



Sustainability Report

2023/2024

Northern Offshore Group is an expansive group of privately owned companies mainly providing services to the shipping industry.

**NORTHERN
OFFSHORE
GROUP //**



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We are Northern Offshore Group.

Northern Offshore Group (N-O-G) is a well-established, privately owned group with a long maritime heritage spanning several generations. N-O-G provides services to the offshore industry. The company has strong values and visions rooted in the shipping culture of Donsö, located in the southern archipelago of Gothenburg, Sweden. The company has offices in Denmark, Sweden, the United Kingdom and the United States.

The business primarily operates through three different companies: Northern Offshore Services (N-O-S), Northern Energy & Supply (N-E-S) and American Offshore Services (A-O-S).

Northern Offshore Services is an industry-leading subcontractor to the international offshore wind industry. N-O-S operates high-speed crew transfer vessels (CTVs) that transport technicians, tools and equipment needed for construction and maintenance for offshore wind farms, while also providing vessel management solutions to the marine sector.

Northern Energy & Supply, with heritage from 1904, is a comprehensive one-stop-shop solution supplier to both onshore and offshore industries with a focus on three specialties: Energy, Recycling, and Logistics.

American Offshore Services LLC is a U.S.-based CTV owner and operator. A-O-S transports technicians, tools & equipment needed for construction and maintenance for offshore wind farms with our customized vessels, built in the U.S. The company is based in Providence, Rhode Island, with onshore technical and commercial management services.

This Sustainability Report focuses primarily on the business and targets of N-O-S.

Northern Offshore Group is an expansive group of companies with the vision "BEST365". Our vision is implemented in all parts of the company. BEST stands for: Business minded, Efficient and flexible, Skilled and innovative, and Trust. We strive to do our BEST 365 days a year.





Group CEO comment

Taking the lead for future-proof solutions.

“At Northern Offshore Group, our vision BEST365 pushes us to lead the way in innovation, sustainability and safety, without compromising on performance.”

Our vision, BEST365, is to be the best at what we do every day. It perfectly captures our shared direction and dedication. BEST365 is a mindset embedded in our company culture, driving us in all we do, from delivering top performance to advancing our sustainability initiatives.

As a global leader in our business, we have a responsibility to advance the sustainability agenda. Through innovations, social impact, political influence, engaging with our stakeholders, and being active participants in the global maritime industry, we want to strengthen offshore wind and drive sustainable infrastructure for renewable energy. With trust as one of our cornerstones, our goal is to support our customers as their partners, using our expertise and experience to deliver the best possible solutions and services.

In a world facing challenges such as conflict, a volatile global economy, and ongoing climate change, we believe that collaboration and shared goals are essential. We are dedicated to our prioritized UN Sustainable Development Goals and aim to influence others towards these long-term goals. These challenges, and many more, force us to be creative, lean on our experience, and find efficient and flexible solutions.

We are especially proud of several actions taken during the past year. These include our pioneering bio-methanol project, our focus on future-proofing our fleet through innovative new-builds, rebuilding our existing vessels to last for a long time, and our initiatives in social sustainability.

The future is bright and filled with endless opportunities in our industry. For Northern Offshore Group it is crucial to stay focused on innovation for a more sustainable future and to keep an ear to the ground. We will continue to develop our fleet and remain responsive to the needs of our customers and the market.

I am proud to present this year's sustainability report, which reflects our drive and capability to take action to lead the way in our industry. As we enter a new year, I hope you will join us on this journey. Sustainability is a shared responsibility that requires cooperation and effort at all levels.

Together, we are strong, and we remain committed to our vision, BEST365.



David Kristensson, Group CEO

Highlights of the year.

Q1

The Donsö Shipping Meet 2023 exhibition.

Equality in Shipping - action list for the maritime industry is launched.

Keel laying for the first I-Class vessel M/V Impresser.

Q2

Shipyards delivery of vessels M/V Runner and M/V Responder.

N-O-S A/S - opening of new office in Copenhagen, Denmark.

Q3

Mareel Ltd changes to N-O-S Ltd and its fleet is integrated into the N-O-S fleet.

N-O-S Ltd is certified for ISO 9001, ISO 14001 and ISO 45001.

Chalmers University Sjölog - maritime job fair exhibition.

A-O-S delivery and ceremony of M/V Gripper. Our first American CTV.

European arrival and Christening of M/V Runner and M/V Responder.

Q4

Order placement for four new E-Class vessels (399), delivery during 2025.

Yearly crew conferences are held at the Swedish office.

Shipyards delivery of first I-Class vessel M/V Impresser.



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N-O-S sustainable value chain.

N-O-S sustainable value chain is a summary of our sustainability work. It summarises and illustrates our activities and their impact on the environment. We have a close cooperation with our suppliers and customers to minimise our negative influence on the environment.

R&D purchases	Operations onshore	Operations offshore	Customers
N-O-S Code of Conduct Supplier evaluations Recycled materials Environmentally adapted vessels Sustainable transports Product quality Chemicals	N-O-S Code of Conduct Working conditions HSSE-Q Diversity and inclusion Monitoring systems Business travels Sustainable transports to the vessels Digitalisation	N-O-S Code of Conduct Working conditions HSSE-Q Diversity and inclusion Monitoring the vessels efficiency Recycle waste	N-O-S Code of Conduct Close cooperation Fuel to the vessels Plan the operations Customer evaluation
Limited degree of influence	High degree of influence		Limited degree of influence

Global trends that had an impact on our business during FY24.

Protectionism and local content.

During the last years we have seen a trend in protectionism and local content. A trend driven by the social aspects of sustainability where different countries will make sure they reach their goals in that area. The requirements to use local content in our operations in the countries where we operate have increased.

Digital transformation and cyber security.

Using generative AI for digital transformation is a fast-moving trend. AI gives us both opportunities to streamline processes but also challenges. We need to ensure that we use the technology in an ethical, safe and sustainable way. With an enhanced risk for cyber attacks, we need to secure our data and increase our cyber security.

The carrying capacity of nature.

We can see the effects of global warming with melting polar ice and extreme weather. This will affect people and the environment now and in the future. We need to minimise our emissions through the whole organisation and cooperate with our suppliers and customers to minimise the GHG emission.



Target/KPI	FY23	FY24	Target FY25
Environment			
Reduce GHG emissions			
New vessels		2 x R-Class 1 x I-Class 1 x G-Class	1 x I-Class 2 x G-Class 2x E-Class (399)
Rebuilt vessels	One 12 → 24 PAX CTV		1 x Methanol CTV 2 x L-Class → M-Class 24 PAX CTV
Offer environmentally adapted fuel on site	100%	100%	100%
Installed equipment for measuring emission on the vessels	52%	67%	70%
Refine our carbon accounting			
CDP score	C	Awaiting result	B
Employee			
Occupational health & safety (OH&S)			
Attendance rate	99%	99.5%	97%
Retention rate	6.2%	4.14%	8%
Employee satisfaction (N-S-M) (grade of 1-10)	7.9	7.7	7.2
Safe workplace			
LTIF	0	0	0
TRIF	0.9	3.4	4.0
Responsible business			
Gender (% men/women)			
Management team	50/50	50/50	50/50
Onshore personnel	44/56	50/50	50/50

Stakeholder analysis

Long-lasting relationships and good collaboration.

We strive for long-lasting relationships and good collaboration with our stakeholders, and their opinions help guide our business.

The stakeholder analysis identifies our most important stakeholders, as shown in the table below. The results show that several internal and external stakeholders focus heavily on ESG and greenhouse gas emissions. This has contributed to us updating our environmental targets to show that we are aligned. We collaborate with our stakeholders through, for example, trade fairs, customer surveys, supplier visits, customer visits, and the Sustainability Report.

	Employees:	Customers:	Investors:	Business partners:	Society:
Description:	We strive to have motivated employees and a healthy working environment that can attract new talents.	Many of our customers are energy producers that build wind farms for the production of green electricity. Dialogue and collaboration generate mutual success.	For N-O-G, having the trust of the capital market is essential. We provide our investors and lenders with information about the business and the financial development.	We wish to strengthen our market position. This can be achieved through continuous dialogue with business partners and industry organisations, which helps us identify trends and act on them.	Our business affects many people and will continue to do so in the future. To us, it is important to invest in the next generation and build trust to give young people faith in a positive future.
Examples of issues in focus:	Working environment, safety, and skills development. Committed managers and secure terms of employment.	Setting sustainability targets that are in line with the UN Sustainable Development Goals. Meeting quality and safety requirements.	Strategy, financial development, global changes, and innovations.	Innovation trends and global green energy development.	New job opportunities and collaboration between schools and industry.



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Sustainable Development Goals.

The 2030 Agenda for sustainable development, which was adopted by all UN member states in 2015, provides a common plan for peace and prosperity for people and the planet, now and in the future.

At its heart are the 17 Sustainable Development Goals (SDGs), which present an acute challenge for all nations. In order to produce relevant environmental goals, we have taken into account the company's significant environmental considerations in relation to the 2030 Agenda. The goals that Northern Offshore Group is best able to influence are SDGs 5, 8, 12, 13 and 14.





Gender equality.

UN Women works to promote gender equality through several focus areas. They work to ensure that more women have the opportunity to hold leading positions in society, in the political, academic and private sectors alike. The maritime business has traditionally employed more men than women, and today less than 3% of seafarers are women. N-O-S is heavily involved in the Equality in Shipping initiative, which aims to increase the number of women seafarers and bring about a 50:50 gender distribution in leading positions.



Decent work and economic growth.

The Human Development Index is a measure within the UN Sustainable Development Goals that evaluates global prosperity annually, based on factors such as a long and healthy life, access to knowledge, and a decent standard of living. The health dimensions are assessed based on life expectancy at birth. By offering decent working environment, good conditions for innovation and entrepreneurship, N-O-S supports sustainable economic growth.



Responsible consumption and production.

Many of the world's natural resources are finite. As humans are currently using more natural resources than the Earth can replenish. Non-renewable raw materials such as metals and other chemical elements are in danger of running out. Goods and services affect the environment through the entire life cycle. The purchase of goods and services is a significant environmental aspect in N-O-S' operations, and we focus on recycling, reuse, and wherever possible not using virgin materials in rebuilt and newly built vessels.



Climate action.

Emissions of GHG drive the greenhouse effect. The greenhouse effect is a natural phenomenon where GHG can absorb certain wavelengths of thermal radiation as they leave the Earth's surface. When the concentration of GHG increases in the atmosphere, the greenhouse effect increases resulting in a temperature increase referred to as "global warming". This is one of our most significant environmental aspects in N-O-S operations.



Life below water.

Chemicals released from antifouling can have a negative impact on ocean biodiversity. N-O-S always strives to use the optimal paint to minimise emissions and growth on the hull. Ocean acidification can be caused by the uptake of atmospheric carbon dioxide. One-third of the carbon dioxide emissions in the air are absorbed by the oceans. The carbon dioxide reacts with the water and produces carbonic acid, which lowers the water's pH level. Acidification affects sensitive biotopes such as coral reefs, which support almost one-quarter of all species of fish. This is a significant environmental aspect in N-O-S' operations.

Environment.



The N-O-S' sustainability management is based on strategic sustainability work, anchored in the business through continuous follow-up and improvements. Sustainability with green initiatives is part of all departmental tactical plans based on N-O-S' Business Plan.

N-O-S, N-E-S and A-O-S are certified to ISO 9001, ISO 14001 and ISO 45001, and we work with continuous improvements in the whole organisation.

The annual planning of sustainability work begins with workshops at the departments with the Managing Director and an EQ Strategist. The workshops are based on UN Sustainable Development Goals, results and lessons learned from the past year, as well as future trends. The results from the workshops are one of the cornerstones for the Business Plan. The Top Management and Board approve the business plan, and from this a tactical plan is established. Based on the tactical plan, departmental targets with green initiatives are then drawn up. The department targets are measured monthly.

The environmental policy is published on the website and concerns the most significant environmental aspects from the organisation's activities. Through the policy, we are committed to ensure an efficient operation that contributes to a swift global transition to renewable energy.

We shall proactively use the company's risk management system to identify, assess, mitigate and manage risks to the environment before any hazardous work is commenced.

We shall maintain our vessels to minimise unnecessary environmental impact.

We shall seek to reuse, recycle and recover waste wherever possible.

We shall comply with environmental requirements from the administration and class, and ensure that national and international legislation is followed.

We shall investigate, analyze and follow up reported deficiencies with the objective of reducing environmental impact within our company.

Continuous improvement of design, and development of an environmentally adapted fleet.

Climate change is one of the most critical environmental problems threatening the wellbeing of our planet, and we all must act. Our goal is aligned with the Paris Agreement, in which the long-term temperature goal is to keep the global average rise in temperature to well below 2°C above pre-industrial levels, and pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. We want our clients to know that we are doing everything we can to reduce the environmental footprint related to our organisation.

We have set science-based inspired targets on a roadmap with the intention of becoming climate neutral by 2050. According to the roadmap and its short- and long-term targets, we will continue to work with sustainability initiatives as an integral part of the company's overall business strategy.



Decarbonising roadmap.

The journey towards a greener future without carbon dioxide emissions starts right here, with us. Through our choices and actions, we can make a difference. Every day we work to reduce the CO₂ emissions in our own operations, our organisation and wherever we operate (scopes 1-2). The end goal is to achieve a carbon-neutral company (scopes 1-3).

Scope 1

Our target is to achieve net-zero emissions by 2050 for all direct emissions from sources owned or controlled by N-O-S. This focus addresses our most significant environmental impact, as more than 90% of our total greenhouse gas (GHG) emissions result from our vessel operations.

We are committed to continuously improving every aspect of our operations. Our R&D department collaborates closely with suppliers on both new-building and retrofitting projects to develop optimal solutions and energy-efficient vessel designs. We are building the next generation of environmentally adapted crew transfer vessels.

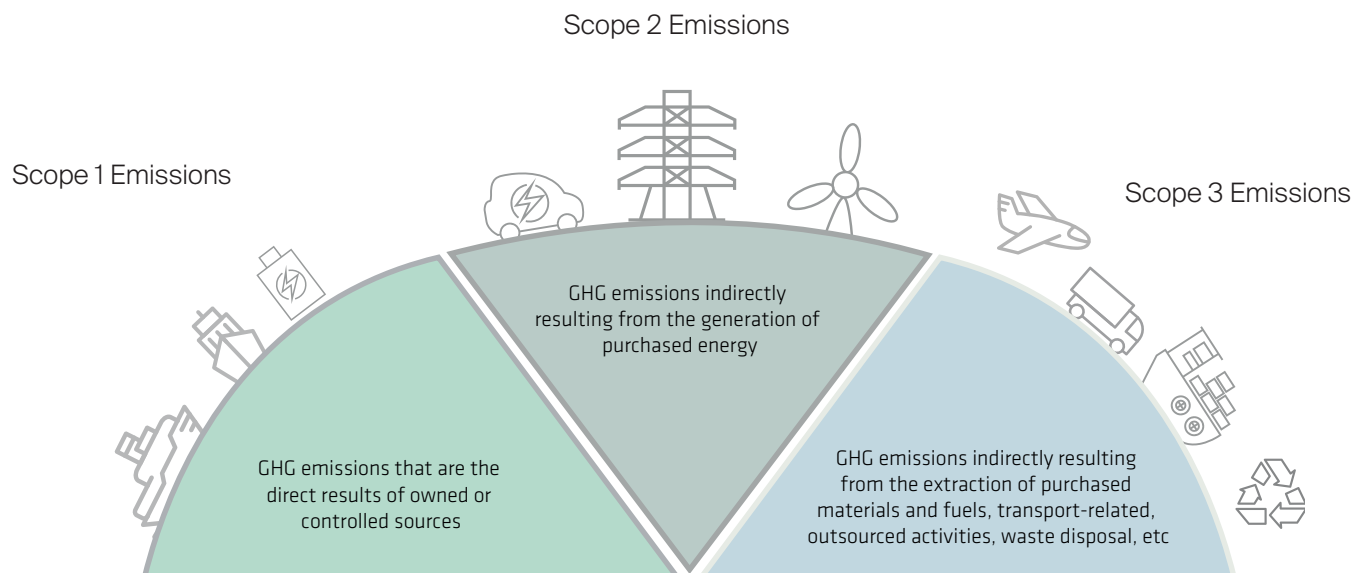
Scope 3

Our goal is to achieve net-zero emissions across our supply chain by 2050. Given that supply chain emissions often occur in areas outside our direct control, close collaboration with our suppliers is essential to reach this target. We are working strategically with key suppliers to reduce emissions and ensure that reporting aligns with science-based data for Scope 3 emissions.

Since FY21, we have been tracking greenhouse gas (GHG) emissions throughout our supply chain, and in FY24, we will enhance our climate accounting to include additional Scope 3 categories. To further support this effort, we will begin implementing life cycle assessments (LCA) in both new-building and rebuilding projects.

Scope 2

In N-O-S' climate accounting, we track both market-based and location-based emission figures. In FY24, all our offices used wind-generated green electricity, allowing us to achieve zero emissions in Scope 2.



Chemicals.

Chemicals released from antifouling can have an adverse impact on ocean biodiversity, and negative health effects on the people using it. N-O-S always strives not to use any chemicals on the REACH Candidate List in combination with the SIN List.



Carbon dioxide protocol reporting.

Our climate accounting follows the Greenhouse Gas Protocol.

A carbon dioxide protocol (CDP) score provides a snapshot of N-O-S' carbon disclosure and environmental performance. Environmental actions must begin with a correct analysis of the organisation's environmental impact. The CDP report gives us a score, so we can ensure that we are operating in line with a 1.5-degree solution. By disclosing over consecutive years, we and our stakeholders can monitor our environmental journey. The CDP score is fully aligned with the Taskforce on Climate Related Financial Disclosures (TCFD). N-O-S' target for 2024 was to score B, and we achieved this.

Awareness (C-/C score)

A C-/C score indicates awareness-level engagement. Awareness is rated C or C-, the differentiator being the level of awareness a company has shown in its response. The awareness score measures the comprehensiveness of a company's evaluation of how environmental issues intersect with its business, and how its operations affect people and ecosystems.

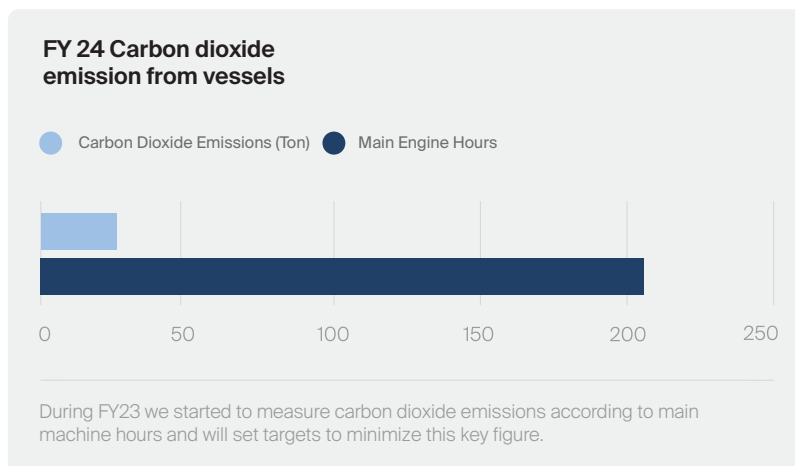
N-O-S' target for 2025 is to maintain score B.

Management (B-/B score)

B-/B is the management level score. Companies that score a B have addressed the environmental impacts of their business, and ensure good environmental management. A B-/B score indicates that a company is showing some evidence of managing its environmental impact, but is not undertaking actions that mark it out as a leader in its field.

(<https://www.cdp.net/en/scores/cdp-scores-explained>)

Refine our carbon accounting	FY23	FY24	Target FY25
CDP score	C	awaiting result	B



Climate accounting policies.

Scope 1

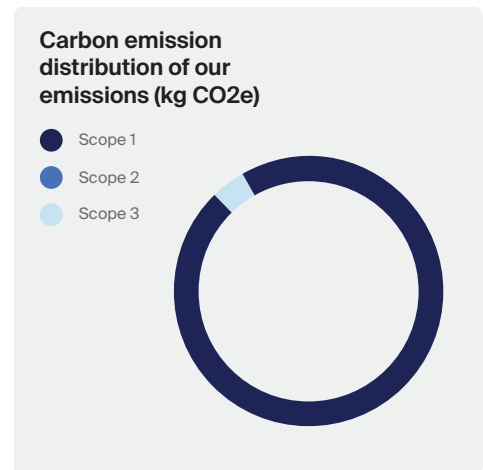
The emissions data are calculated based on the amount of bunkered fuel, using engine specifications for carbon dioxide output. This calculation includes all owned and leased vessels and vehicles used in N-O-S operations. Typically, our customers choose the fuel type under contract terms, though we can offer Hydrotreated Vegetable Oil (HVO) as an option at all operational sites.

For FY24, Scope 1 emissions account for 94.07% of our total greenhouse gas emissions.

Scope 2

Our emissions calculations include our offices in Copenhagen and Gothenburg. In line with the GHG Protocol Scope 2 Guidance (2015), we apply both market-based and location-based emission factors. Location-based factors reflect the average grid emission factor for each country where our sites operate, while market-based factors are tailored to the specific energy sources at each site, accounting for the local energy mix and any certified renewable electricity purchases.

In 2023, we exclusively purchased renewable energy for our offices, achieving zero emissions in Scope 2.



Scope 2 GHG emissions from electricity	FY23 (kg CO ₂ e)	FY24 (kg CO ₂ e)
Market-based	2.3 tonnes	0
Location-based ¹	97.9 tonnes	122.8 tonnes

¹ Nordic residual mix with regard to import and export 2022, SMED

Scope 3

In FY25, we plan to further refine this accounting by analyzing additional purchases and expanding the categories covered under Scope 3. Currently, Scope 3 emissions account for 5.93% of our total emissions.

Category 3.1 Purchase of goods and services

The emission data are calculated using the supplier-specific method, utilising actual data provided by our suppliers. When supplier data is unavailable, we apply the spend-based method, using the economic value of purchased goods along with relevant secondary emission factors, such as industry averages, from a GHG Scope 3 evaluator.

Category 3.3 Fuel and energy-related activities (not included in scope 1 or 2)

The emissions data are based on the spend-based method, utilising information from the shipyards we engaged with during FY24. This data include the energy used for vessels while docked at these yards.

Category 3.5 Waste generated in N-O-S

The emission data are based on the waste-type-specific method. This data include the waste generated on the vessels during operations, with emissions calculated using information recorded in the vessels' logbooks.

Category 3.6 Business travel

The emissions data are based on the distance-based method, using information from our travel agency. This data include travel by air, taxi, train, and hotel stays for both onshore and offshore personnel. For the emissions generated by onshore personnel, we make climate investments to offset these impacts.

Category 3.7 Employee travel to and from work

The emissions data are based on the distance-based method, using information from our employees. This data include the travel of onshore personnel to and from the office in Denmark and Sweden.

Category 3.9 Downstream transportation and distribution

The emissions data include emissions from the transportation of spare parts, consumables, and oil from our warehouse in Gothenburg to the vessels.

New R-Class vessels.

In February 2024 our new R-Class vessels, M/V Runner and M/V Responder, were put into operation. The vessels are designed in the N-O-S Green Technology program and hybrid-ready when launched.

The vessels are designed with the possibility to have two electric motors, one on each side of the hull. The electric motors will be connected to the powertrain and the vessels will decrease their CO₂ emissions. At the launch of R-Class they already had the battery capacity of 2x94 kwh installed.

The R-Class vessels are equipped with Selective Catalytic Reduction (SCR) technology, which means that the amount of particulate matter and nitrogen oxides (NO_x) is significantly reduced, by converting NO_x into harmless nitrogen gas and water vapour. By using this technology, the sustainability performance of the vessel can be enhanced.

Bio-methanol vessel.

The development of one of the world's first 100% bio-methanol CTVs continues, and the vessel is expected to start operation in Q4 2024. The vessel will be single fuel which means it will operate on bio-methanol only. By running on 97% bio-methanol, we will achieve a reduction of approximately 1,878 tonnes of CO₂ every year compared to a conventional CTV.

Today, bio-methanol is a subject to competition, therefore we have already secured the supply of bio-methanol in advance to be ready when the vessel goes into operation.

The conversion to a bio-methanol-powered vessel is a milestone for N-O-S, as well as the industry, with its advanced technology and emission reduction.

¹Volvo penta - The Reborn Ferry - Case study of yearly savings

² <https://www.volvopenta.com/en-gb/about-us/news-page/2023/may/from-power-to-superpower-volvo-penta-introduces-all-new-ips-professional-platform/>



Volvo Penta IPS Professional Platform.

Next year, N-O-S will launch the second I-Class vessel equipped with the Volvo Penta IPS professional platform. The first I-Class vessel was delivered from the shipyard at the end of FY24. For better performance, lower carbon emissions and reduced noise we use Volvo Pentas technology IPS Professional Platform propulsion system. With the Volvo Penta IPS Professional Platform, the vessels can reduce the CO₂ emission, which a case study conducted by Volvo Penta (¹) has shown. Additionally, the low noise level enhances vessel comfort and minimises disturbance to nature.

The development of the IPS technology will continue and, in the future, Volvo Penta will present the IPS Professional Platform Hybrid and IPS Professional Platform Electric (²). Utilizing IPS is a part of N-O-S strategy to build an environmental adapted fleet.



Alternative fuels.

N-O-S can offer customers environmentally adapted fuels at all sites. The environmentally adapted fuels include HVO-100 renewable diesel, amongst others. HVO-100 is based on vegetable oils and oils from slaughter waste, and can lead to a reduction of up to 90% of carbon dioxide compared to regular diesel. The fuel can be delivered by N-E-S, a part of N-O-G.

Solar panels.

N-O-S Green Technology has introduced the use of solar panels on vessels to use renewable energy directly in the operation. N-O-S two I-Class vessels, M/V Impresser and M/V Improver, are each equipped with eight solar panels. These panels will be integrated into the vessels' electrical systems to power lighting. Using electricity from a renewable energy source will reduce the vessels CO₂ emissions. The solar panels will cover an area of 14m², generating approximately 2000 kWh yearly.

Retrofit of older vessels and SCR requirements.

Upgrading our older vessels to modern, more customer-attractive ones is a key part of our business strategy. However, when we make mechanical upgrades, there are new requirements, particularly related to the vessels' emissions, with a focus on reducing NO_x (Nitrogen Oxides).

As of January 1, 2021, any vessel operating in the North Sea or the Baltic Sea that installs a new type of engine must be equipped with a Selective Catalytic Reduction (SCR) system. The purpose of the SCR is to significantly reduce NO_x emissions, meeting stricter environmental regulations that apply in these emission control areas.

UREA.

Nitrogen oxides (NO_x) are gases produced from the nitrogen in the fuel during combustion. When NO_x interacts with sunlight, it forms ground level ozone, which negatively impacts respiratory health. The shipping industry is facing stricter regulations on NO_x emissions, with new laws being introduced by the International Maritime Organisation (IMO) and national governments.

Selective Catalytic Reduction (SCR) is an advanced emission control system designed to reduce NO_x emissions. In this system, hot exhaust gases from the engine enter the SCR reactor, where a water-based urea solution is injected. The gases then pass through catalytic elements, where NO_x is converted into harmless water vapor and nitrogen gas with the help of urea, which breaks down into ammonia (NH₃) through hydrolysis. The ammonia reacts with NO_x, effectively reducing harmful pollutants.

N-E-S supplies urea to the maritime industry and has seen growing demand for this product during FY24.

Overhaul and repairs.

We focus on finding cost-saving and sustainable solutions, particularly when it comes to spare parts and components. A key strategy is to reuse and refurbish parts whenever possible, reducing waste and extending the life of existing resources.

One of our ongoing projects is establishing our own workshop, where we will inspect, repair, and refurbish spare parts and components. This approach supports both cost efficiency and environmental sustainability.

In partnership with our suppliers, we actively purchase refurbished or reconditioned parts. For example, a program where we can buy a remanufactured engine, known as a "reman" engine, by trading in a used one. Similar systems are available from other suppliers, where we can purchase a new or refurbished part and receive a refund or discount by returning an old, used part.



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Our own environmental symbol.

The Green Technology symbol indicates that the environmental impact of the vessel has been taken into account, from manufacture and operation to a future proof platform.

Employee.



Our employees are the most important aspect of our safety work. It is of the utmost importance that everyone understands the possible scenarios and risks associated with their work, and that they know how to manage these. We work actively to ensure that the routines we have implemented are followed and improved upon continuously. Our Health & Safety Policy is published on our website and concerns the highest potential risks from the organisation's activities. Through the policy we are committed to taking personnel responsibility, being BEST365 by always behaving in a good and sound safety culture.

Empower and help our colleagues to lead by example and promote safe behaviour.

Ensure that our employees are well educated, motivated and trained for their position.

Stop unsafe activities, intervene and welcome intervention.

Proactively use the company's risk management system to identify, assess, mitigate and manage risks of occupational injury and work-related ill health, focusing both on the physical and the psychosocial work environment.

Ensure that our vessels are designed and maintained with regard to health and safety.

Fulfil health and safety requirements from the administration and class, and ensure that national and international legislation is followed.

Investigate, analyze and follow up reported deficiencies, with the objective of improving health and safety within our company.

Involve and consult employees and workers' representatives in health and safety matters.

Ensure continuous improvement in occupational health and safety performance.

In order to maintain a dynamic and developing organisation, it is important to continuously follow up and act on the employees' wellbeing and commitment. We use an agile solution with monthly pulse measurement, and the results form a basis for building wellbeing and efficient teams. The system can generate 24 different questions, and employees score them on a 10-point scale. Here we have an opportunity, based on the answers, to go deeper into specific areas that we need to develop. We also get an overall score for each pulse investigation. The departments are given verbal feedback on the results.

OH&S	FY23	FY24	Target FY25
Attendance rate	99%	99.5%	97%
Retention rate	6.2%	4.14%	8%
Employee satisfaction (NSM) (Grade of 1-10)	7.9	7.7	7.2



Performance development.

N-O-S creates a work environment that enables employees to perform to the best of their abilities, contributing to the company's success through individual success, according to the BEST365 statement. Employees and managers work together to achieve this.

Leadership is based on the company's core values:

BEST365

Business Minded

We need to be profitable every day to be able to secure the company's future existence.

Efficient & Flexible

We need to be efficient and flexible every day to add value for our customers.

Skilled & Innovative

We need to be professional, well-educated and innovative every day.

Trust

What we say is what we do, our word is our bond, every day.

From the overall business plan, tactical plans are established for each department at N-O-S, and from these, all departments have a target plan to be followed up quarterly.

All employees at N-O-S have access to an internal training programme and complete training in e.g. the N-O-G Code of Conduct, policies, and safety-related issues.

Safe workplace.

The highest potential risk in the organisation lies in accidents happening when operating the vessels.

Target fulfilment and proactive efforts to prevent injuries have been successful. At the end of 2024, we recorded a low total recordable injury frequency (TRIF) score of 0.9, and have not had any lost time injuries (LTIs) in the past 3 years, an achievement of which we are very proud. This is thanks to great teamwork in N-O-S' operation where everybody, including our excellent crew members, has played an important role to ensure safe workplaces.

During 2025, we will install equipment on our vessels that will send an alert to the Masters if they exceed a speed limit or manoeuvre a vessel in an unsafe way, in order to minimise incidents and accidents.

Safe workplace	FY23	FY24	Tareget FY25
LTIF ¹	0	0	0
TRIF ²	0.9	3.4	4.0

¹Lost Time Injury Frequency (LTIF) is a measure of workplace safety calculated with the formula: LTI x 1,000,000 / exposure hours. The definition of LTI is an injury/ accident that leads to absence the following day.

²Total Recordable Injury Frequency (TRIF) is a measure of workplace safety calculated with the formula: TRI x 1,000,000 / exposure hours. The definition of TRI is Total Recordable incidents including FAT and MTC.



Navigation campaign.

situational awareness during navigation, and completing thorough checklist onboard to verify equipment functionality, ensure charts are updated, and confirm that routes and voyage plans are accurate and current.

A big focus area is discussions about safe navigation practices, encouraging crew members to share how they implement these procedures on their vessels.

This ongoing campaign has proven to be a powerful tool for promoting safe navigation quality and creating shared ownership of navigation procedures within the Safety Management System (SMS). By focusing on safe navigation and bridge routines, the campaign proactively minimises the risk of serious incidents. It is structured in several key parts, including reviewing lessons learned and recent safety alerts, presenting the best practices to maintain

Safe navigation monitoring.

To verify implementation of onboard procedures and support crew in making safe decisions, the HSSE-Q department, together with Reygar, has developed a new feature within the system. This feature can send alerts to crew and onshore management when it detects deviations from safety zones, speed restriction rules and no-go areas set up in the system. This innovation is part of our digitalisation project, which aims to enhance proactive measures in safe navigation.

Participating in HAZID's for the new vessels.

By participating in HAZID workshops during the planning phase of new vessels, the HSSE-Q team have the possibility to follow the process and implement the necessary measures to enhance onboard safety. This proactive involvement allows the team to influence the design and ensure safety preparations are in place before the vessels are launched and operational.

Crew conference.

After the positive feedback from last year's crew conference which included both Masters and Officers, we decided to continue hosting a conference for all the crew. During spring 2024, both crew and onshore personnel joined together at the office in Sweden.

The organisation MÄN was invited to hold lectures and workshops. The organisation works for equality and for men to act against men's violence against women. The core strategy is to engage men and boys to challenge destructive masculinities and to identify the different types of violence, not only physical, but also psychological, economical and verbal violence. What is your responsible as a man standing by the side, not actually committing the violence, but seeing it and being aware of it? Taking action as a man against other men who are committing any type of violence takes a lot of courage but is a major factor in the process of reducing the violence. The workshops engaged both crew and onshore personnel and we got positive feedback.

Later on during the day our HSSE-Q manager, talked about safety culture, our systematic and pragmatic approach to safety onboard. Something we have been reinforcing and prioritizing the past year.



Career: From sea to R&D.

I've been at sea most of my adult life, having been fortunate enough to travel to various parts of the world on the job. I've taken on tankers, bulk, ferries, RoRo's, cruise ships, and G/C ships in various forms, worked with more nationalities than I can remember, and seldom looked back.

I lived in South Korea for all but a year, building RoRo-vessels, which was something that got me seriously interested in the ship-building business, but as said business is all but reserved for technical people - e.g. Ch/Eng's, Electricians, and such - I never got to pursue that interest back then.

Some 13 years later I suddenly found myself in the wind farm business, running minuscule N-O-S CTVs around the North Sea and enjoying it thoroughly, partly because I got to drive the boat and partly because it was something totally new to me.

Fast forward a few years and the novelty had pretty much worn off when a new opportunity presented itself - going back to the ship-building business as a part of the R&D team.

I leaped at it with little to no hesitation and found myself with an excellent back-to-back to learn from, in a nice climate and yet another new part of the world, ticking pretty much all my boxes.

Previous shipbuilding experience does come in handy, but at the same time it's a world apart - mainly due to the size of the vessel, different regulations, and technical progress - what was cutting edge 20 years ago isn't any longer.

R&D is a small, tight unit, rather informal, with lots of room for maneuvering independently to make then-and-there calls, plenty of responsibility to make sure everything is on track, and a great amount of freedom in the sense that you get to make a change.

You get to improve upon concepts if ideas are good enough, draw on your 30+ years as an operator to suggest changes in the layout that may seem odd, and learn a whole lot that you didn't even know existed.

However, what is fantastic is that the people in the group come from such different backgrounds, and that is the defining and actual strength; for instance, what one person doesn't see or react to during the building process, the next person, with a different background, may pick up on, easy as pie.

That is the real edge of the R&D team I believe; the mix of experiences from different aspects of life at sea.

- Johan Leufstadius, New Build Inspector



Risk prioritisation.

More effective

- 1 Eliminate – remove the risk entirely
- 2 Substitute – replace the risk with a safer alternative
- 3 Apply technical control measures to lower the risk
- 4 Apply administrative control measures to lower the risk
- 5 Use personal protective equipment to lower the risk

Less effective

Risk management.

Risk assessment is a part of our risk management process. We perform risk assessments to identify hazards that currently exist or may appear in our operations. The risk assessments are updated annually and are some of the documents included in our onboarding process. Based on our risk assessments, we have introduced control parameters and improved the integrity of technical safety control in all working tasks.

Responsible business.



A responsible business is essential for our success. Our management system describes the hierarchy of our governance documents, decision-making mandates, and mechanisms for identifying and managing risks and deficiencies. The framework contains the Code of Conduct, policies, processes, routines, risk assessments, Safety Management System (SMS) and other supporting documents. N-O-S has an online training and a test for our Code of Conduct, and this is part of our onboarding process.

Move forward together.

The “Move Forward Together” initiative has been ongoing for a year and the result is very positive. Senior Captains are invited to the HSSE-Q team to join us in our offices and visit vessels around the fleet to conduct navigation campaigns and internal ISM audits. This initiative provides Masters with training in ISM and HSSE-Q systems, while allowing onshore staff to gain valuable insights from the Masters experience and suggestions for improvements.

The program has also evolved to engage Masters with great knowledge in the ISM systems, where the Masters also could assist in many different company projects. This has for example given more job opportunities onshore and also changing of careers internally for managing the transition of the N-O-S Ltd vessels over to the N-O-S systems.

We have also seen a positive trend in knowledge-sharing among the crew, which raises the overall standards and strengthens the connection between vessel crew and office staff - this is a good way of working on our BEST365 culture.



Human rights.

Our Code of Conduct is based on the UN Guiding Principles on Business and Human Rights. The most important risk of not aligning with human rights is when we expand the business and buy services and equipment from suppliers worldwide. The Code of Conduct is published on our website and concerns the whole organisation, as well as our suppliers.

Through the Code of Conduct, we undertake to:

Promote a safe and healthy workplace and provide equal opportunities for our employees. We will not tolerate any discrimination or harassment based on race, colour, gender or gender identity, language, privacy, religion, ethnicity, political orientation, national or social origin, union affiliation, sexual orientation, health status, age, disability or other distinguishing characteristics.

Not employ workers under the age of 15 or, in those countries subject to the developing country exception of Convention 138, employ no workers under the age of 14 or younger than the age for completing compulsory education if such age is higher than 15. Employees under the age of 18 shall not perform any work defined by law as hazardous.

Provide all employees with written employment contracts, outlining the conditions in a language understood by the employee.

Not participate in or benefit from any form of forced labour, including bonded labour, involuntary prison labour, slavery, or work performed under the menace of penalty or coercion.



Ensure that normal working hours and overtime working hours are within the limits permitted in applicable laws, industry standards and collective agreements.

Follow all legislation and regulations including those pertaining to minimum wages, overtime wages, sick leave, piece rates and other elements of compensation.

Guarantee that all employees are free to associate, organise and bargain collectively, if they so wish.

We also have a whistleblower link on our website, and during 2024 we received no complaints through this link.

During 2025, we will continue with these evaluations and prepare action plans if necessary.

Reports from the whistleblower function: 0.

Anti-corruption and bribery.

Our Code of Conduct is based on the UN Convention against Corruption. We conduct business in an ethical manner with zero tolerance for corruption and bribery.

N-O-S defines corruption as bribery, facilitation payments, protection money, fraud and money laundering. It can also include improper gifts, entertainment and hospitality, free or heavily discounted products, or other items or services that ultimately mean transfer of value in return for some special consideration.

The most significant risk of not aligning with anti-corruption and bribery prevention measures is when we expand our business to operate worldwide.

Through the Code of Conduct, we are committed to working for zero corruption and bribery in our day-to-day work. All employees are committed to complete compliance training and to report violations. During 2024, we did not receive any internal violations or external complaints through our whistleblower link.

During 2025, all employees will undergo a refresher course on the Code of Conduct and all N-O-S policies.

Reports from the whistleblower function: 0.



Gender.

We ensure equal opportunities, recognise leadership potential and accelerate career development for women throughout the organisation.

For the onshore personnel we strive to have a gender distribution of 50% women and 50% men. During FY24 there were 50% women, and we reached the target. For the future we will work actively to keep this gender distribution.

For the Management Team the gender distribution during FY24 was 50% women and 50% men. For the future we will work actively to keep this gender distribution.

For the Top Management Board the gender distribution during FY24 was 66,7% men and 33,3% women.

Female ambassadors.

At N-O-S, 50% of the Management Team are women.

Today, approximately 2% of all seafarers in the shipping industry are women. N-O-S wants to improve this by being a leading example, and by being an attractive employer for women at sea and in shipping.

Among the onshore team, we have three appointed female ambassadors who work to support female crew members aboard vessels. Their project is to serve as a bridge between sea and office, answering questions, being receptive, and providing the necessary support. When we have a newly recruited woman onboard, the ambassadors always welcome them by phone or email to inform them of how they can be supported. The woman ambassador also gets in touch after the first work shift and checks that everything went well.

Gender	FY23 (% men/women)	FY24 (% men/women)	TargetFY25 (% men/women)
Management team	50/50	50/50	50/50
Onshore personnel	44/56	50/50	50/50

Support function for female seafarers.

We act as support resources for our female seafarers, always ready to provide assistance. This work is important in creating a safer and more inclusive work environment. When we have a new female seafarer, one of us always make contact to

inform them about our mission, and we also send out forms to increase our knowledge of their work environment, and to work with continuous improvements in inclusion.

We have installed kits of sanitary products, including menstrual hygiene items, on all vessels, as well as covered waste bins. Through a specialized training in collaboration with Danske Rederier/Danish Shipping, the female ambassadors have also acquired basic knowledge about parental leave, so that questions can be forwarded in the right direction in N-O-S.



Equality in Shipping

Action list for the maritime industry.

In August 2023, during the Donsö Shipping Meet, N-O-S and N-E-S, led by our Managing Director, together with other shipping companies, launched an initiative to push gender equality forward in the maritime industry. Following this event, women from across the sector gathered at one of N-O-S' offices to develop the Equality in Shipping action list. Significant effort went into compiling the list, which was then shared on social media. It includes proposed goals and recommendations for promoting a more equal culture. The list encourages companies to set specific targets for the percentage of women in onshore management, crew onboard, and in management teams, while also enforcing zero tolerance for harassment and bullying.

Globally, women and children continue to be more exposed to various forms of vulnerability, and sadly, this trend has not yet reversed. According to the UN Women Gender Snapshot 2023 (*), the world is not on track to meet gender equality goals by 2030, with women disproportionately facing barriers across economic, social, and political sectors. In contrast, the nordic shipping industry shows promising signs of positive development, and we are determined to lead by example, setting a standard that other sectors can follow. Social sustainability and soft values are key elements in shaping this future.

In 2022, the Danish Maritime Authority conducted an important investigation into gender equality and sexual harassment in the Danish shipping sector (**), which further underscored the necessity of addressing these issues. The findings from this report serve as a crucial resource for maritime companies looking to improve their workplace culture.

Looking ahead, the next phase for Equality in Shipping will take place in 2025, where we will follow up on the actions taken by participating maritime companies in the nordics and evaluate the results. By fostering accountability, we aim to achieve sustainable, lasting change.

While challenges remain on a global scale, we are proud of how far we've come in the nordic maritime industry. The progress we've made shows that, with continued commitment, we can create a more inclusive and equal workplace for everyone.



* <https://data.unwomen.org/publications/progress-sustainable-development-goals-gender-snapshot-2023>

** <https://www.eng.em.dk/news/2023/publication-of-external-survey-on-harassment-and-bullying-on-danish-ships>

Job shadowing.

The administration for functional support in Gothenburg organises an annual job shadowing week. This is an opportunity for people with disabilities to immerse themselves in the daily activities of different careers within the crew transfer vessel industry. People gain a practical understanding of the role they are shadowing; it is an ideal way to see what the job entails and if it is something that they could achieve.

By observing our colleagues, they were able to gauge what skills they needed to do the job well. This can provide career opportunities that a person may not realise are open to them and give them an insight into a job that they may not have considered before.

One such person had a dream of working onboard a crew transfer vessel, they spent a day on the N-E-S vessel M/V Supplier where they joined the crew in the wheelhouse and received instructions on how the vessel is maneuvered, and what a working day onboard usually looks like. This was a valuable exercise for both the company and the person involved, who enjoyed her experience, she learnt new skills and was able to try out the work environment, hopefully helping to build confidence. N-E-S also benefited by gaining an insight into how people with a disability can adapt to the work environment and assess the additional support that they may require.



Workwear.

We have a close cooperation with our suppliers for workwear. One of their main targets is to create clothes that will be kept in use as long as possible to reduce the environmental footprint. They constantly strive to improve design and quality throughout the value chain to expand the lifetime of their workwear. An important climate action by the supplier is to convert to spun dyed materials, which means that the colour is added before the fibre is produced. This will minimise the use of water, chemicals and energy through the production line. The cotton in the workwear is sourced in line with Better Cottons Mass Balance System. They work with LCA:s and we get information about climate emissions from all the clothes we order.

Our sustainability impact depends on improvements in our supply chain. To achieve the target of minimising carbon dioxide emissions, we cooperate closely to find solutions together. Our suppliers can learn from our shared knowledge, and some of our suppliers can also teach us new ways to adopt in this area. In the supply chain, we need to inspire and motivate positive changes. We evaluate our suppliers in sustainability and ask them to sign the N-O-G Code of Conduct. If the evaluation reveals that improvements are needed, we follow up with action plans. During 2024, we evaluated nine shipyard stays and fourteen spare parts/service suppliers, and we reached our target. All the suppliers we evaluated met our requirements.

Supply chain.

R/V Skagerak on mission.

The mission aimed to measure methane and nitrous oxide (laughing gas) emissions from Fensfjord, Masfjord, and Haugsvaerfjord in Norway to better understand how to protect these fjords and accurately account for future emissions.

These fjords naturally emit significant levels of methane, comparable to the combined emissions from all the deep-sea regions worldwide. Unlike the open sea, fjords are sheltered from strong currents and storms, creating extensive oxygen-free zones at their depths. In these anaerobic environments, methane is generated through decomposition processes. Because fjords are relatively shallow, the methane released from the seafloor does not fully decompose before reaching the surface, contributing to higher emission levels.



The new G-Class vessels M/V Gripper and M/V Generater, with two more under construction, are hybrid-ready vessels. These American built vessels are operating in the United States with A-O-S and have been built to U. S. Coast Guard and American Bureau of Shipping (ABS) class certified standards.

American Offshore Services.

The G-Class are 30 metres vessels designed by N-O-S to be IMO NO_x Tier III and EPA Tier IV compliant with Volvo IPS SCR drives to reduce both fuel consumption and emissions. They are hybrid-ready vessels allowing for future power reconfiguration. The vessels are also outfitted with Reygar BareFLEET monitoring systems. This system provides real-time data on vessel performance and equipment health, enhancing efficiency.

The 24 PAX vessels are designed with focus on technician and crew comfort, the vessels will be able to stay offshore for 24-hour operations.





Global collaboration with NYK Line seafarers.



I was seconded from NYK, Japan to N-O-S, Sweden, on November 1, 2022, to work as a Vessel Superintendent. At NYK, I served onboard 23 ships as an Officer and Master for about 13 years, and onshore, I worked as a researcher in the R&D department and as VSI of LNG Carrier for about eight years.

In Japan, the offshore wind industry started in earnest last year, about 15 years after it started in Europe, and offshore wind farms are scheduled to be built in various places. NYK had no prior know-how regarding the operation of CTVs since it is a new market in Japan. N-O-S is a global leader in operating and managing CTVs, therefore NYK seconded me here to gain knowledge of CTV ship management and maintenance and to investigate the operation status of offshore wind vessels in Europe.

The first NYK CTV (RERA AS) was delivered in June last year. The CTVs SMS was created based on the N-O-S SMS and crew training was provided for two months in summer and winter. The BEST365 spirit of N-O-S has been passed down to NYK's CTV business.

NYK is currently preparing to build CTVs together with N-O-S. The project is underway for delivery in early 2026.

I hope that the cooperative relationship between N-O-S and NYK will continue forever.

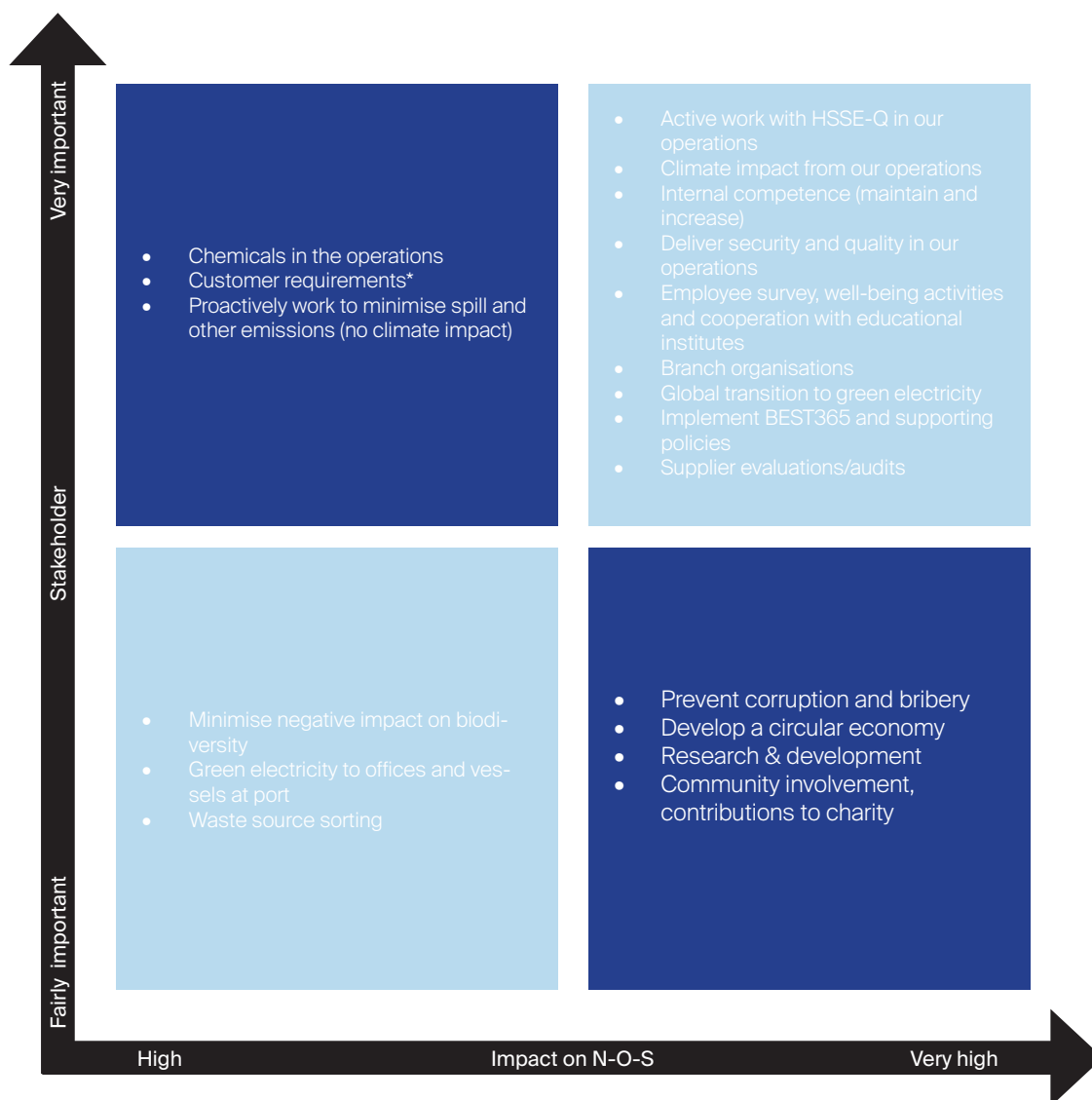
Returning to my work story, the crew of the vessels I oversaw were very kind to me, and I am especially grateful to the crew on the N-O-S vessels for their constant support and advice. Every time I visit a vessel, and the Master and crew welcome me with a smile, I feel a sense of fulfilment and happiness.

My secondment to N-O-S was originally for two years, but I am so satisfied with my wonderful colleagues and life in Sweden that I have extended my secondment. I will continue to learn many things from you all and do my best to fulfil my duties as a VSI.

- Aki Fukuda, Vessel Superintendent

Double Materiality Analysis.

During the year, we have prepared for the upcoming EU directive on sustainability reporting, the Corporate Sustainability Reporting Directive (CSRD), and the associated EU standards (ESRS). As part of this preparation, we conducted our first Double Materiality Analysis (DMA). This analysis examined both the impact of N-O-S on the environment and how environmental factors affect N-O-S financially, assessing risks and opportunities in both areas. Moving forward, we will focus on the issues with high or very high impact on N-O-S, as well as those that are of critical importance to our stakeholders.



* Important for the business, but customer requirements change over time and we have high competence in N-O-S for our operations

Digitalisation and cyber security.

Artificial Intelligence (AI), defined as methods and techniques for software systems exhibiting intelligent behavior, can be a powerful tool to help us achieve the UN Sustainable Development Goals. With responsible implementation of AI across all ESG aspects, we can adapt our business model to a circular economy and drive improvements in climate innovations. We plan to explore the potential of AI within our business model over the coming year.

Given the current geopolitical climate, the risk of cyberattacks has increased, and protecting information has become an even greater concern. The need for an Information Security Management System (ISMS) to enhance risk awareness and proactively identify and address vulnerabilities has grown in recent years. In the upcoming year, we will work towards certifying N-O-S according to ISO/IEC 27001:2022 standards for information security, cybersecurity, and privacy protection.

Impacts of design choices.

The design of a vessel has a significant impact on its performance and fuel consumption. A trend within N-O-S is to focus on the weight of the vessel and explore ways to reduce it in order to lower fuel consumption. By choosing lighter materials, we can reduce the total weight of the vessel, thereby reducing emissions. This involves carefully selecting materials and interior design. Another important design aspect we are working on is creating hull shapes that reduce resistance in the water, further lowering CO₂ emissions.





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