

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2021



Prosafes

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ABOUT THIS REPORT

In this Environmental, Social and Governance (ESG) Report, Prosafe will communicate to its stakeholders how the company integrates environmental, social and governance factors into its business model and strategy, risk management, decisions and operations in order to ensure long-term sustainable development and profitability.

We will describe Prosafe's ESG focus areas and results, focusing on how we respond to climate change, how we treat our people and how we responsibly manage and conduct our business for the benefit of all stakeholders and society at large.

Prosafe complies with laws and rules and regulations applicable to its business. The company adheres to international recognised principles and guidelines such as the Universal Declaration of Human Rights, the key conventions of the International Labour Organisation, the OECD Guidelines for Multinational Enterprises and the principles of the United Nations Global Compact.

This report has been prepared based on the Corporate Social Responsibility (CSR) requirements of the Norwegian Accounting Act section 3-3c, the Norwegian Shipowners' Association's guidelines for ESG reporting in Shipping and Offshore Industries published in November 2021 where relevant for the company, UN Global Compact's requirements for communication on progress, and the Norwegian Code of Practice for Corporate Governance published in October 2021.

ESG GOVERNANCE

ESG is embedded in Prosafe's Board approved Core Values, Code of Conduct, principles for Corporate Governance and Corporate Social Responsibility Policy and is an integral part of the company's strategy.

The Board and executive management regularly discuss ESG opportunities, risks and goals to ensure that they are integrated into the operations, culture, values, incentives and business practices of Prosafe. Consequently, several quantitative environmental, social and governance KPI targets have been set to drive development.

Prosafe's Safety, Sustainability and Ethics Committee assists the Board in its supervision of the company's ESG performance. This includes regular reviews of ESG issues, including climate-related business risks and opportunities, anti-corruption, personnel safety, human rights, cyber security and ESG performance. When necessary, the Committee will consult with internal and external expert resources.





UN GLOBAL COMPACT'S GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

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

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

The company aims to align its own responsibility goals with the following SDGs that can be influenced by Prosafé: SDG 3: Good health and wellbeing; SDG 8: Decent work and economic growth; SDG 13: Climate action; SDG 14: Life below water.

In 2021, progress has especially been made on SDG 3 with a very low sickness absence and no lost time injuries during the year, and on SDG 13 where a number of initiatives have been kicked off to reduce GHG emissions.

Selected SDGs	2021 milestones	Potential impacts and risks (examples)
SDG 3: Health and wellbeing 	Lost time incident frequency of zero No fatalities Low sickness absence (0.27%)	+ Providing good workplaces, with safety as our first priority - Potential safety incidents - High absence level
SDG 8: Decent work and economic growth 	Continued focus on raising human rights and anti-corruption awareness	+ Increased awareness - Exposure to human rights risks related to our activities and supply chain
SDG 13: Climate action 	Ongoing "Emissions reduction project" "Strengthen ESG profile and compliance" was included as one of the Company's key goals for 2021	+ Exploring emissions reductions - Emissions from operations and supply chain
SDG 14: Life below water 	No accidental emissions to sea No non-regulatory release of ballast water	+ Managing environmental impacts - Risk of potential spills

The company recognizes that its business activities may have both positive and negative impacts on the SDGs. However, Prosafé seeks to minimize negative impacts and contribute positively to the goals, and to be transparent about its impacts where the company still has need for improvement.

COMMITMENT TO STAKEHOLDERS

Prosafé's ESG focus is based on transparency, stakeholder dialogue and integrity in the conduct of its business. The company's main stakeholders in this perspective are its employees, customers, suppliers, investors and shareholders, lenders, and the local communities where we operate. Prosafé will ensure

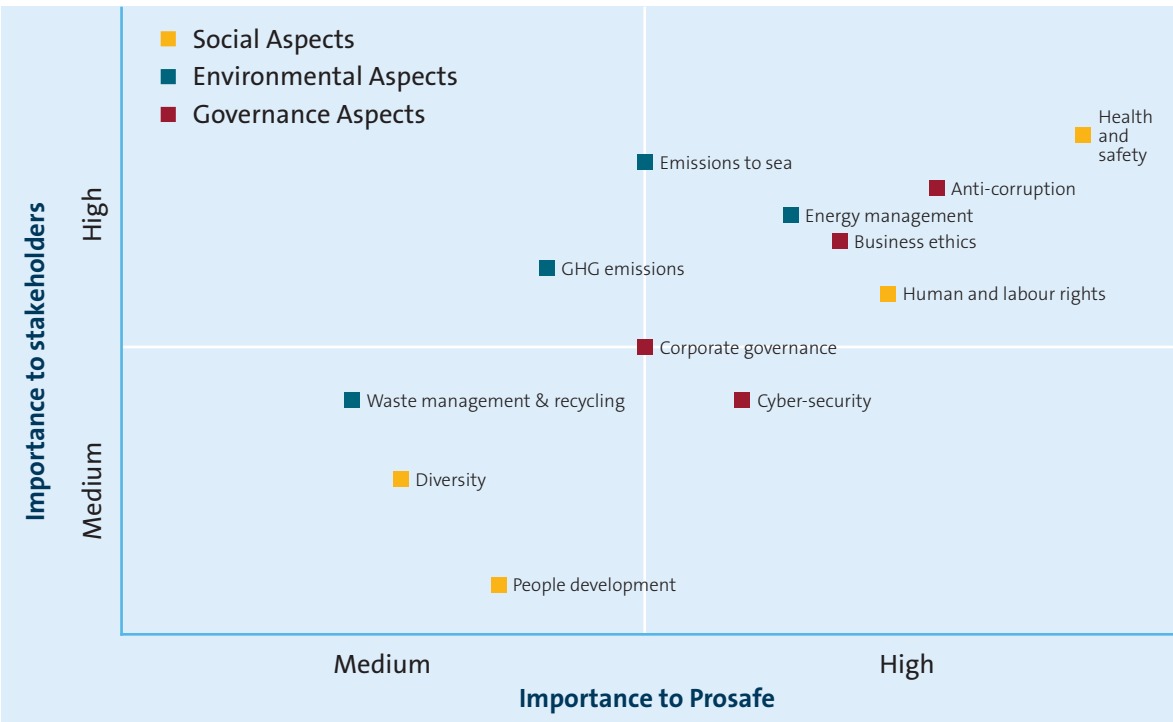
that its stakeholders at all times are in possession of correct, clear and timely information about the company’s operations and status.

Dialogue with stakeholders is essential for identifying risks, opportunities and trends, creating realistic expectations and securing confidence in the company. Prosafe interacts with its key stakeholders among others through the annual general meeting, customer surveys, employee surveys, town hall meetings and investor presentations.

MATERIALITY ANALYSIS

To better understand stakeholders’ expectations and the risk factors and opportunities they perceive as important to the company’s long-term value creation, Prosafe has prepared a materiality analysis based on findings from stakeholder dialogue, internal fact-finding and research. We have sought to identify the indicators of highest concern of interest to our stakeholders and those with the largest impact on value creation for Prosafe over time. Our goal is to focus our efforts where we have the highest impact and can make the most difference.

The Board and executive management have been actively involved in this process and the material indicators on which this report is focused were discussed and selected during Board and management meetings.



The Environmental, Social and Governance sections of this report summarize Prosafe’s actions on each of these material indicators.

The results of the materiality analysis are in accordance with material issues highlighted by the Norwegian Shipowners Association’s guidelines for ESG reporting in the shipping and offshore industries.

As “Governance” is the foundation for how Prosafe manages ESG, we have moved this section to the start of the report.

GOVERNANCE

Prosafe is committed to complying with all applicable laws, rules and regulations in every country in which it operates and to conduct business in a fair, ethical and transparent manner.

Prosafe's Code of Conduct provides the framework for what Prosafe considers to be responsible conduct. It addresses important principles and sets clear rules and expectations for behaviour and ethical standards for all employees. If laws and regulations in a country are more stringent than Prosafe's Code of Conduct, local rules shall apply.

PROMOTING INTEGRITY AND TRANSPARENCY

Prosafe encourages its employees to report any breaches or suspected breaches of its Code of Conduct, governing policies or laws and regulations, through the established whistleblowing channels. This will ensure that the company when necessary can rectify, learn and prevent re-occurrence.

Prosafe's Whistleblowing Policy describes the internal process for whistleblowing aiming at detecting, preventing and combating corrupt and/or unethical behaviour in Prosafe and describes the relevant guidelines as to how to report concerns and how such matters are handled.

The company has a number of whistleblowing channels in place. In 2021, an online reporting tool that allows safe, anonymous reporting of business integrity concerns was implemented.

All reported concerns and whistleblower reports will be handled with discretion and in a professional manner, with no retaliation imposed on those who report suspected or unethical behaviour, and the individual may remain anonymous.

ANTI-CORRUPTION AND FACILITATION PAYMENTS

Prosafe's principles regarding anti-bribery and anti-corruption are crystal clear – the company has zero tolerance. This is also described in the company's Code of Conduct and in the Anti-bribery and Anti-corruption Policy.

Prosafe's Code of Conduct explicitly prohibits all forms of corruption, including facilitation payments and contributions to political parties or to individual politicians on behalf of the company. Prosafe will not offer customers, potential customers, governments, agencies, or any representatives of such entities, or any other third party any rewards or benefits in violation of either applicable law or reasonable and generally accepted business practices. Any breaches or suspicion of breaches of business ethics must be flagged. If in doubt, employees must consult their manager or the Safety, Sustainability and Ethics Committee.

Neither Prosafe nor any of its employees faced criminal action related to corruption in 2021. The company is not aware of any ongoing investigation or any legal actions pending for anti-competitive, anti-trust or monopoly violations where Prosafe is identified as a participant or suspect, nor were any such legal actions completed during 2021.

In 2021, none of Prosafe's revenues were derived from projects located in the 20 countries ranked lowest by Transparency International in its Corruption Percentage Index.

SUPPLIER FOLLOW-UP

Prosafe encourages suppliers, consultants and other business partners within its sphere of influence to observe the company's Core Values, Code of Conduct and its standards for corporate social responsibility, health and safety, the environment, quality assurance and training and competence.

ESG is focused upon throughout the procurement process and in supplier audits. The main tool for ensuring ESG implementation in the supply chain is the Prosafe Approved Supplier Verification Questionnaire which requests suppliers to sign and commit themselves to following Prosafe's ESG principles.

Suppliers are subject to the same standards as used by Prosafe within its Integrated Management System. Through planned, scheduled and follow-up efficacy monitoring and audit activities, Prosafe reviews and verifies that defined standards and requirements are met.



Suppliers are expected to:

- respect all individuals and basic human rights standards
- comply with applicable laws and regulations
- conduct their business without bribery or corruption
- engage in fair competition
- uphold labour standards and prevailing trade union agreements (if applicable)
- uphold and support Prosafe's Core Values and Code of Conduct

Prosafe's supplier audits include focus on Environment, Social and Governance, including self-assessment status, measures in place, objectives, ambitions and targets.

PERSONAL DATA (GDPR)

Prosafe complies with the EU General Data Protection Regulation (GDPR). Consequently, the company has the necessary data protection procedures in place to ensure the highest standards of protection of personal data and that the privacy of our people and stakeholders is safeguarded in accordance with the requirements in the regulation.

CYBER-SECURITY

Prosafe has a number of procedural and organisational controls and protective measures in place to ensure that its data and systems are safe. The company is continuously evaluating options to improve cyber-security protective measures, to improve control of remote access to IT (Information Technology) and OT (Operational Technology) systems and to improve mail security.

Through awareness campaigns employees are informed and educated about best practices for working from home, including ensuring Prosafe's information remained secure in a remote environment.

In 2021, Prosafe did not experience any loss of data, loss of integrity or other loss. Further, there were no incidents of downtime of critical IT systems due to cyber-attacks or similar incidents.

PLANNED ACTIONS IN 2022

- Ensuring integrity is a continuous project. The company will continue to increase employees' knowledge and raise awareness through e-learning programs, regular intranet updates and town hall meetings with Q&A sessions.
- Continue to give new employees a thorough introduction of Prosafe's history, operations, vision, core values and Code of Conduct. All employees shall obtain the necessary training in the company's policies and procedures.
- Continue the mandatory e-learning program for anti-corruption and anti-bribery.
- Continue the mandatory e-learning program for Cyber-security awareness



GOVERNANCE RESULTS IN 2021

Topic	2021	2020	2019	2021 KPI target	Status	Comment
Corruption risk (Net revenue from operations located in the 20 countries ranked lowest by Transparency International in its Corruption Percentage Index)	0	0	0	0	✓	None of Prosafe's revenues derived from operations located in the 20 countries ranked lowest by Transparency International in its Corruption Percentage Index.
Cyber-attacks resulting in loss of data, loss of integrity or other loss	0	0	0	0	✓	We have implemented a set of procedural and organisational controls in addition to several protective measures. In close co-operation with our global IT service partner, we utilize a centralized service desk based on ITIL where all incidents are registered.
Cyber-attacks resulting in downtime of critical IT systems	0	0	0	0	✓	As above
Number of whistleblowing cases	0	2	2	A well-functioning whistleblowing system	✓	Prosafe has a whistleblowing policy and an online whistleblowing channel that allows anonymous reporting of concerns. Since there traditionally are reported few concerns, the available systems for whistleblowing are regularly highlighted in town hall meetings, on the intranet, etc.
Political contributions	0	0	0	0	✓	Political involvement is regulated by our Code of Conduct. Prosafe does not make political contributions
Facilitation payments	0	0	0	0	✓	As above
Monetary fines and number of non-monetary sanctions for non-compliance with laws and/or regulations	0	0	0	0	✓	

SOCIAL

OUR PEOPLE

Prosafe's success depends upon the combined capabilities and contributions of its employees. Their motivation, knowledge and competence are fundamental to the company's further sustainable development.

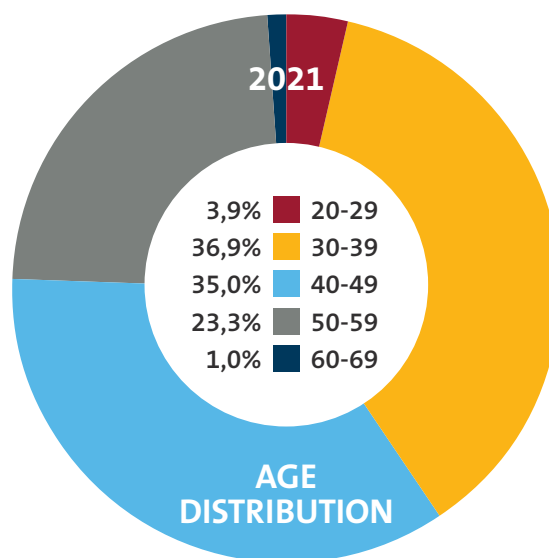
The company is committed to offering its employees a safe and stimulating working environment where everyone is treated fairly and with respect.

KEY STAFF NUMBERS

Prosafe had 103 employees¹⁾ at the end of 2021 (average 97), compared with 99 in the previous year (average 111). This reflects the adjustment of the organisation and its operating model whereby a significant number of activities were outsourced to external providers. Prosafe operates on an activity driven method, where headcount will increase and decrease as contracts dictate, and the majority of these peaks and troughs are now managed via the external suppliers, most evidently the crewing provider. The overall voluntary employee turnover in the group was 11.23 per cent in 2021, compared with 8.06 per cent in 2020.

The company's global presence was reflected in the fact that its employees came from 25 countries around the world. The average age of Prosafe employees is 44.

Due to the nature of the company's business, characterized by a mix of long and short contracts and vessels moving from one country to another when starting a new contract, Prosafe employs an increased number of agency personnel offshore, often only engaged for a short time. Adherence to Prosafe's Code of Conduct, policies and procedures is amongst others ensured through an introduction program for new employees, continuous management focus and e-learning programs.



¹⁾ Workforce data in this report covers employees in our direct employment. Temporary employees are not included.

DIVERSITY AND EQUALITY

Prosafe believes that strength lies in differences and complementary traits, not in similarities. Attracting, developing and retaining the best employees, regardless of gender, age, nationality, cultural background or religion, gives the company access to new ideas, promotes better decision making, and creates a workforce that mirrors our clients and the society at large.

Prosafe operates an equal opportunity policy including gender equality. Men have, however, traditionally made up a greater proportion of the recruitment base for offshore operations, and this is reflected in Prosafe's gender breakdown. As at 31 December 2021, women accounted for 26.2 per cent of all employees, compared with 27.3 per cent in 2020. Onshore the proportion of women was 40.3 per cent, as compared to 41.7 per cent in 2020.

Women constituted 26.3 per cent of the managers as at 31 December 2021, an increase from 24.4 per cent at the end of 2020. Women account for 50 per cent of Prosafe's Board of Directors.

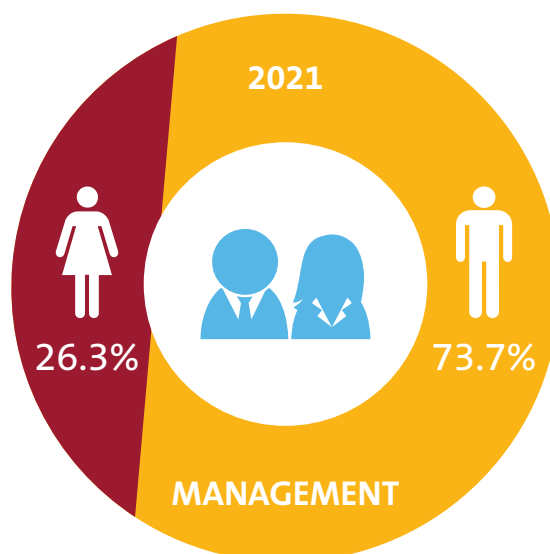
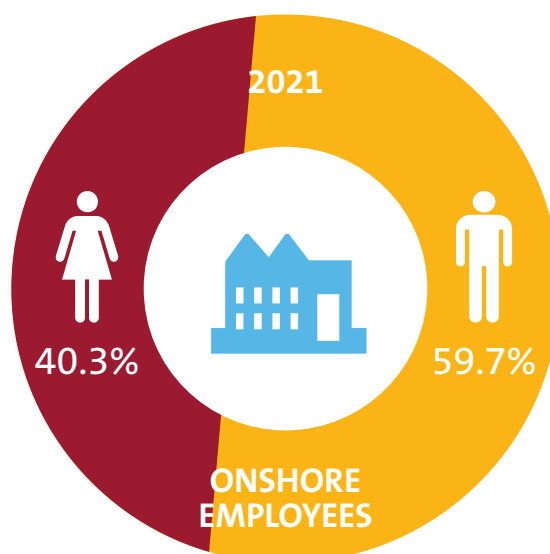
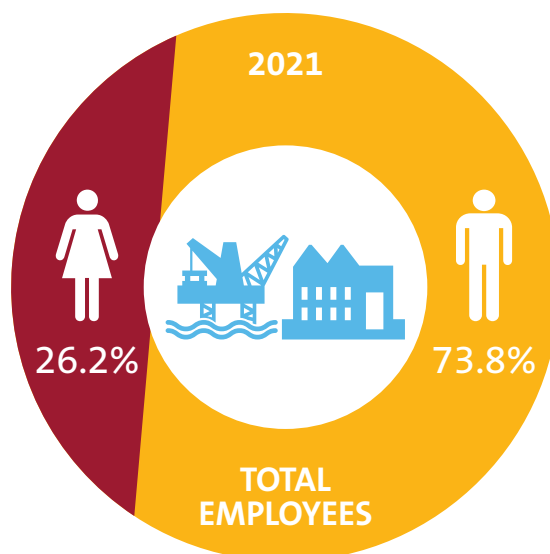
As at 31 December 2021, the average hourly pay for female employees in Prosafe was USD 34, while it was USD 69 for male employees.

Prosafe aims to offer the same opportunities to all and does not accept discrimination with respect to recruitment, remuneration or promotion due to age, disability, gender, marriage and civil partnership, pregnancy and maternity, nationality, religion or belief, and sexual orientation.

RECRUITMENT AND COMPENSATION

Prosafe wants to be a preferred employer and aims to attract and retain employees by offering them challenging and motivating tasks, and by providing attractive working conditions and possibilities for personal development and career growth.

All employees shall have a salary that is seen as fair, competitive and in accordance with industry standards.



Only relevant qualifications such as education, experience, performance and other professional criteria shall be considered when appointing new employees, making performance evaluations and settling remuneration, and awarding promotion.

RESPECTING HUMAN RIGHTS

Prosafe supports the principles set out in the Universal Declaration of Human Rights. The company endeavours to ensure that its operations and those of its suppliers are conducted in accordance with basic human rights standards. This statement of support can also be found in Prosafe's CSR Policy and in Prosafe's Code of Conduct.

Human Rights related risks

Prosafe operates in the international oil and gas industry which is a strictly regulated industry within which there is a strong presence of trade unions.

Prosafe requires that human rights are respected within its own operations and within those of its suppliers and partners. In preparation for the Norwegian Transparency Act that will enter into force on 1 July 2022, Prosafe will in the course of 2022 carry out due diligence assessments related to fundamental human rights and decent working conditions, not limited to own operations, but also to supply chains and business partners in line with the OECD Guidelines.

Prosafe's approach to respecting human rights starts with the company's commitment to its workforce. This includes ensuring that staff are treated fairly and without discrimination and have a healthy, safe and secure working environment, in addition to respecting their right to freedom of association and right to negotiate and cooperate through relevant representative bodies.

Prosafe does not accept any breaches of human rights or labour standards when recycling older vessels. In all cases, Prosafe will act diligently and adhere to relevant conventions (2009 Hong Kong Convention, 1989 Basel Convention), always adopt best practise, provide financial guarantees and appoint independent recycling yard representation where necessary, until the asset is completely recycled.

Response to Human Rights violations

No legal claims have been received from any employee in respect of any violation of human rights, and no breaches of the Code of Conduct in relation to human rights have been observed in 2021.

RESPECTING LABOUR STANDARDS

Prosafe respects and promotes the four fundamental principles and rights at work as described in the International Labour Organisation Core Conventions:

- freedom of association and the effective recognition of the right to collective bargaining
- elimination of all forms of forced or compulsory labour
- effective abolition of child labour
- elimination of discrimination in respect of employment and occupation

These principles are also described in the company's Code of Conduct and in the Corporate Social Responsibility Policy.

Labour rights related risks

Prosafe operates in the international oil and gas industry which is a strongly regulated industry with a strong presence of trade unions. The knowledge and training required in order to be allowed to work offshore and the application of national tariff agreements largely eliminate the possibility for using child labour.

Prosafe aims to ensure compliance with labour laws, rules and regulations in all the geographical areas and jurisdictions it operates in. It is Prosafe's understanding that the International Labour Organisation Core Conventions are respected within its own operations and within the operations of its suppliers, consultants and other business partners.

Employee Representation and Engagement

Employees in all geographical locations have the right to be heard and represented, and to form and join trade unions of their own choice. This is part of Prosafe's commitment to human and labour rights.

Prosafe encourages employee involvement and keeps its employees updated through emails, regular intranet updates and town hall meetings with Q&A sessions.

For organisational changes that affect the company's employees, Prosafe observes national legislation on the minimum requirements of notification period in the countries where the company operates.

Prosafe conducted two global employee engagement surveys in 2021. The surveys consisted of questions categorised into the following subject areas: Employee Engagement, Strategic Leadership, People Leadership, Performance, Communication, Growth & Development, Reward & Recognition, Improvement/Changes, Covid-19 and Remote Working Practices.

The average 2021 score for each subject area was compared against the average 2020 score to identify if there had been a positive or negative change between the surveys. In general, across the majority of survey subject areas there has been a positive change in what has been a challenging year for the company. However, this change has been small and there is room for further improvement.

Based on the feedback received, management evaluates which improvement areas to focus on in the following year.



Collective bargaining

The following Collective Bargaining Agreements were in force during 2021:

- Norwegian Maritime Unions
- Norwegian Ship Owners Association
- Industri Energi

These agreements have been renewed and will continue to operate during 2022.

Response to Labour Standards violations

There have not been any reported possible breaches of labour standards since Prosafe became a participant of the UN Global Compact in October 2008.

There were not made any legal claims against the company by any employee regarding a breach of labour standards in 2021.

PLANNED ACTIONS IN 2022

- Continue the mandatory e-learning program for human rights and labour rights
- Continue to conduct Employee Engagement Surveys in order to gain insight on what is engaging (and disengaging) our employees and be able to initiate the required actions
- Finalize a Human Rights Policy
- Finalize a Diversity & Equality Policy

SOCIAL RESULTS IN 2021

Parameters	2021	2020	2019	2021 KPI target	Status	Comment
Number of employees at year-end	103	99	150	-	-	Prosafte operates on an activity driven method, where headcount will increase and decrease as contracts dictate.
Employee turnover ratio	11.2%	8.06%	19.2%	< 10%	X	Higher than the KPI, probably due to uncertainty related to Covid-19 and a lengthy financial restructuring process.
Share of women in the workforce – overall	26.2%	27.3%	26.8%	-	-	Male employees have traditionally made up a greater proportion of the recruitment base for offshore operations.
Share of women in the workforce – onshore	40.3%	41.7%	36.6%	> 30%	✓	
Share of women in management	26.3%	24.4%	26.8%	> 20%	✓	26.3% of management positions are held by women.

HEALTH AND SAFETY

Prosafe endeavours to offer its employees a safe and healthy working environment in both physical and psychosocial terms. It is our objective that nobody should suffer work-related illnesses or strain injuries as a consequence of working for Prosafe.

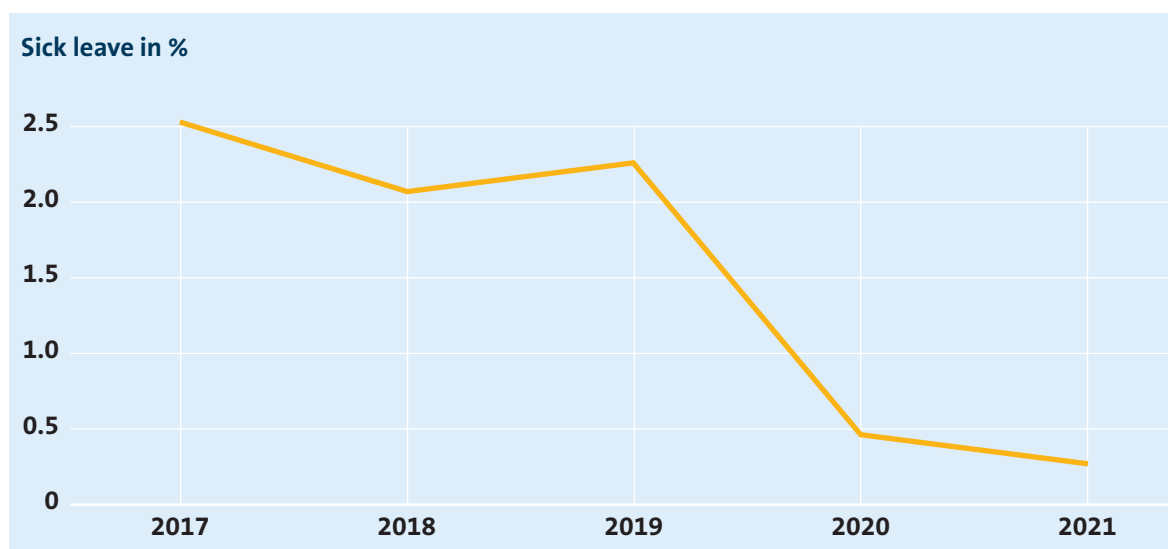
Policies, procedural requirements and safe working practices are defined within the company's integrated management system. Our management system complies with ISO standards 9001; 14001; 45001 and 50001. Employee engagement and their valued contributions ensure our management system remains effective, simple in its use, compliant and accessible for all.

WORK-LIFE BALANCE

All employees should have a good balance between work requirements, individual opportunity for control and participation, and support from colleagues and managers.

Sick leave was 0.27 per cent in 2021, a reduction from 0.46 per cent in 2020, partly due to Covid-19 precautions. We believe that a good working environment and a close follow-up of employees on sick leave are prerequisites for achieving the lowest possible sickness absence rate.

The company monitors and manages all areas of absence (actual and potential) closely and takes the appropriate actions. Prosafe also takes steps to enable employees to return to work on light duties, either in the office or on shorter vessel trips to re-assimilate the employee's return to work.



	2017	2018	2019	2020	2021
Sick leave in %	2.53%	2.07%	2.26%	0.46%	0.27%

Special attention is paid to employees exposed to certain hazards such as high noise environments, exposure to chemicals and other conditions that may be harmful to health. The company carries out regular occupational health assessments for this purpose.

Reducing sick leave is significant to the well-being of the individual employee and also has a positive financial effect on the company and society as a whole.

MANAGING COVID-19

Prosafe has monitored developments closely since the outbreak of the Covid-19 pandemic and has taken prompt and proactive actions to manage the situation as it affects our business and employees. We work closely with our industry network and clients to ensure we have the best situational awareness and response.

Prosafe operates in compliance with national and international governmental requirements whilst dovetailing these with supplementary requirements of the marine and oil and gas industry sectors. Restrictions on travel, periods of quarantine and isolation impact on our ability to maintain traditional labour standards, triggering the need for change. New ways of working, initiatives to attract and retain personnel, introduction of remote work activities, flexible working hours and working from home are some examples of such change. The physical and mental health of our workforce is integral to our corporate culture to ensure a safe and healthy working environment at all times.

To ensure the safety of our employees and business continuity through the pandemic, we have implemented strict protocols to prevent an outbreak of Covid-19 in our offices and in particular on our vessels. All personnel travelling to a Prosafe vessel must comply and adhere to all necessary quarantine and Covid-19 testing protocols before their arrival onboard.

Prosafe's employees have proven their stamina and integrity and ensured safe and efficient operations throughout the pandemic. Prosafe has experienced some isolated cases onboard our operational vessels. In close coordination with our clients, these occurrences have been managed effectively. Preventive measures incorporating robust and frequent Covid-19 testing regimes are integral to our business operations allowing us to either mitigate or contain successfully any outbreaks within our own operations.

SAFETY CULTURE – ZERO MINDSET ²⁾

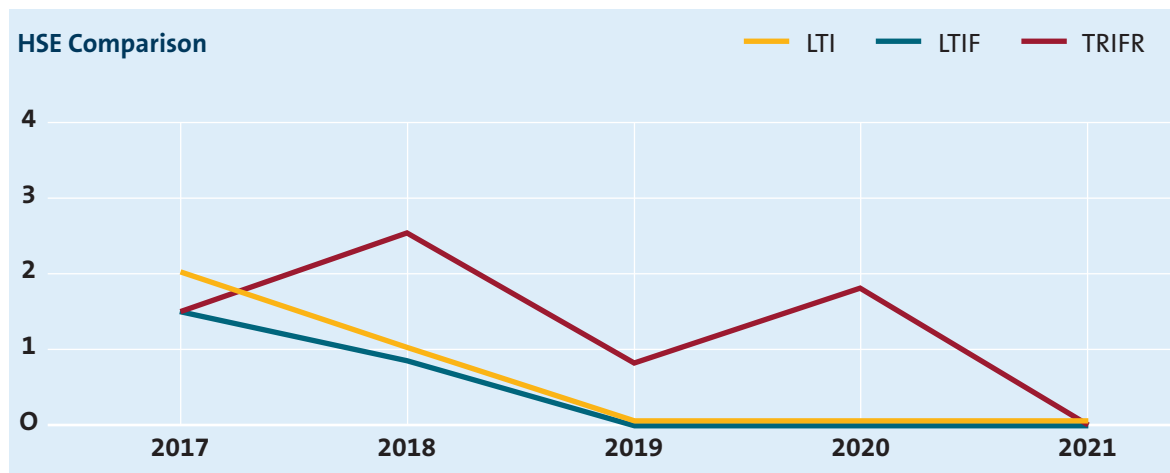
Safety is a core value in Prosafe. We look upon the objective of zero incidents as a goal to work towards and a way of thinking. We focus on best practice, seek continual improvement, share experience and actively learn from such occurrences. Our mindset reflects that we commit to work at the highest quality possible at the time it is being done. It is our ambition that everyone working for Prosafe understands their responsibilities and is empowered to act. Zero-mindset establishes perfection as a consistent goal to strive for.

Systematic preventive health, safety and environment work is a line management responsibility in Prosafe. Strong leadership, commitment and close cooperation with our employees, their representatives and other stakeholders are key factors in achieving our goals.

²⁾ Safety data are reported for our operated assets and include marine crew (both employees and temporary agency personnel). Contractors (third party vendors) are not included.

In 2021, Prosafe recorded zero incidents classified as a Lost Time Injury (LTI) incidents, i.e. those incidents where injuries are sustained resulting in an employee being absent from the next work shift due to the injury. This equals our performance in 2020 when there were also no LTIs recorded. The LTI frequency, which is calculated by multiplying the number of LTIs by 1 million and dividing this by the total number of man-hours worked, was also zero.

The Total Recordable Injury Frequency Rate (TRIFR) is calculated by multiplying the number of all injuries requiring medical treatment by 1 million and dividing this by the total number of man-hours worked. In 2021, the TRIFR was zero, an improvement from 1.81 in 2020.



	2017	2018	2019	2020	2021
Number of Lost Time Injuries (LTI)	2.00	1.00	0.00	0.00	0.00
Lost Time Injuries Frequency (LTIF)	1.50	0.85	0.00	0.00	0.00
Total Recordable Injury Frequency Rate (TRIFR)	1.50	2.54	0.82	1.81	0.00

Where injuries of significant severity occur, we ensure that suitably resourced investigations are undertaken to identify root causes and introduce risk-reducing measures aimed at preventing recurrence. We share the learnings from such investigations within the fleet and understand their contributory influence on our ability to achieve our injury free goals.

Continuously supporting safety awareness

Prosafe continues to promote and support a zero-mindset with our employees and sub-contractors. In order to achieve this, a number of activities and management tools are facilitated. These are described in more detail on Prosafe's website at <https://www.prosafe.com/fleet/hsseq/safety/> where you can also find a description of the continuous preventive work and improvement efforts.

Contingency plans

Prosafe has established contingency plans to limit harm to people, the environment and material assets. These plans will ensure that correct, relevant and timely information is provided to the outside world if and when required.

We carry out regular emergency response training and exercises in cooperation with our customers and third parties to ensure that we are well prepared to deal with a potential crisis.

PLANNED ACTIONS IN 2022

- Promote safe, reliable and sustainable operations and offer our employees a safe and healthy working environment
- Internal campaign to increase HSSE awareness and the non-compliance mindset

SAFETY RESULTS IN 2021

Parameters	2021	2020	2019	2021 KPI target	Status	Comment
Sick leave	0.27%	0.46%	2.26%	< 3%	✓	
Lost time injuries (LTI)	0	0	0	0	✓	
Fatalities	0	0	0	0	✓	
TRIF (Total Recordable Injury Frequency)	0	1.81	0.82	1.53 – 1.87*	✓	Our good safety performance for the year 2021 resulted in zero recordable injuries to our marine crew thus exceeding the benchmark parameters set.
LTIF (Lost Time Injury Frequency)	0	0	0	0	✓	Prosafes KPI for all injuries is zero. The industry benchmark 10% range for 2020 is 0.23 – 0.34.
MTC (Number of Medical Treatment Case)	0	2	6	0	✓	
RWC (Number of Restricted Work Case)	0	0	0	0	✓	
HOC (Number of Hazard Observation Card)	10,142	6,443	14,690	KPI: 6 per day per vessel on contract 4 per day per vessel in yard. Actual: 5.8 per day	✓	Our operational contract vessel performance averaged 5.8. cards per day.

* Showing the 10% range +/- of the industry benchmark indicator (IMCA & RNNP)

ENVIRONMENT

Care for the environment is one of Prosafe's core values and forms an integral part of the company's business planning. Prosafe's goal is zero accidental discharges to the sea and zero accidental emissions to the air, which is in line with its principles for sustainable development.

Prosafe actively pursues and commits to reducing direct emissions from its vessel operations in collaboration with its clients and other stakeholders.

ENVIRONMENTAL MANAGEMENT

Prosafe's integrated management system is accredited to ISO 14001 and the company has implemented a systematic improvement process related to same.

Environmental Impact Assessments are maintained for each of the company's operational vessels. The assessments take into account the mode of operation of the vessel together with generic geographical considerations and environmental requirements of the operator's operating permit.

All accidental discharges and emissions are reported and followed up in the same way as injuries and material damage. In 2021, there were no accidental discharges to the sea and no accidental emissions to the air.

ENERGY MANAGEMENT

In 2021, Prosafe further increased its focus on the energy management side of environmental management and started a process to implement the requirements of ISO 50001 Energy Management with the intention to secure ISO 50001 accreditation.

All formal audits were successfully concluded during 2021 and the company received formal ISO 50001 certification in January 2022.



GREENHOUSE GAS (GHG) EMISSIONS

Prosafe calculates its Greenhouse Gas (GHG) emissions according to the GHG protocol. The emissions of CO₂, CO, NO_x, SO₂, CH₄ and VOC for the fleet are calculated based on the fleet's diesel consumption. Prosafe's fleet carries low sulphur marine diesel with a maximum sulphur content of 0.1 per cent, which is better than the requirement within MARPOL Annex VI Regulation 14.1 prohibiting the carriage of fuel oil with sulphur content exceeding 0.5 per cent.

Tonnes pr. year	2021	2020	2019	2018	2017
Consumed diesel	31,461	17,836	40,858	35,486	33,250
CO ₂	100,678	57,075	130,746	113,555	106,400
CO	493	280	641	557	522
NO _x	1,868	1,059	2,427	2,108	1,975
SO ₂	125	71	163	142	133
CH ₄	5	3	7	6	6
VOC	64	36	82	71	67

It is important to note that the amount of diesel consumed, and thereby also the amount of emissions, will vary largely depending on:

- The number of vessels being operated throughout the year
- The fleet utilisation (i.e. the amount of time that the vessels have been operating)
- The vessels' operation mode - dynamic positioned (DP) vessels maintain their position by means of thrusters and will therefore use far more diesel and thereby also have substantial higher emissions, than vessels that maintain station by moorings

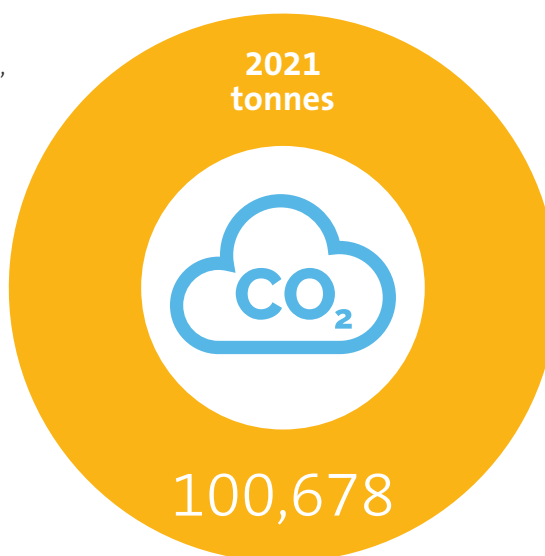
The number of vessels that uses DP and the number of days that these vessels keep their position by using DP will vary from year to year. This implies that the amounts of emissions per year are not directly comparable.

Prosafe's offices saw a reduction in emissions in 2021, due in large part to the remote working environment created by the Covid-19 pandemic, and partly due to the relocation of the Aberdeen office from a large old building to newer and smaller premises.

The company actively monitors and manages staff business travel and encourages its employees to limit travelling to the extent possible and use telephone or video conference when possible.

REDUCING OUR ECOLOGICAL FOOTPRINT

Prosafe is seeking solutions to reduce emissions in order to reduce its impact upon the environment. The dominant part of the emissions is linked to fuel consumption. The company is targeting a 50 per cent lower fuel consumption by 2030 and believes that this is achievable without compromising safety.



Several initiatives were started in 2021 with initial focus on two vessels, the Safe Zephyrus and Safe Boreas:

- Implementation of a “2+1” split on the engines, meaning that the 3-split on the engines are modified so that we can reduce the number of running engines from 3 to 2. This is expected to reduce fuel consumption by 10 – 15 per cent by improving the efficiency of the engines.
- Finalized ISO 500001 certification, including mapping and monitoring of the energy consumption in real-time.
- Implemented advisory software tools to help the crews to reduce energy consumption.
- Built a roadmap of additional measures that can be implemented over the coming years. Several ideas are currently being evaluated and will be put forward for decision in the first half of 2022.

The initiatives will be rolled forward to other vessels over the next years.

Prosafe’s vessels have International Air Pollution Prevention (IAPP) certificates, International Oil Pollution Prevention (IOPP) certificates and International Sewage Pollution Prevention (ISPP) certificates. These certificates are all issued under the International Convention for the Prevention of Pollution from Ships (MARPOL) and are subject to periodic survey.

SPILLS

Prosafe had no reportable discharges to the natural environment in 2021. The company’s vessels take proactive measures to mitigate the potential for any spills and regularly conduct exercises to test its Oil Prevention Emergency Response & Spill contingency plans.



RESPONSIBLE RECYCLING

Prosafe continues to high-grade its fleet by selling the oldest and most inefficient vessels for recycling at certified ship recycling yards. In 2021, the Regalia was sold for recycling. In total, eight vessels have been sold for recycling since 2016.

In all cases, Prosafe will adhere to relevant conventions (2009 Hong Kong Convention, 1989 Basel Convention), always adopt best practise, provide financial guarantees and appoint independent recycling yard representation where necessary, until the asset is completely recycled, and conduct extensive diligence when recycling of any asset.

USE OF CHEMICALS AND HAZARDOUS SUBSTANCES

Prosafe has an approved Hazardous Substance list in operation. Where High Risk Hazardous substances or chemicals are identified, the company will seek to substitute these chemicals with lower Hazardous products.

WASTE MANAGEMENT

When a Prosafe vessel operates alongside an offshore installation, it co-operates with the waste management requirements within the operator's operational permits.

All Prosafe vessels are subject to MARPOL requirements and have implemented a waste management system that is documented in the Garbage Management Manual. The plan includes assessments of all potential waste products originating on board together with the requirements for waste segregation for transportation ashore.

BALLAST WATER

Ballast water management for the company's vessels is controlled within the confines of the International Maritime Organisation (IMO) regulations.

Prosafe's vessels have International Ballast Water Management (IBWM) certificates. These certificates are all issued under the International Convention for the Control and Management of Ship's Ballast Water and Sediments and are subject to periodic survey. There has not been any accidental or non-regulatory release of ballast water in 2021.

DISCHARGE OF SEWAGE

The discharge of sewage is controlled within the confines of IMO regulation. All vessels within the fleet have been subject to International Sewage Pollution Prevention (ISPP) surveys and have been issued certification in accordance with MARPOL Annex IV by the relevant Flag.

PLANNED ACTIONS IN 2022

- Continue to monitor and assess opportunities to improve on energy efficiencies thorough Green Energy options for our onshore sites (low carbon products)
- Continue the implementation of a "2+1" split on the engines which is expected to reduce fuel consumption by 10 – 15 per cent by improving the efficiency of the engines
- Liaise with office building owners to monitor and assess opportunities to improve on energy efficiencies as a tenant of a multi-occupancy buildings at our onshore sites and to improve the data base for calculating our GHG Scope 2 emissions
- Initiate collaboration with our supply chain to address our Scope 3 emissions resulting from our operations
- Roadmap to GHG reduction

ENVIRONMENTAL RESULTS IN 2021

Parameters	2021	2020	2019	2021 KPI target	Status	Comment
Direct GHG emissions (GHG Protocol Corporate Standard Scope 1) (per contract day in CO2 tonnes)	65	47.4	71.43	73.92	✓	KPI : a 5% reduction from the 2015-2019 average in CO2 tonnes for the fleet per contract day, based on fuel consumption. In 2021, Prosafe developed a long-term ambition roadmap on how to reduce emissions on our vessels; - Started the implementation of a “2+1” split on the engines which is expected to reduce fuel consumption by 10 – 15 % by improving the efficiency of the engines - Implemented advisory software tools to help the crews to reduce energy consumption.
Energy indirect GHG emissions (GHG PCS Scope 2 in CO2 tonnes)	0.6	145	156.5	-	-	Data collated from total energy consumption for onshore site offices located in UK, Norway Brazil and Singapore. The office in Norway uses 100% renewable energy. The reduction in emissions is largely due to the remote working environment created by the Covid-19 pandemic.
Other indirect GHG emissions (GHG PCS Scope 3 in CO2 tonnes)	1,965	1,785	3,193	-	-	Data collated from all air travel booked through the company’s travel agent for onshore and offshore personnel including agency personnel in UK, Norway, Brazil and Singapore
Energy consumption (kWh) onshore	92,738	261,253	541,063	248,191	✓	KPI: a 5% reduction from the previous year. Energy consumed by offices in UK, Norway, Brazil and Singapore. The number has been substantially reduced due to the relocation to newer and smaller premises in the UK and employees working from home.

Parameters	2021	2020	2019	2021 KPI target	Status	Comment
Energy consumption reduction rate onshore (percentage)	75.8	51.71	15.7	-	-	
Fuel used (tonnes)	31,461	17,836	40,858	KPI: 23,1 tonnes/ contract day Actual: 20,3 tonnes/ contract day	✓	KPI: a 5% reduction from 2015-2019 average in tonnes of fuel per vessel per contract day. Prosafes fleet carries low sulphur marine diesel with a maximum sulphur content of 0.1 per cent, thereby exceeding the requirement within MARPOL Annex VI Regulation 14.1 prohibiting the carriage of fuel oil with sulphur content exceeding 0.5 per cent.
Fuel consumption reduction rate (percentage)	-87.3	58.9	-15.7	-	-	
NOx (tonnes)	1,868	1,059	2,427	KPI: 1,37 tonnes/ contract day Actual: 1,21 tonnes/ contract day	✓	NOXe for each vessel per contract day (5% reduction from 2015-2019 average)
SO2 (tonnes)	125	71	163	-	-	
CH4 (tonnes)	5	3	7	-	-	
VOC (tonnes)	64	36	82	-	-	
Unplanned spills or emissions to ground / sea / air	0	0	0	0	✓	
Total waste (tonnes)	2,959	965.4	2,618.2	-	-	In 2021, the level of activity and generation of waste on board the vessels have increased due to the preparation of a number of vessels for lay-up and the Special Periodic Survey of Safe Concordia.
Hazardous waste	186	62	245	-	-	

Parameters	2021	2020	2019	2021 KPI target	Status	Comment
Waste reduction rate (percentage)	-208	18	-47	-	-	Due to the preparation of a number of vessels to re-assume operations and a higher number of vessels in operations throughout the year, there was an increase in the amount of waste compared to the previous year.
Total water use offshore (1 000 litres)	94,236	44,289	108,798	-	-	



LIST OF ABBREVIATIONS

Abbreviation	Definition
Contractors	Third party vendors
CSR	Corporate Social Responsibility
ESG	Environment, Social and Governance
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas Emissions
GHG emissions – scope 1	Direct GHG emissions from operations that are owned and/or controlled by the company
GHG emissions – scope 2	Indirect GHG emissions from energy purchased from third parties for e.g. heating or cooling and consumed within the company
GHG emissions – scope 3	All other indirect GHG emissions from activities of the company occurring from sources that the company does not own or control, i.e. business travel, procurement, waste and water
Hazardous waste	Waste is considered to be hazardous waste according to the regulations under which the activity operates or where the waste can pose a substantial hazard to human health and/or the environment when improperly managed
IMO	International Maritime Organisation
KPI	Key Performance Indicator
LTI	Lost Time Injury, which means the employee was absent from the next work shift because of the injury
LTI frequency	The Lost Time Injury (LTI) frequency is calculated by multiplying the number of LTIs by 1 million and dividing this by the total number of man-hours worked
Marine crew	Includes employees and temporary agency personnel. Contractors (third party vendors) are not included
MARPOL	The International Convention for the Prevention of Pollution from Ships
SDG	The United Nations' Sustainable Development Goals
Sickness absence	The total number of sickness absence hours as a percentage of planned working hours (Prosafé employees)
Total recordable injury frequency (TRIF)	Number of fatal accidents, lost-time injuries, injuries involving substitute work and medical treatment injuries per million hours worked



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