

h) The increase in the different waste fractions was due to sorting and cleaning in all areas before certification audit.

ECONOMIC PERFORMANCE		2015	2016	2017
Revenue	mill. DKK	364	414	201 ^{e)}

118,000

M² OF OUTDOOR STORAGE AREAS

ENVIRONMENTAL PERFORMANCE

ENERGY CONSUMPTION		2015	2016	2017
Fuel oil	tonnes	4,7 ^{f)}	2	0
Diesel	tonnes	790	870	882
Electricity	MWh	1.270	1.428	1.200
District heating	GJ	5.302	4.360	6.074
Fuel oil	GJ	191	81	0
Diesel	GJ	33.733	37.149	37.661
Natural gas	GJ	0	0	0

GREENHOUSE GAS (GHG) EMISSIONS		2015	2016	2017
GHG emissions	tonnes CO ₂ eq	3.036	3.373	3.513
Direct GHG emissions (Scope 1 GHG Protocol)				
CO ₂	tonnes	2.513	2.756 ^{g)}	2.787
CH ₄	tonnes CO ₂ eq	5	6	6
N ₂ O	tonnes CO ₂ eq	30	33	33
Indirect GHG emissions (Scope 2 GHG Protocol)				
CO ₂	tonnes	476	567	674
CH ₄	tonnes CO ₂ eq	4	4	4
N ₂ O	tonnes CO ₂ eq	8	7	9

OTHER AIR EMISSIONS		2015	2016	2017
SO ₂	tonnes	0,2	0,2	0,1
NO _x	tonnes	24	27	26
VOCs	tonnes	0,1	0,1	0,1
Particulate matters	tonnes	0,5	0,3	0,3

OTHER RESOURCE CONSUMPTION		2015	2016	2017
Waste total	tonnes	165 ^{h)}	126	108
- recycled (composting, reused, recycled)	tonnes	42	44	68
- solid (landfill, on-site storage, incineration)	tonnes	113	62	34
- hazardous (controlled deposit)	tonnes	10	20	6
Water consumption	m ³	1.970	1.493	1.271
Spills (oil)	m ³	0	0	0

SERVICES TO THE OFFSHORE INDUSTRY

NorSea Group Denmark A/S offers a variety of services:

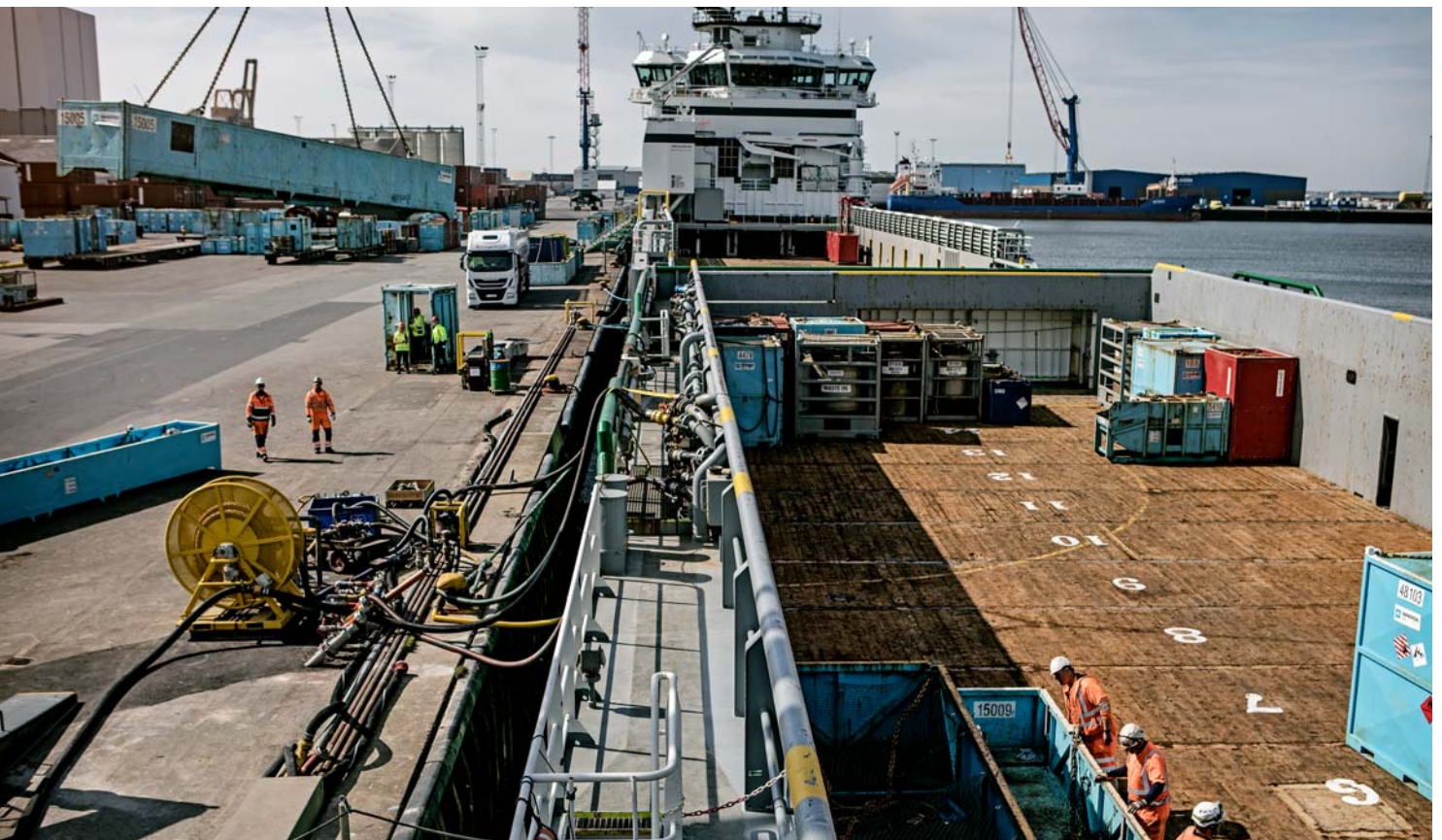
- Total Integrated Logistics Services
- Offshore Supply Base and Port Operations
- Offshore Operation and Maintenance
- Steel Construction and Surface Treatment
- Facility Services and Infrastructure Development

Our headquarter is located in Esbjerg, Denmark - but we operate world wide. We often work in environments characterised by large installations, heavy machinery and harsh weather conditions.

"As a service provider to the offshore industry, safety has top priority," says Per Lorenzen, HSEQ Manager. "The main measures for the work we perform are first of all an efficient safety organisation. Apart from this,

recurrent safety campaigns, safety briefings of offshore personnel and staff in general, quarterly newsletters, and similar internal communication on safety related matters have been implemented". Our online management system provides transparency and access to all information for all employees. "The security handbook, manuals and policies are available here. We also carry out reporting of lost time injuries and near-misses electronically. It creates a new openness and a new level of engagement from our employees," Per Lorenzen says.

...AS A SERVICE PROVIDER TO
THE OFFSHORE INDUSTRY,
SAFETY HAS TOP PRIORITY...



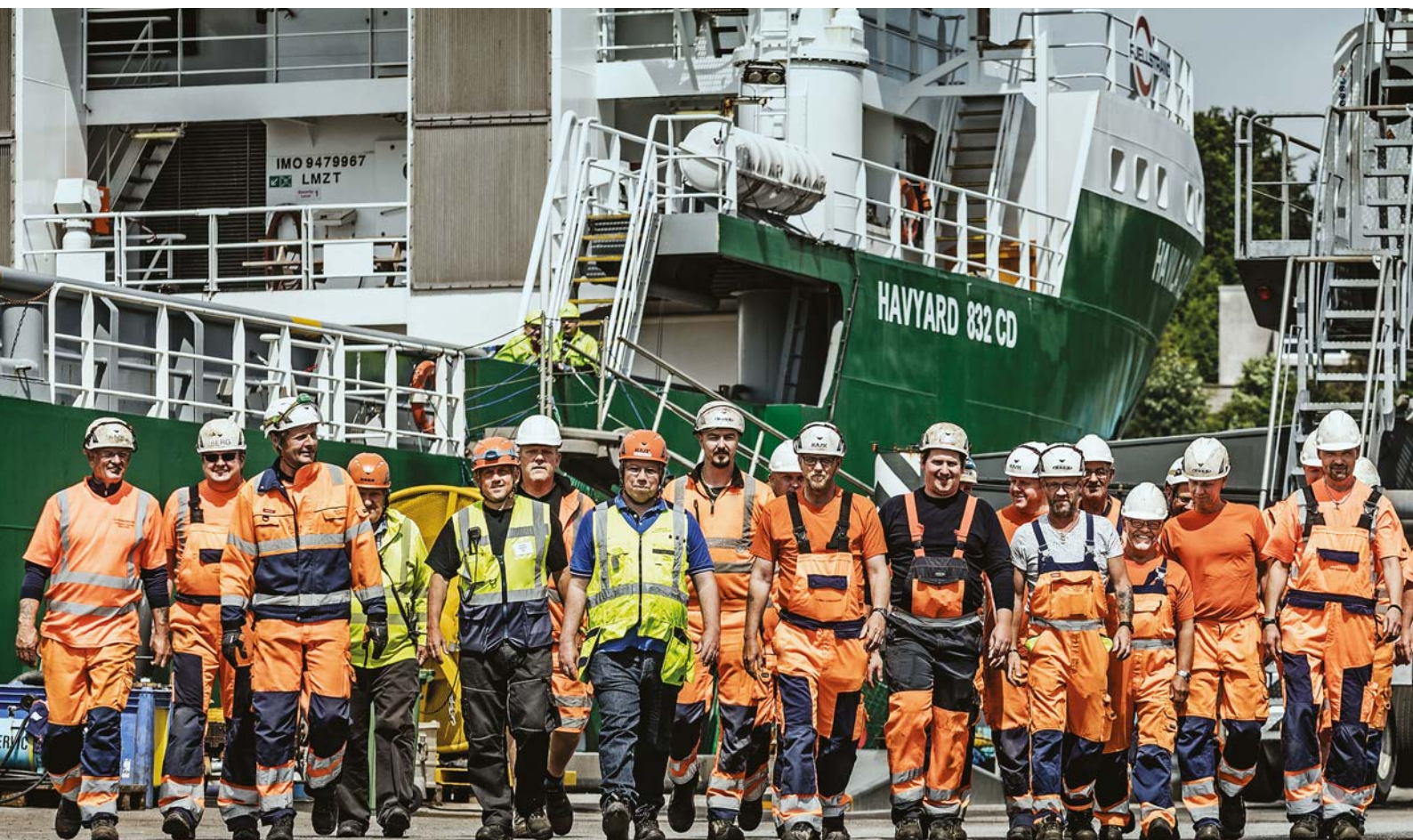
OUR EMPLOYEES – OUR MOST VALUABLE RESOURCE

Our biggest trade is service, knowhow and performance – carried out and delivered by our employees. This fact makes our employees our most valuable resource. We take great care in providing an attractive workplace which is reflected in our pay off:

We measure on a number of key performance indicators in terms of whether the work has been successful. Targets are set, and employee turnover, commitment and absenteeism are measured. For 2017, we registered a very satisfying performance on all above targets.

Employee involvement is included in the managerial job descriptions and criteria for success. Responsibility together with empowerment is a very deliberate management strategy at NorSea Group Denmark A/S.

OUR PEOPLE - OUR PROMISE



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DEDICATED
EMPLOYEES



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