



Moreld Sustainability Report 2022

Moreld AS

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ESG highlights 2022

Our ongoing ambition is to integrate sustainability in our daily work and decision making processes. We are committed to measuring our impact and improving the way we work.

Key figures

GHG
(tCO₂e)

6,076

Waste
recovery ratio

84.7%

FTEs

3,200

Women in
management

25%

Serious
incidents

0

LTIs

7

Environment

- **Launched HydePoint**, a green hydrogen production company with Arendals Fossekompagni and Kongsberg
- **Reduced GHG emissions from own operations by 48%** (1,314 tonnes) compared to 2021
- **Tools and procedures for capturing customer CO₂ savings** has been implemented and is reported on a quarterly basis
- **100% carbon compensated** our scope 1 and 2 emissions with Trefadder initiative

Social

- **Safety focus**
 - Continued group wide safety bulletins
 - Launched safety observation card campaign
 - Increased focus on management safety inspections
- **Supported various social causes** with a particular focus on mental health
- **Gender pay gap mapping** per employment category implemented

Governance

- **Quarterly Group ESG forum** with key personnel from group companies
- **Corporate governance system** annual review
- **Updated code of conduct for Suppliers and Business partners**
- **Implemented guidelines** to comply with the Norwegian Transparency Act
- **CSRD scope 3 internal reporting** guidelines established.

Letter from our CEO

Dear Fellow Stakeholders,

I am delighted to present our 2022 Sustainability Report. As the CEO of Moreld, I am proud to share our progress in achieving our sustainability goals and addressing the challenges that lie ahead.

A more uncertain future

2022 has been marked by significant political developments, creating a more uncertain future for businesses and societies around the world. The ongoing conflict in Ukraine has led to increased geopolitical tension and economic instability. In addition, energy prices have continued to rise, driven by a combination of supply chain disruptions, geopolitical factors, and shifting global energy policies. These trends have significant implications, as we must navigate an increasingly complex and volatile landscape to achieve sustainable growth and positive social impact.

Despite the uncertainties, Moreld remains steadfast in our commitment to achieve our sustainability targets. We believe that sustainability is not only a responsibility but also an opportunity to create long-term value for our stakeholders, and we are determined to continue making progress towards our goals, even in the face of adversity.

Achieving our targets

This report demonstrates that we have made significant progress towards achieving last year's ESG targets, giving us much to be proud of.

At Moreld, we recognize that the energy industry has a significant impact on the environment and society. As a responsible energy service company, we are committed to reducing our carbon footprint, promoting social responsibility, and maintaining high standards of corporate governance.

Greener pastures

2022 was a constructive year for Moreld as we progressed on firming our foothold in the renewables markets. We continued our growth within floating offshore wind, conducting several studies for large wind developers. In April we introduced HydePoint, a new clean Hydrogen company together with Arendals Fossekompani and Kongsberg Group.

Reducing our carbon footprint

15 companies working together can achieve much more than each can individually, and from 2019 we have been able to reduce our own emissions by almost 50%. From 2022 our scope 1 and 2 emissions are also fully carbon compensated.

Putting safety first

Moreld's ambition is to be industry leading on safety and we have zero LTI's and serious incidents targets. As we are working in harsh offshore environments such as the North Sea this is a challenging endeavor that requires deep commitment from our organization. During 2022 we implemented several measures to improve our safety performance

including regular information bulletins, management safety inspections and a hazard observation campaign rewarding employees for rigorous safety work.

Ingenuity at work

Like last year's report we want to also this year showcase how our group companies are bringing sustainable solutions to the market. Internally we call this "ingenuity at work". From 2023 we have included the UN SDG "Life below water" in our reporting and therefore we want to also highlight how Moreld will contribute to a more sustainable aquaculture industry over the next decades.

This report outlines our sustainability aspirations and objectives for 2023. We aim to maintain an ongoing and transparent dialogue with our stakeholders, including customers, partners, financial institutions, employees, and others, to ensure that our sustainability efforts are aligned with their key concerns.

We value your input, support, and cooperation as we **continue to pursue our sustainability journey.**

Sincerely,



Geir Austigard
Chief Executive Officer of Moreld



Board endorsement

Moreld Board's endorsement

In Moreld we work to embed sustainability in our operations. We, the board of directors, have approved Moreld's sustainability targets and follow these up on a regular basis during board meetings and by review of monthly and quarterly reports.



Kristin Færøvik
Chairperson



Gunnar Halvorsen
Director



Jone Skaara
Director



Steinar Aasland
Director



Marit Grimsbo
Director

This is Moreld

Moreld is a leading industrial multi-disciplinary engineering group with products and services to offshore energy, renewable, marine, aquaculture, and onshore markets.

Moreld was established as an industrial group in December 2019, Moreld consists of 15 high-competence companies, many of which are market leaders and niche players within their respective sectors. Moreld was established as an industrial

group to allow commercial and operational synergies to take place, as well as to power energy transition activities across the group.

Moreld is Enabling the Energy Transition by playing on each group company's unique competencies to increase the speed at which Moreld enters new markets and develops its offering in a sustainable manner. Our shared targets and common

ambitions has seen the launch of new companies and initiatives within sustainable business.

Moreld is owned by HitecVision, a leading private equity investor that has been active in the North Sea region's energy industry for more than three decades.

Companies:

16



FTE's:

3,200



Business divisions



Engineering & Ocean



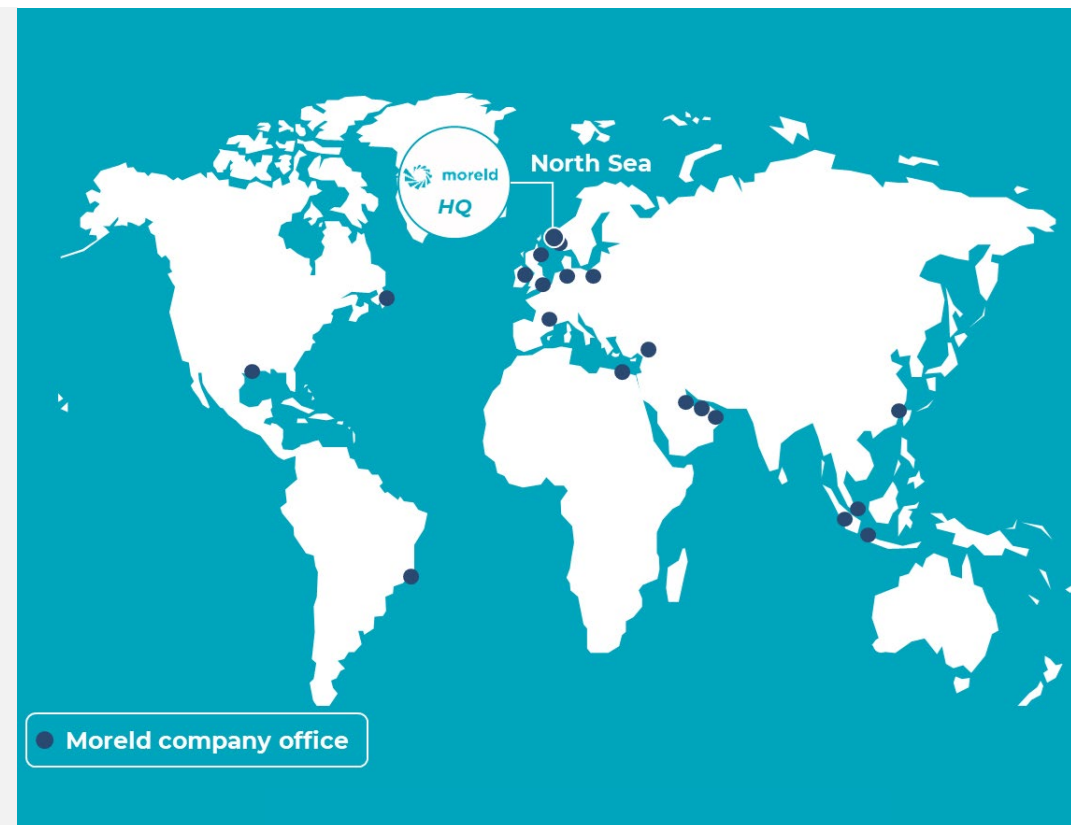
Energy Solutions

Revenue 2022:

6.5 NOKb

EBITDA 2022*:

~300 NOKm



* Unaudited

This is Moreld

Moreld's strategy

We aim to build a leading, sustainable industrial group that will actively contribute to enable the energy transition. Our vision reflects the role we will play in the market as a service company with deep expertise in several industries that can support our customers in reducing their emissions and realize their ambitions in emerging technologies.



Vision

We will be the preferred partner for our customers in the transition towards a sustainable future.



Mission

Industrial

Sustainable

Customer-focused

Profitable



Strategic ambitions

✓ **Sustainable in all our operations**

✓ **10% p.a. revenue growth**

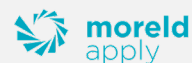
✓ **40% revenues from new segments in 2026**

✓ **>10% ROCE**

Group divisions and companies (as of January 2023)

Engineering & Ocean

Engineering & Ocean offers cutting-edge expertise within engineering, maintenance, modifications and operations in ocean and land-based industries.



Energy solutions

Energy solutions provides high quality equipment, operational services and software solutions to ensure maximum uptime and successful project execution for operators in the energy industry.



Divested entities (included in 2022 reporting)



Part 02

ESG in Moreld

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Reporting standards and ESG governance

About this report

We publish this Sustainability Report to provide access to information on the group ESG activities to all our stakeholders. The report is published on an annual basis.

This report has been prepared in accordance with the **Global Reporting Initiative** (GRI) Standards (2016) core option. As we progress in integrating sustainability in our work processes, we might consider adopting other relevant reporting regimes.

We use the **Task force on climate related financial disclosures (TCFD)** guidelines to conduct climate risk analysis of our business. The analysis is updated on a yearly basis. For emission reporting we follow the standards from the **Greenhouse Gas Emission Protocol**.

The focus of attention of this report are ESG topics for companies under the operational control of Moreld AS. However, we will also provide information on some aspects where we have the potential to influence, but no direct control.



GRI

Global Reporting Initiative

GRI's mission is to enable organisations to be transparent and take responsibility for their impacts, enabled through the world's most widely used standards for sustainability reporting - the GRI Standards.

Source: www.globalreporting.org



TCFD

Task force on climate related financial disclosures

TCFD is a global initiative defining best practice for how to manage and report climate risks and opportunities.

Source: <https://www.fsb-tcf.org/>



GREENHOUSE GAS PROTOCOL

GHG protocol

The Greenhouse gas protocol

The GHG protocol is a corporate accounting and reporting standard for quantifying and reporting GHG emission.

Source: <https://ghgprotocol.org/>

ESG governance in Moreld

Moreld's commitment to sustainability is integral in our mission as a key enabler of the energy transition. Moreld strives to improve and maintain the governance model of our industrial group through our board work and day-to-day operations, aiming to be in line with industry best practice.

Moreld has since its inception implemented a comprehensive governance system, modelled on that of our owners, HitecVision. This includes a strong corporate and organisational focus on compliance, HSE and other key risk areas.

Moreld ESG practices are reviewed and updated regularly. Moreld's Board of Directors (board) is ultimately responsible for overseeing the company's governance. Each year Moreld's annual ESG targets aligned with the UN SDG's are updated and approved by both our group management team and our board. During the year each board meeting begins with ESG and HSE, complemented by a quarterly detailed review of targets and status.

ESG KPIs and targets are harmonized across the group through shared targets. In addition, individual companies maintain their sector- and activity-specific focus areas.

Social and safety KPIs such as observation cards, sick leave, recordable incidents and injuries are reported at a group level monthly, while waste and emissions KPIs are reported on a quarterly basis. Each Moreld company tracks and reports greenhouse gas emissions, broken down into scopes 1, 2 and 3, as defined by the Greenhouse Gas Protocol. In addition, each company follows Moreld's set of ethical guidelines including anti-corruption, diversity & inclusion, whistleblowing procedures and customer feedback.

Moreld's ESG forum includes key subject matter experts from the group companies. The ESG

forum meets on a quarterly basis to discuss ESG topics and has a key role in driving our continuous improvement in reporting, emission reduction and compliance.

Moreld's ESG policy outlines the principles through which the group seeks to operate in an environmentally and socially sound manner. Moreld's board of directors has played an active role in defining the ESG policy and mapping our contribution to the UN's sustainable development goals (SDGs). Guided by the ESG policy, Moreld has integrated environmental, social and ethical issues into the assessment and selection of new and existing business lines.

In 2022 we implemented guidelines to comply with the Norwegian Transparency Act. Moreld has also started initiatives to comply with the CSRD guidelines for Scope 3 reporting, which will be implemented in 2023.



Stakeholders

Stakeholder engagement is central in Moreld's value creation process, and we commit to ongoing engagement to listen to their concerns.

We interact with a broad universe of stakeholders from customers, suppliers, employees, owners, governments and national authorities, local communities and other collaborative parties through various channels. Our engagement with stakeholders ensures that we are better positioned to address relevant issues, risks and opportunities. Moreld will also seek to engage stakeholders to better understand our role in the energy transition.

Moreld's key stakeholders

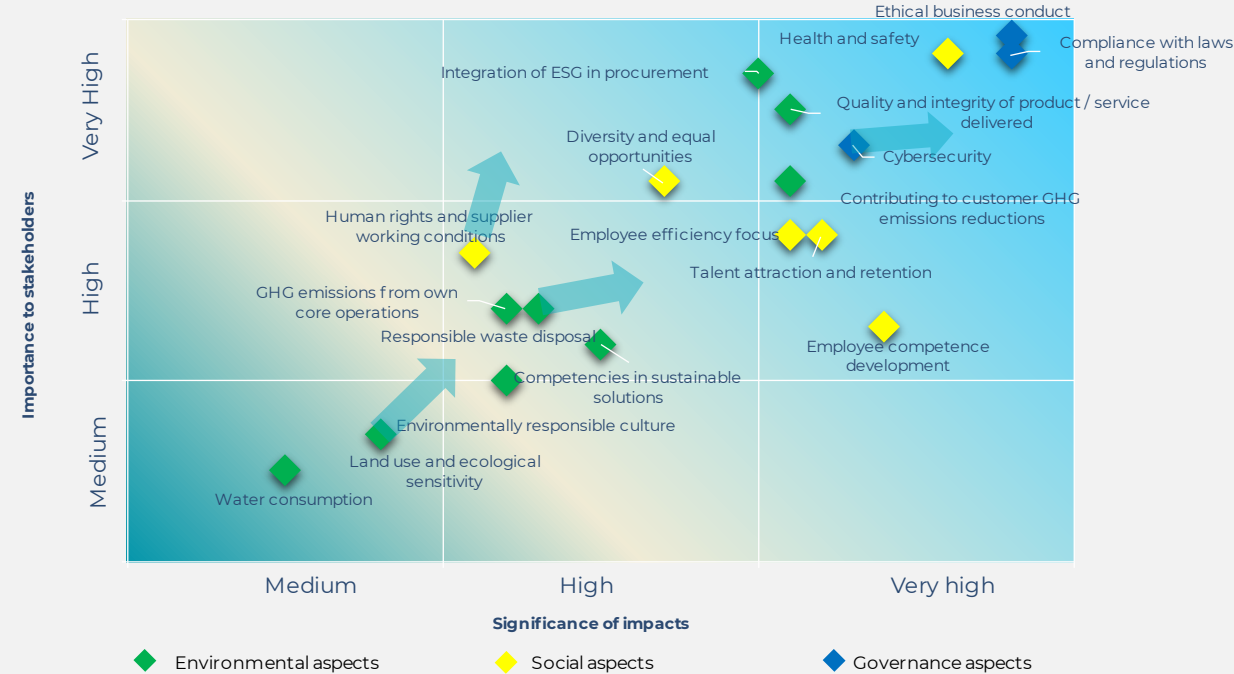


Materiality assessment – Measuring our impact

Moreld's success depends on understanding and responding to the changing world. In 2020, we performed our first group-wide materiality assessment to help identify sustainability issues that are perceived to be the most important to our clients, employees and stakeholders.

In 2022 the materiality assessment was updated as we surveyed executives and key personnel representing each of our business divisions. This resulted in a revised set of priorities represented below. The analysis is used to identify material topics for our organisation which are the areas where we will focus our attention when working with ESG topics.

Moreld materiality matrix



List of material topics Moreld report on according to GRI standard are found in the appendix (p.32-36).

Our view on sustainability

Moreld's ESG policy

Moreld's objective is to create value by supporting our customers in the transition towards a sustainable future and on this basis further develop a profitable industrial group. We believe that a strong focus on environmental, social and governance factors and issues is critical to our long-term success as an industrial group.

We are convinced that in this respect, the interests of Moreld's owners, align with those of our management, employees, customers, and the communities in which we operate. On this basis Moreld has adopted this ESG policy as an integral part of our operations.

Overall principles

Moreld seeks to ensure that we operate in an environmentally sound manner, as well as ethically, responsibly, and profitably in everything we do.

In the assessment and selection of new and existing business lines, Moreld integrates consideration of environmental, social, and ethical issues, including climate issues. Moreld aims to be transparent on all issues covered by these principles.

Environmental

Moreld's operating entities strive to operate in an environmentally responsible manner and aim to follow best industry practice. By ensuring our own environmentally sustainable operations and by providing services and products that allow our customers to be sustainable, Moreld is an industrial group that is part of the solution to the climate challenge.

Social

Moreld seeks to offer equal opportunities to all employees, respect fundamental human rights, labour rights and union engagement, and provide our employees with good, healthy, and safe working conditions. Furthermore, Moreld seeks to ensure that our operating entities contribute positively to the communities in which they operate by developing businesses, encouraging innovation, and enhancing international competitiveness.

Governance

Moreld strives to professionalize the governance models of our industrial group through our board work and aims to follow Invest Europe's Corporate Governance Guidelines. Moreld seeks to ensure that we comply with all applicable laws, rules, and regulations in the markets in which we operate, including environmental, labour, anti-corruption and anti-money laundering laws, rules, and regulations. Moreld seeks to contribute to high ethical standards being maintained by all our employees and operating entities.

What we believe in:

Vision:

We will be the preferred partner for our customers in the transition towards a sustainable future.

Mission:

Industrial.
Sustainable.
Customer-focused.
Profitable.

What we mean by sustainability:

We define sustainable as any act or initiative that minimizes waste and reduces greenhouse gas (GHG) emissions.

We will use the UN guidelines and the EU Taxonomy for sustainable investments to guide our ESG efforts.

Moreld will strive to be sustainable in all operations



What we adhere to:



Our values for corporate behaviour

Three core factors define how we operate

UN Sustainable development goals



Our commitment

Moreld is committed to support the UN Sustainable Development Goals (SDGs) and are applying these to guide our course of action.

We have prioritized four SDGs where we believe we can have the most impact. These four goals are aligned with the KPIs, targets and focus areas of our business and we seek to contribute positively to these goals.

Moreld is committed to sustainable development and recognizes the importance of protecting and preserving the world's oceans and marine life. From 2023 we have therefore decided to include SDG 14 ("Life below water"), in our reporting.

Our prioritized UN sustainable development goals

	SDG 3 Good health and well-being	We aim to ensure healthy lives and promote the well being of our employees. Therefore we strive to adhere to high safety standards and have a zero vision for incidents in our daily work.
	SDG 5 Gender equality	Moreld supports equal opportunities, equal rights and equal treatment for all employees regardless of gender, ethnicity, national or social origin, disability, sexual orientation, religious belief. We actively work on creating a great workplace that will attract top talent.
	SDG 12 Responsible consumption and production	Moreld works towards ensuring sustainable consumption and production patterns. We have set ambitious recycling targets and offer a broad service range within emission reduction technologies and maintenance services that allow our customers to operate more efficiently.
	SDG 13 Climate action	Urgent action is needed to combat climate change. We will strive to reach net zero and launch new businesses and services lines to grow our presence in the renewable industry and thereby enable the energy transition.
	SDG 14 Life below water	<div> <div>New</div> Moreld is committed to sustainable development and recognizes the importance of protecting and preserving the world's oceans and marine life. </div>

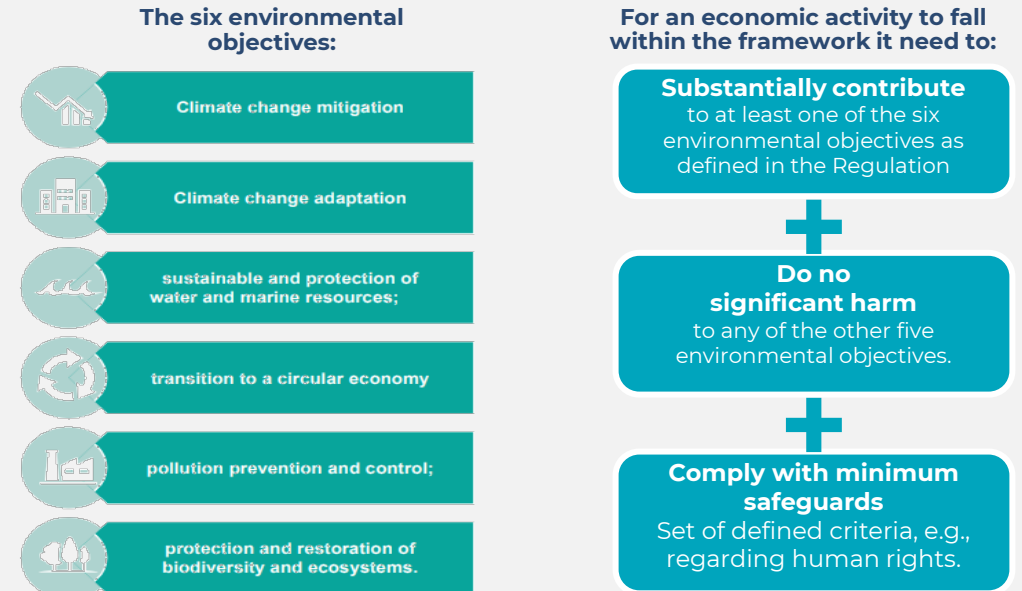
The EU Taxonomy

The EU taxonomy for sustainable activities

Moreld will set out to use the EU Taxonomy for sustainable investments to guide our ESG efforts.

The EU taxonomy entered into force on 12 July 2020 and large listed companies with >500 employees must disclose eligibility and alignment reports as of January 2023. A key change in the taxonomy is the inclusion of nuclear power and gas in the EU taxonomy rules, which could influence the eligibility of some of Moreld's economic activities. Moreld will strive to meet taxonomy criteria for relevant activities. Activities outside of the oil and gas sector are not "green" by design but need to be evaluated against criteria in the framework. We will continue to monitor the development of the taxonomy criteria to ensure that relevant business activities can be aligned.

The EU Taxonomy is a tool to help navigate the transition to a low-carbon, resilient and resource-efficient economy. The taxonomy is an important enabler to scale up sustainable investment and to implement the European Green Deal. Notably, by providing appropriate definitions to companies, investors and policymakers on which economic activities can be considered environmentally sustainable. It is expected to create security for investors by avoiding greenwashing, helping companies plan the energy transition, mitigate market fragmentation, and eventually help shift investments where they are most needed.



Sources: [European commission](#), [Allianz Global investors](#)

Climate risk and opportunities



Moreld conducted a climate risk and opportunity assessment in 2022 based on the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The TCFD recommended disclosures and our responses can be found in the independent Climate Risk Review in the appendix of this report. The TCFD review is an integral part of our corporate strategy and governance

Governance

The organisation's governance around climate-related risk and opportunities

- Moreld's Board of Directors is ultimately responsible for overseeing the company's governance and management of climate-related matters.
- The Executive Management Team, led by the CEO, is responsible for assessing and managing climate-related risks and opportunities. The team reports directly to the Board of Directors on a monthly basis.

Risk Management

How the organisation identifies, assesses and manages climate-related risks

- Our process of identifying and assessing climate-related risks are integrated into our multi-disciplinary company-wide risk management process.
- We have reviewed physical, regulatory, technology, market and reputational risks.
- We have extensive policies and procedures in place to actively manage risks related to the various parts of the Groups operations.



Please refer to our full TCFD report on our corporate website for more information

Strategy

Actual and potential impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning

- Physical risks in terms of extreme weather events have been identified as our main risk. Other key risks are market risks, potential financing restrictions, public opinion and increased scrutiny towards the O&G sector.
- Our key opportunities are access to new markets and increased demand for low-carbon energy technologies and services.
- We have applied scenario analysis based the International Energy Agency's World Energy Outlook.
- We aim to perform a scenario analysis aligned with TCFD's recommendations on an annual basis.

Metrics and Targets












Metrics and targets are used to assess and manage relevant climate-related risks and opportunities

- Our carbon footprint accounting is in accordance with the Greenhouse Gas (GHG) protocol and has been calculated since 2019.
- We have set an absolute reduction target for Scope 1 and 2 to reduce our GHG emissions and reach net zero by 2030.

Key results for 2022

Moreld Group 2022 KPI Achievement

Based on our prioritized Sustainability development goals (SDG's) we have defined 5 focus areas for our ESG work. KPIs are reported on a monthly or quarterly basis.

Focus area	Goal	SDG	Status	2022 KPI	Target 2022	2022 ACT	2021 ACT
Carbon neutrality	We will seek to be carbon neutral in Moreld's operations.			Reduction in Net GHG emissions from own operations compared to 2021 levels	300 tons	1,314 tons	n/a
				Reduction in net GHG emissions from business travel compared to 2019 levels.	25%	42%	25%
Waste reduction	We will reduce our waste ratio.			Reduction in waste intensity ratio (tonnes waste per million NOK revenue)**	5%	0.16 (-60%)	0.4
				Waste recovery ratio**	> 92%	84.7 %	93.9%
Enabling the energy transition	Enable the energy transition by delivering new and sustainable services			Revenue from non-oil and gas segments	25%	20%	20%
				Tools and procedures for capturing CO2 in customer contracts	Introduce	✓ Implemented	n/a
Gender balance	We aim to have a sound gender balance.			Women in workforce	20%	18.5 %	17%
				Women in leading positions	28%	27%	25%
				Salary equality ratio	92%	92%	89%
Zero incidents vision	Provide a healthy, safe and secure working environment.	 		Serious incidents (SI) and LTI's	0	0 SI's and 7 LTI's	0 SI's and 8 LTI's
				Total sick leave	< 3%	4.5%	3.4%
				Accidental spills/emissions	0	1	1
				LTIFR (Loss time incident frequency)	< 1.0	1.39	1.5
				TRIFR (Total recordable incident frequency)	< 2.0	4.16	3.5













*Salary equality ratio = avg salary women / avg. salary men, average figure across 5 personnel groups measured

**~1,000 tonnes of waste in 2022 compared to 2,800 tonnes in 2021, gap mainly due to metal recycled from ASF Tønsberg site in 2021

Ambitions and targets for 2023

Moreld Group 2023 KPIs

Our targets are revised on an annual basis.

Focus area	Goal	SDG	Status	Target 2023	Target 2030
Carbon neutrality	We will seek to be carbon neutral in Moreld's operations.	 		<ul style="list-style-type: none"> Reduce GHG emissions from own operations by >5% vs 2022 Keep net GHG emissions from business travel at least 25% lower compared to 2019 levels. Start reporting on Scope 3 in line with CSRD 	<ul style="list-style-type: none"> Net zero GHG emissions from own operations in 2030 Net GHG emissions from business travel reduced by 80% compared to 2019 levels Reduce Scope 3 emissions by 20% compared to 2023 levels
Waste reduction	We will reduce our waste ratio.			<ul style="list-style-type: none"> Waste recovery ratio at > 92% (recycled % + energy recovery %) 5% reduction in tonnes of waste intensity (waste per million NOK in revenue) 	<ul style="list-style-type: none"> Waste recovery ratio at 98% Waste intensity from own operations below industry average
Enabling the energy transition	Enable the energy transition by delivering new and sustainable services			<ul style="list-style-type: none"> 20% increase in revenue from non-oil and gas segments Contribute to customer CO2 saving projects exceeding 60,000 tonnes 	<ul style="list-style-type: none"> 50% of revenue from non-oil and gas segments Supported our customers in reducing their CO2 footprint by 500,000 tons.
Gender balance	We aim to have a sound gender balance.			<ul style="list-style-type: none"> 20% women in workforce 28% women in leading positions Equal pay for equal work 	<ul style="list-style-type: none"> 35% women in workforce Minimum 40% of each gender in leading positions Equal pay for equal work
Zero incidents vision	Provide a healthy, safe and secure working environment.	 		<ul style="list-style-type: none"> Zero serious incidents and LTI's Total sick leave under 3% Zero accidental spills/emissions LTIFR <1.0 and TRIFR <2.0 	<ul style="list-style-type: none"> Zero Incidents vision Zero personal injuries

The Moreld ESG team

In 2021 we established a ESG network with representatives across the group. The ESG team is committed to improving the way Moreld addresses environmental, social and governance issues.



Aebgin John Poickattil



Astrid Aadnøy



Karolina Wilk



Ole Morten Isdahl



Margaret Pallesen



Stine Nygård Instefjord



Anne Margrethe Bugge



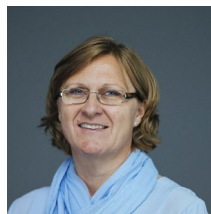
Marit Hinna



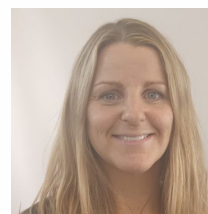
Anja Elisabeth Føli



Sidsel Vindenes



Elisabeth Brenne



Lena Meling Bøe



Yngve Rubi



Margrete H. Adamsson



Alexander Holberg



Jan Erik Rugland



Part 03

Environment

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Environmental approach

Environmental approach

Work on improving the environmental footprint of Moreld has in 2022 focused on continuing to reduce our CO2 footprint and increase focus on recycling.

Moreld achieved 25.6% reduction of its total CO2 footprint from 2019 to 2022 (all scopes). The Group also set a target of keeping GHG emissions from business travel at least 25% lower than 2019 levels. Despite the gradual return to normality following the Covid-19 travel restrictions, our carbon footprint resulting from **business travel was 42% lower in 2022 than it was in 2019.**

During 2022, the Group's reported total GHG emissions increased by 13.4% compared to 2021, mainly related to improved and increased reporting requirements for Scope 3 across the Group. When looking at GHG emissions from our own operations (scope 1 + 2), **Moreld reduced its own carbon footprint by 48.7%, which represents a reduction of 1,314 tCO2e.**

In 2022 we have 100% **carbon compensated our own emissions** with carbon capture initiative *Trefadder*. By doing so Moreld has attached a financial cost to emissions, incentivizing our companies to reduce their emissions even further.

To reduce emissions and the environmental footprint of our supply chains, all procurement units in Moreld have integrated ESG into their procurement strategies. Group initiatives on sourcing and specification of ESG criteria have contributed to knowledge sharing and standardisation across the group. The set of ESG criteria forwarded to suppliers is constantly under revision, with specific KPIs on CO2 emissions and waste recycling increasingly being included. In 2021 we brought onboard Foxway as a supplier of recycling services for electronic equipment, in 2022 we saved 42,607 kwh and 66,650 litres of water through recycling of electronic equipment. In 2022 Moreld implemented a green travel policy, focusing on low carbon alternatives.

Moreld is proud to see how our group companies are succeeding in reapplying existing expertise, and innovating new solutions, to significantly reduce CO2 emissions for customers. In 2022 we contributed to reducing out customers GHG emissions by 550 000 tonnes CO2e.

Recycling and reuse are also important focus areas in the group, with, amongst others, Moreld Moholt Group contributing to reducing resource use through advanced re-use of heavy-duty electric equipment such as motors.

Key actions for 2023

- **Reduce net GHG emissions from own operations even further:** Continuing from our encouraging 2022 results, the Group aims to increase its efforts to reduce emissions from own operations. In 2023, we aim to cut emissions from Scope 1 and 2 by at least 5% compared to 2022 levels.

Supporting Trefadder

Trefadder provides climate compensation through safe CO2 capture from Norwegian climate forests. They have developed Norway's first commercial climate forest, where they collaborate with local farmers to plant forests for a better climate and create local job opportunities.



Scope 1 (Direct) & Scope 2 (Indirect):

Scope 1 emissions result from sources directly owned or operated by Moreld. For example, from our manufacturing facilities, workshops and vehicle fleet.



Scope 2 emissions are based on the energy we purchase to directly operate our business. In Moreld's case this is mainly electricity consumption for our offices.



Trefadder:

Our 2022 scope 1 and 2 emissions have been climate compensated through safe CO2 capture from Norwegian climate forests through our collaboration with Trefadder.

Reducing our emissions



Moreld's CO2 footprint

In 2022 we significantly exceeded our target of reducing net GHG emissions from own operations by 6.5% (corresponding to 300 tCO2e) compared to 2021 levels. Our Scope 1 and 2 emissions totalled 1,387 tCO2e for 2022, which is a **48.7% reduction (1,314 tCO2e) from 2021**.

Large reduction is partly explained by lower activity at some of our locations bringing down electricity and fuel consumption (e.g. propane). From 2022 we have also co-located several of our companies in the Moseidsletta 122 office, which also resulted in a drop in electricity consumption per employee.

In 2022, Teknisk Bureau was divested, which had a significant impact on the "Emissions excl. divestments" chart compared to last year. Scope 3 emissions are on the rise, mainly driven by improved reporting procedures and more data available from suppliers.

The group also achieved a **42% reduction in GHG emissions from business travel** compared to 2019, well above our target of 25%, despite the easing of Covid-19 restrictions around the world.

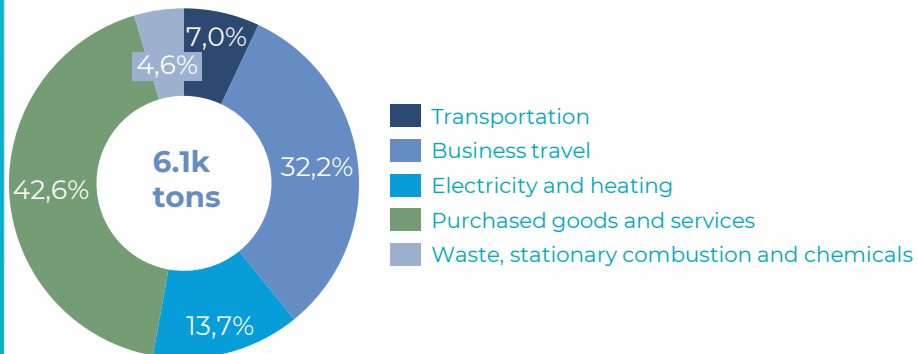
Target 2023

- Reduce net GHG emissions from own operations by >5% vs 2022
- Keep GHG emissions from business travel at least 25% lower compared to 2019.
- Start reporting on Scope 3 emissions in line with CSRD

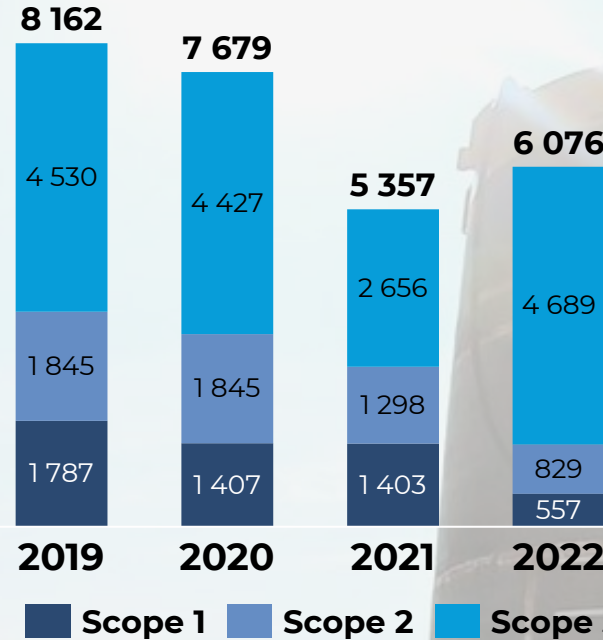
Target 2030

- Net zero GHG emissions from own operations in 2030
- Net GHG emissions from business travel reduced by 80% compared to 2019 levels

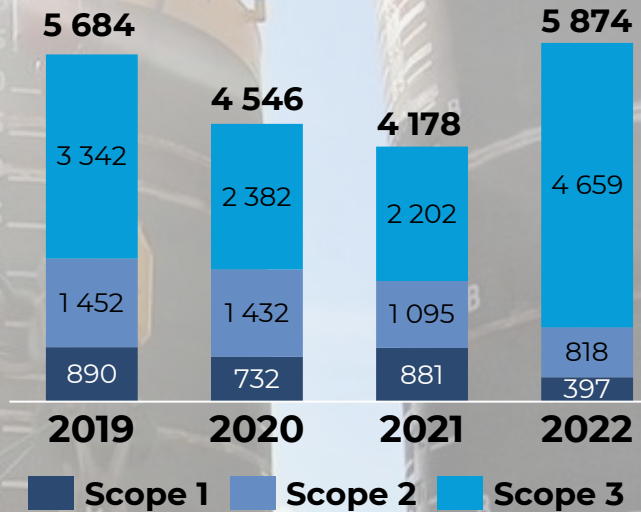
2022 CO2 emission by source



Moreld emissions (tons CO2e)



Emissions excl. divestments



Reduction 2019-22

2,086 tons (-25.6%)

Business travel



Handling our waste



Waste disposal and recycling

Waste disposal is an important topic for Moreld, and waste reporting has been a mandatory Scope 3 requirement for all group companies since 2021. Waste in 2021 was extraordinarily high due to Moreld Agility closing a manufacturing facility causing them to recycle 1,400 tonnes of metals. The recycling figure reported in 2022 can thus be viewed as a return to normal.

Going into 2022 Moreld had a focus on minimizing waste and to increase recycling. The Group managed to reduce waste in all categories compared to 2021. Waste recovery for the full year totalled 85% - below our target of 92% but well ahead on waste intensity (tonnes waste per million NOK revenue).

Waste intensity for the year was 0.156 in 2022 which is a 61% reduction vs 0.398 in 2021 normalized (0.553 unadjusted)

Target 2023	<ul style="list-style-type: none"> Waste recovery ratio at > 92% (recycled % + energy recovery %) 5% reduction in tonnes of waste intensity (waste per million NOK in revenue)
Target 2030	<ul style="list-style-type: none"> Waste recovery ratio at 98% Waste intensity from own operations below industry average

Moreld Headquarters – Stavanger, Norway



Waste by disposal method

Waste (tons)	2019	2020	2021	2022
Recycled	775	942	2023	635
Energy recovery	340	414	588	239
Disposal	151	187	170	158
Total amount of waste	1 266	1 543	2 782	1032
Waste recovery ratio	88.1%	87.9%	93.9%	84.7%
Waste intensity			0.553	0.156

Note: A more detailed breakdown of waste disposal methods is found in the appendix

In Moreld we use **waste recovery ratio** as a key KPI. Waste recovery ratio is the combined % share of energy recovered (incinerated) waste and recycled waste. Going forward we will also measure our waste intensity to focus our attention also on reducing the amount of waste in our operations..

Hierarchy of waste management

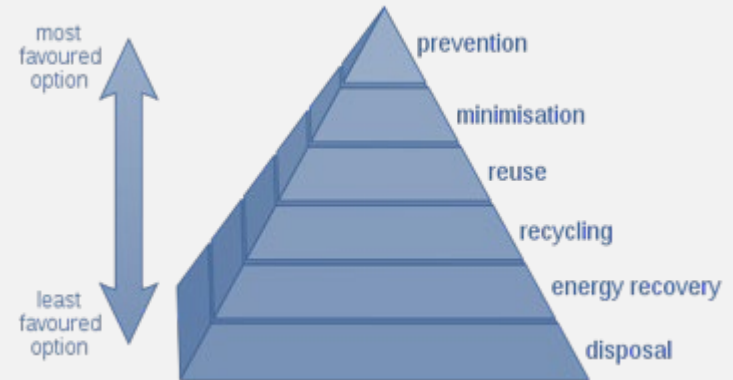


Figure shows the hierarchy of management of wastes in order of preference, starting with prevention as the most favorable to disposal as the least favorable option. Source: Dr Stuart Young

Employee perspective: Working at Moreld Apply



Working at Moreld Apply

What's your professional background prior to joining Moreld Apply?

I graduated from NTNU with a masters in Physics and I also have a Phd in Silicon sensor technology from UiO. I have worked as a manager at various levels from department management to senior executive level. My key qualifications include technology management, industrialization, driving change processes, creating business cases, managing people across locations and countries. I have a proven track record of developing good teams and core competences, establishing and executing on strategies, building processes and systems. I also have several years of project management experience within various fields such as product development, production, and information technology.

What motivated you to join Moreld Apply?

My main motivation to join Moreld Apply was to focus my future work on the energy transition. I assessed Moreld to be an exciting place to work due to the ambitious targets on renewables, and Moreld appeared as a strong industrial group both willing and able to drive new initiatives. Working for a Moreld company opens many new career opportunities, as such I have been appointed CEO of HydePoint as of March 2023.

How would you describe the transition that Moreld is currently in the middle of?

This is a time of opportunity. There is a shift in general in the culture of the younger generations to move away from fossil fuels and reliance on oil and gas. Moreld has for some years been advancing into the offshore wind and hydrogen sector at speed and we have a good track record of providing services for industry firsts. With the pressure on for a shift to green energy and demand for experience in the sector, we are well placed to thrive in a challenging and competitive market.

What is HydePoint and how do you see Hydrogen market developing the next few years?

HydePoint is a complete solution for receiving, converting, and transmitting the full energy potential from offshore wind farms, with reduced dependence on the onshore power grid. Placed in the ocean, close to wind farms, HydePoint can convert all or part of the energy into hydrogen. This will reduce the need for upscaling the power grid both to and on land. We see a rapid growth in the Hydrogen market over the next few years driven by the need to de-carbonize hard to abate sectors such as shipping, steel production and fertilizer process industry. HydePoint is owned and established by Moreld, Arendals fossekompani and Kongsberg Group.

Moreld Apply in brief

Moreld Apply is dedicated to expanding and providing specialized in-house capabilities, products, and services to the energy industry. Our approach is to provide a comprehensive service and product offering to our customers, which includes technology and know-how that enable sustainable practices.

Moreld Apply was established as Sørco in 1979 as an engineering design contractor for the oil and gas industry. Since then, the company has progressed to become a supplier of complete turnkey projects for maintenance, modifications and operations support contracts for onshore and offshore facilities.



Elin Steinsland
Head of Technology
Moreld Apply

HydePoint

Concept for Offshore
Hydrogen Production



Supporting our customers in reducing their environmental footprint



Digital inventory & Recycling initiative for valves

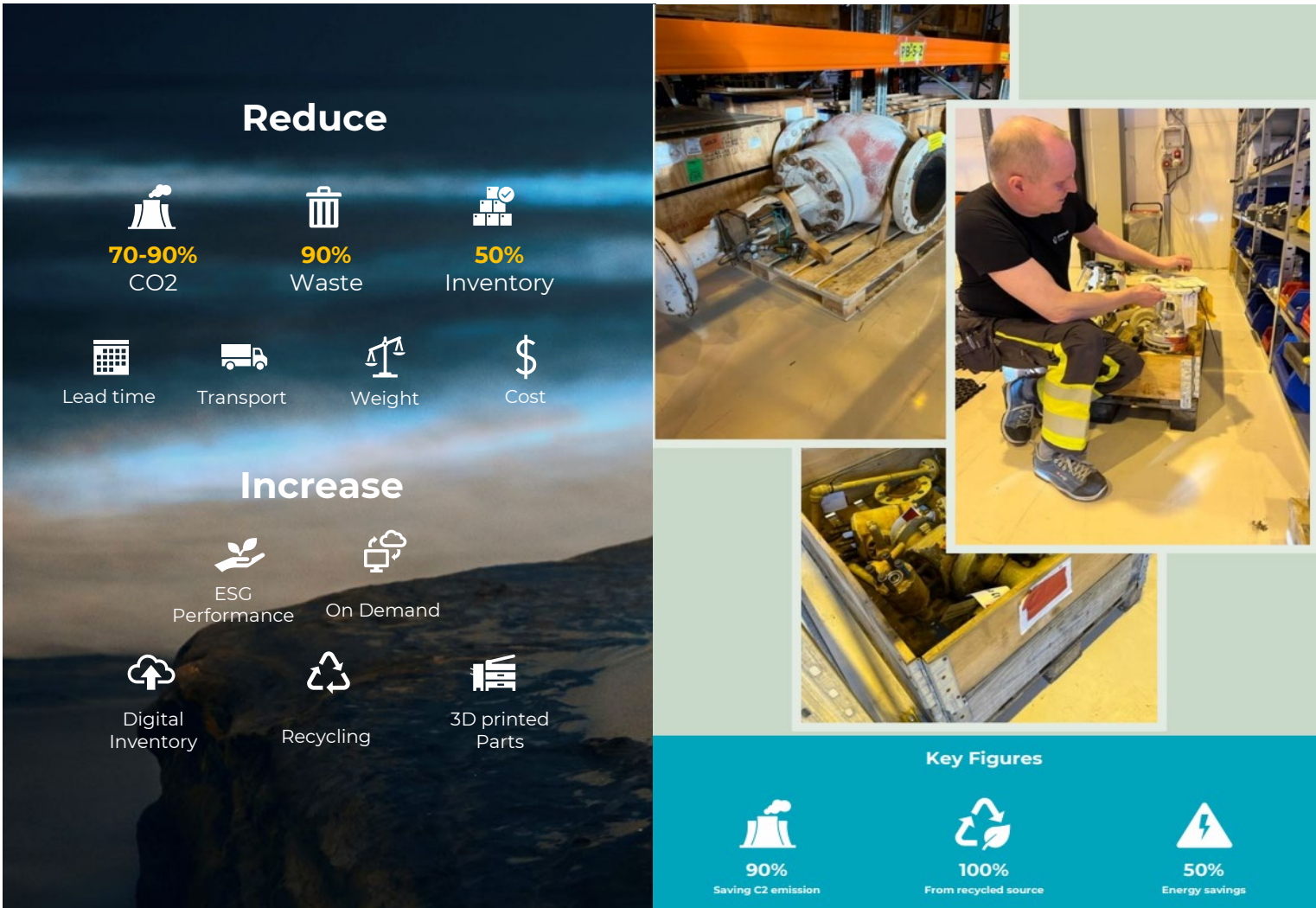
Moreld Flux makes significant steps forward in reducing the carbon footprint related to valve manufacture, supply and inventory.

In November 2022, Vår Energi's R&D department and Flux entered into a project of sorting approx. 3500 valves that had been sitting on stock for a while and never been used. The purpose of this project is to identify which valves are OK for use, which valves that need repair, and which valves are to be scrapped.

The scrapped valves will be recycled into fine metal powder by our business partner *F3nice*, to be used to 3D print new spare parts for the valves that need repairs. Valves that cannot be used will be given to universities and used in education or re-circulated to powder for Additive Manufacturing (AM).

This is additive manufacturing in the making, as well as the start of a circular economy adventure.

The vision is to have **a digital inventory which replaces the physical stock**. New valves can be securely ordered from the digital inventory portal, then produced by a 3D printer nearby to reduce time and inventory. It is estimated that CO2 emissions are reduced by 90% by this kind of process. Additionally, waste is drastically reduced as the fine metal powder is made by 100% scrap metal. Compared to traditional manufacturing, it is estimated that additive manufacturing will save up to 50% energy.



Supporting our customers in reducing their environmental footprint



Contributing to cleaner fjords and more healthy fish

Moreld Aqua is a leading multi-discipline engineering company, specializing in contracts across all project phases - from concept development and studies to completion and commissioning.

Closed cage farming (CCF) solutions are a new and innovative approach to aquaculture that aims to address some of the major challenges facing the industry today. These solutions involve using enclosed structures, such as floating cages, to raise fish and other aquatic species. With the innovative **NanoFjord™** concept Moreld Aqua wants to contribute to create a more sustainable and environmentally friendly way of carrying out aquaculture in the fjords.

Reduce lice and diseases: The main benefit of NanoFjord™ is that it will reduce the spread of disease and remove parasites (e.g. sea lice), which has a negative impact on both wild fish populations and farmed fish. The habitat of the fish will be segregated from the natural environment and shielded for unwanted exposure while still maintaining good growth conditions and fish welfare. Lice and diseases (and side-effects from chemical/physical treatment) are by far the largest contributors to a high mortality rate.

Reduced risk of escapes: With the introduction of double barriers and unique fish handling solution NanoFjord™ will significantly reduce the risk of fish escaping into the wild. This is important because escaped fish can disrupt local ecosystems and cause genetic pollution of wild fish populations.

Energy-efficiency: The solutions are designed to be more energy-efficient and to use fewer resources than traditional open-water fish farming and land-based farming. This is for instance possible due to increased feed efficiency (less spill), energy efficient water circulation/oxygenation and no need for temperature adjustments (heating).

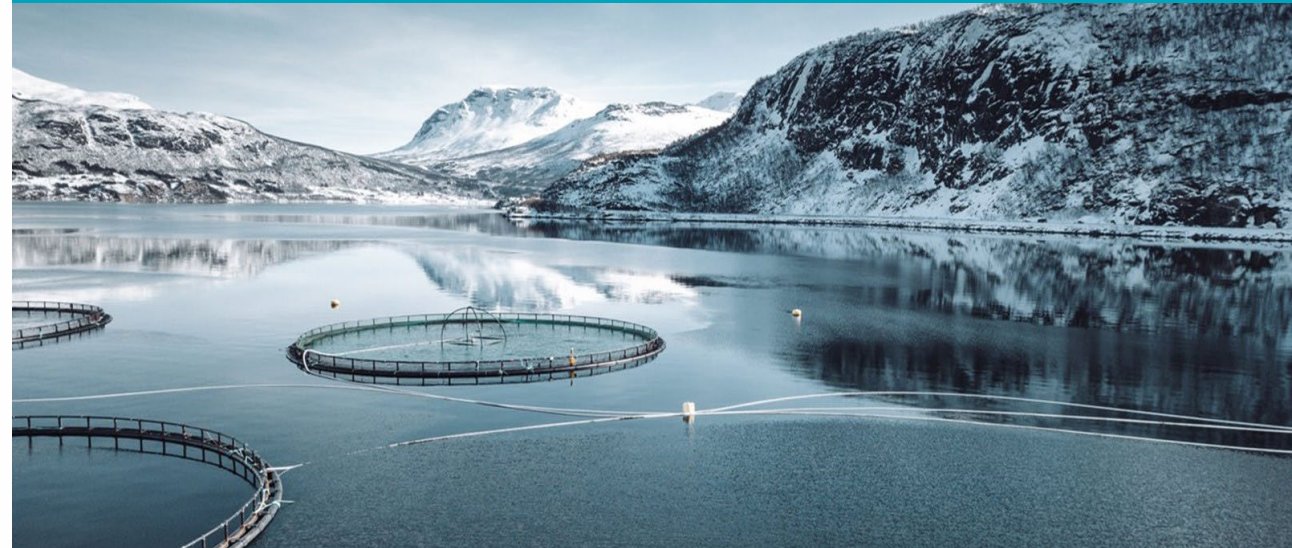
Circular economy: Tons of sludge (uneaten feed and feces) containing large amounts of valuable nitrates are each year disposed into the sea. NanoFjord™ is aiming to reduce the environmental load on locality by collecting up to 60% of the sludge. Collected sludge can be dried and repurposed to create biogas of used as fertilizer.

Inclusion of UN SDG 14 in Moreld's reporting

Moreld is committed to sustainable development and recognizes the importance of protecting and preserving the world's oceans and marine life.

The United Nations Sustainable Development Goal 14 (SDG 14) focuses specifically on "Life Below Water" and aims to conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

By including SDG 14 in our reporting, we are demonstrating our commitment to preserving and protecting the oceans and marine life and ensuring that our business practices align with this important goal.



Supporting renewable energy while reducing the environmental footprint



Moreld Ocean Wind - reducing carbon footprint through modular approach and weight reduction

Moreld Ocean Wind uses a modular approach to design, prefabricate, assemble and install floating offshore wind turbine foundations. The solution consists of prefabricated components bolted together mechanically at an assembly port.

The components can be manufactured in parallel and in different locations. Some can be produced locally, while others could be made in low-cost countries in large volume and shipped to a suitable port near the wind farm site where they will be assembled and lifted into the water.

Highly efficient packing simplifies transport. "The components come in batches, ready for assembly on conventional cargo vessels which can transport many more elements at one time compared to fully assembled units," says Wolfgang Wandl, CEO in Moreld Ocean Wind. "Thanks to the modular design, the floaters can be installed quickly and efficiently. It is estimated that the solution can deliver one floating offshore unit per week, faster than any other method," he continues.

The design requires 30 to 40 percent less steel than competing foundation designs. Not only does this make them less costly, but it also reduces their environmental impact. As a part of their concept, Moreld Ocean Wind provides developers with a carbon footprint life cycle analysis for planned windfarms, allowing them to compare different alternatives. Based on the initial carbon footprint, it is also possible to identify options on how to further reduce potential impact on the environment.



Part 04

Social

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Safeguarding our people and assets



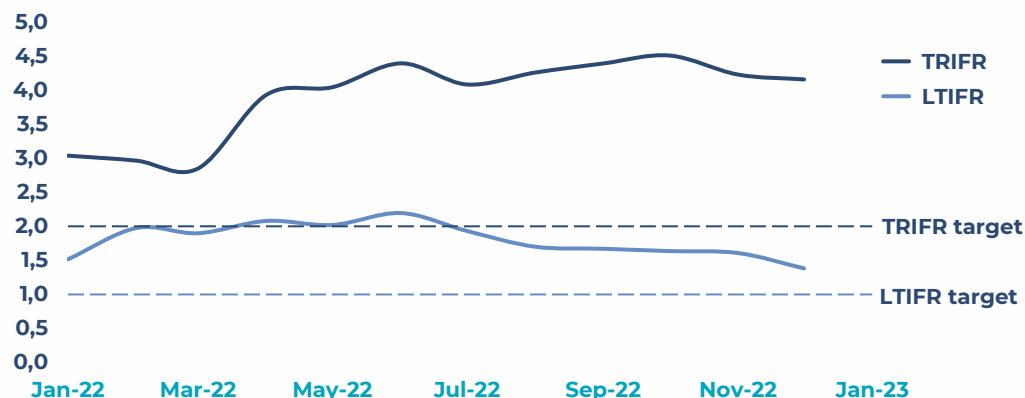
Building on the Moreld companies' strong HSE track record and culture, Moreld has a zero ambition on serious incidents, LTIs, and accidental spills/emissions. Frequent reviews by Moreld's top management and board of directors on key HSE KPIs are key elements to further strengthen the HSE culture. In 2022 our LTI frequency slightly improved from 2021 (1.39 vs 1.4 in 2021). We saw an increase in TRI frequency (4.16 vs 3.7 in 2021) and had one minor (non-toxic) accidental spill. Total sick leave was slightly higher than we would have liked during the year, averaging at 4.5%. Given this year's results, our targets for 2023 will remain unchanged from last year.

The safety of our employees will continue to be a key focus area for the group in 2023. During 2022 we had zero serious incidents, which is an improvement from last year and a key step towards our zero-incident vision. The number of emergency safety drills was also increased compared to 2021, further improving the Group's vigilance in the event of emergency.

The number of medical treatment cases in the group increased from 15 to 21, none of which were categorised as serious. The majority of incidents were hand and finger injuries and slip and falls. These types of injuries have therefore been prioritized safety topics. Moreld's business principles for suppliers and partners was also updated, setting several HSE and ESG requirements towards our suppliers and partners.

Target 2023	<ul style="list-style-type: none"> Zero serious incidents and LTI's Total sick leave under 3% Zero accidental spills/emissions LTIFR <1.0 and TRIFR <2.0
Target 2030	<ul style="list-style-type: none"> Zero Incidents vision Zero personal injuries

LTI and TRI frequency trend (LTIFR and TRIFR)



LTIFR and TRIFR calculated as sum of LTI/TRIs last 12 months divided by manhours * 1 000 000

* All Group companies report manhours on a monthly basis

HSE statistics	2020	2021	2022
# of manhours own employees	4,145,727*	4,589,315	3,642,874
Total sick leave	3.4%	3.4%	4.5%
Total recordable incidents (TRI)	11	21	21
Lost time incidents (LTIs)	6	8	7
Serious incidents	0	1	0
Accidental spills/emissions	0	1	1
Safety drills	n.r.	18	21

Diversity and inclusion



Building an inclusive workplace

All our Norwegian entities with more than 10 employees have collected information on salary equality, part-time work and parental leave. This data is presented at a group level in the report. In addition to the strategic targets on share of women in our workforce we want to work more focused on ensuring equal pay for equal work. We see that there currently is a salary gap between women and men in the organisation (wage equality ratio 92%), however at group level these figures are not adjusted for seniority, rank or other factors. The salary equality ratio can thus not be used as a faithful measure of equal pay for equal work, but rather serve as an indicator. We will continue to closely monitor this KPI going forward, particularly at a sub-company level, and work to improve the model to reflect important factors, such as seniority and job description, which will paint a better picture of wage equality within the group.

Diversity and inclusion policy

Moreld is working strategically to improve diversity and inclusion within the organisation. We seek to offer equal opportunities to all employees, to recruit the best candidates based on merit only, to demand equal pay for equal work, and for all employees to be treated fairly, regardless of gender, ethnicity, religion or belief, age, marital or civil status, pregnancy, sexual orientation, or disability.

We have zero tolerance for harassment, discrimination, and bullying of any kind. We demand the same level of commitment also from our suppliers. We expect that they follow fundamental human rights, labour rights and union engagement, and provide our employees with decent working conditions. Moreld are conscious that changes in the composition of the workforce must take place over time, supported by clear goals and KPIs.

Attracting and retaining talent

Moreld's employees are the foundation for our ability to deliver on our promises. We are ready for growth and are now focusing on obtaining more resources, conducting active training and competence development, and working on improvements and new digital solutions so that we have an efficient and sustainable value chain.

Ensuring diversity in the workforce is important to us – both in terms of a good balance of gender, age and competence, and also that we integrate personnel from different cultures and nationalities. We recruit highly skilled personnel from all over the world. Good onboarding, sponsorship, putting newly hired staff together with experienced teams is key to success.

We also recruit skilled workers from other industries in Norway and the Scandinavian market and offer training in accordance with the competence requirements for our industry. Career development for skilled workers is important in order to retain resources. We facilitate for experienced skilled workers to go the way of the foreman, field engineer, installation manager, or commissioning or method engineer with specially adapted training.

We want Moreld to be a great place to work and we are committed to a working environment where talents thrive, and where knowledge and experience are valued and nurtured.



Moreld's value statement

- We will treat everyone with courtesy and respect, regardless of ethnicity, gender, national or social origin, disability, sexual orientation, religious belief or political opinions, or other status.
- Our goal is to recruit, develop and retain the best people based on merit and we want a creative, diverse, and inclusive working environment.
- We want our employees to perform to their full potential and to be recognized and rewarded fairly for their performance.
- We want to ensure that the workplace is safe and free from harassment, discrimination, and bullying. We will never tolerate any form of abuse or harassment of our colleagues or business partners.

The Diversity and Inclusion Policy is monitored by reports and KPIs and the status is reported to the group management and board of directors.

Key staff figures



Progressing on our long-term targets

Moreld experienced a positive development in several key KPI's during 2022 such as an increasing share of women and lower turnover ratio. We strive to position ourselves as an attractive employer in our core markets offering rewarding career paths and work-life balance. In 2023 we will have a particular focus on strengthening our onboarding processes as we plan to hire hundreds of new employees over the next years.



Target 2023

- 20% women in workforce
- 28% women in leading positions
- Equal pay for equal work

Target 2030

- 35% women in workforce
- Minimum 40% of each gender in leading positions
- Equal pay for equal work

Diversity and Equal Opportunity

Key staff figures Moreld Group	2020	2021	2022
# of employees	3,184	2,304*	2,484
# of external consultants	347	667	717
Share of women in workforce	16.6%	17.2%	18.5%
Share of women in management	22.0%	24.7%	27.2%
Turnover ratio	-	10.5%	10.2%
Employee training (hours)		48,000	37,411
Women in the organisation			451
Men in the organisation			2,033

Key staff figures Norwegian entities	2021	2022
Temporary staff women	11	15
Temporary staff men	32	33
Women taking parental leave (avg. weeks)	28	40
Men taking parental leave (avg. weeks)	14	16
Part-time work, women	13	8
Part-time work, men	29	20
Involuntary part-time, women	1	0
Involuntary part-time, men	4	0
Salary Equality ratio**	89%	92%

Salary equality ratio by employee group	2021	2022
Executives and Senior Management	n.r	83 %
Senior specialists	n.r	90 %
Specialists and Professionals	n.r	90 %
Team Leaders & Foremen	n.r	88 %
Entry level junior professionals/skilled labour	n.r	99 %
Unskilled labour	n.r	100 %
Total**	89%	92%

* Reduction in employees due to divestment of 4 companies.

** Salary Equality ratio = avg salary women / avg salary men (Norwegian entities)

Giving back to society

Corporate social responsibility (CSR)

At Moreld, giving back to our local community is a high priority. We take pride in our group of companies that actively participate in local charities and social enterprises. Our contributions to the community take many forms, including the following examples of activities:

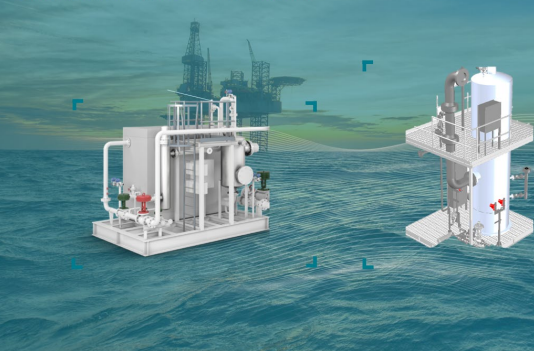
- **Pink Ribbon run - Moreld Ross Offshore:** Ross have a history of combining donations with social activities to engage employees and foster cooperation. In 2022 Ross among others supported the pink ribbon initiative (breast cancer awareness) with employees participating in a 10k run in Bergen, Oslo, Stavanger and virtually.
- **Marcathon – Moreld Global Maritime:** The Marcathon was introduced as a Global Maritime challenge for December 2022. Marcathon is a charity event where the company donated 10 NOK per kilometre that employees ran in December. A donation was provided to Autism and Neurodiversity Scotland, a organization that supports autistic individuals, their families and wider support networks.
- **Traffic safety – Moreld Apply:** Apply supports Trafikkland which is an organization that provides traffic safety training for children in elementary schools in Sola county. In 2022 Apply supported the program with reflective vests and training materials.

Research and development

Moreld is actively working with several research institutions and industry partners to develop new green solutions within oil and gas, offshore wind, additive manufacturing and aquaculture.

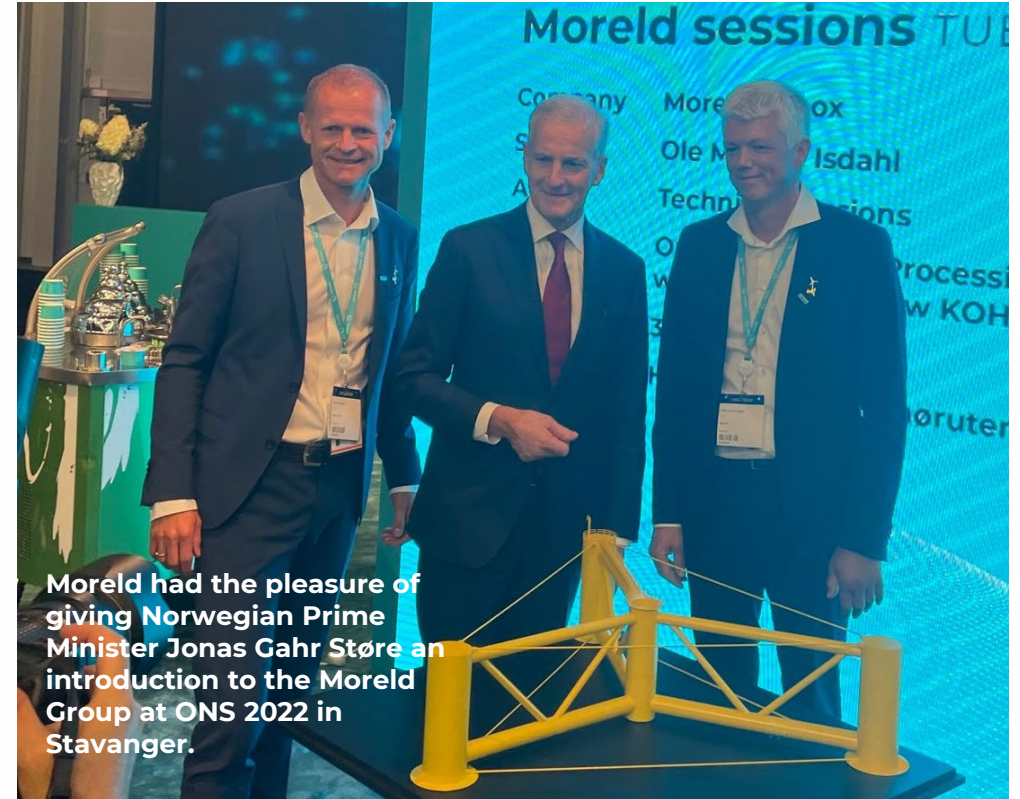
Moreld Minox

Developing Compact Carbon Capture



During 2022 Moreld Minox, Repsol Norge and Prosep together with University of South-Eastern Norway, have collaborated on a proof of concept of the Minox Compact CO₂-capture system. The project will seek verification of the absorption- and energy efficiency of the amine-based compact absorber by constructing a pilot-scale system.

The technology will be optimised toward capturing 200 000 tonnes CO₂/year from offshore gas turbines. Enabling offshore CO₂-capture is an alternative to electrification from shore and a solution where electrification is impossible. Together, Repsol Norge and Moreld Minox take a step further towards a net-zero future.



Moreld had the pleasure of giving Norwegian Prime Minister Jonas Gahr Støre an introduction to the Moreld Group at ONS 2022 in Stavanger.

CSR and R&D statistics - 2022



**Community spending
(donations)**
NOK 356k



**R&D spending
(estimate)**
NOK 23m

Part 05

Governance

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Doing business with integrity

Improving our governance models

Moreld are committed to operating with the highest standards of integrity. Our behaviour and policies are guided by our code of conduct that describes the rules and ethical standards we follow in our company. In 2021 we increased the quality of our governance guidelines, ESG reporting, whistleblowing procedures and supplier declarations. As a new addition to our governance in 2022, the Transparency Act has been introduced.

Corporate governance system

We conduct a review of our corporate governance system on an annual basis as a minimum.

ESG reporting

To strengthen reporting of ESG KPIs we consolidated to a single tool for ESG reporting in the organisation. In addition, we launched an ESG network with key personnel representing various companies in our group. The reporting requirements for Scope 3 increased for the group in 2022, and our Scope 3 emissions increased as a result.

Whistleblowing procedures

Last year (2021) we reviewed and updated our group whistleblowing procedures. All group companies have a procedure in place that covers all Moreld employees and is publicly available on our website. We encourage open and honest discussions in the company and will protect our employees' freedom of speech. The management recognises that whistleblowing is a positive contribution to the governance of the company. The insight is necessary for correction of and learning from deviations. We want our employees to report any violation of law, the company's policies and procedures, ethical norms, and other censurable. During 2022 we had 2 whistleblowing cases in our group, both have been investigated and handled together with external auditors.

Governance KPIs	2020	2021	2022
Anti-corruption e-learning completed training ratio	80%	86.7%	87.8%
Code of conduct and anti-corruption guidelines in place	100%	100%	100%
# of Breaches of ethical guidelines	0	0	0
# of Investigations or lawsuits in relation to ESG issues	0	0	0
# of Whistleblowing cases	n.r.	2	2
# of Supplier audits of governance issues	n.r.	15	14
# of Supplier audits of social issues	n.r.	8	10
# of Supplier audits of environmental issues	n.r.	7	15

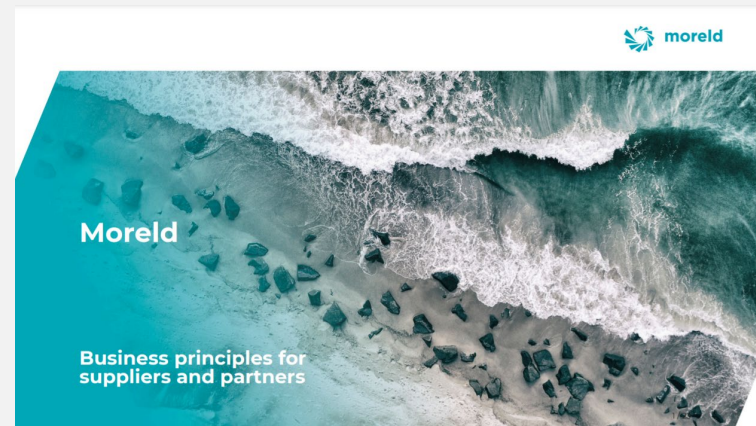
Expectations towards our suppliers and partners

Suppliers and business partners are expected to meet and respect our values. To mitigate risk in the supply chain, Moreld's group companies regularly perform supplier audits that include audit of environmental, social and governance issues. These governing mechanics were installed prior to the emergence of the Transparency Act, and can only be strengthened by it.

The group business principles for suppliers and partners and the supplier declaration form will continue to require fundamental human rights and decent working conditions for all supply chain employees associated with Moreld. In addition to the common, group-wide guidelines, several of our group companies have their own principles in place as well.

The business principles include expectations towards suppliers and partners on social aspects such as human rights and health and safety, anti-bribery and anti-corruption (ABAC) and environmental topics (e.g. carbon footprint). Our principles also apply to any sub suppliers.

Audits and verifications are integral parts of our group companies' management systems. As many of our group's activities are carried out at the Norwegian continental shelf (NCS) most of our suppliers are registered in joint qualification systems such as Magnet JQS and Achilles. To register in the qualification system, companies need to perform a detailed capability assessment that covers compliance to various ESG topics, including anti-corruption and HSE. Through the qualification system we ensure that our suppliers comply with rules and regulations. We also conduct in depth supplier audits, particularly when onboarding new suppliers to ensure that they comply with our business principles.



You can find and read [Moreld's business principles for suppliers and partners](#) in full on our company website.

Anti-corruption

Moreld's approach to Anti-Corruption

The importance of business conduct, ethics and corporate responsibility is fundamental within the Moreld Group. Our Anti-corruption policy is implemented in all group companies and new employees need to complete an e-learning course on the topic. The completed training ratio is a key KPI in our quarterly reporting to our board. As of 31.12.22, 87.8% of employees in the group had completed the Anti-corruption e-learning programme.

Moreld shall comply with applicable anti-corruption laws. Corruption is a threat to fair competition and undermines legitimate business activities. Any violation of this policy within our business may result in criminal liability for both the company and individuals. In addition, violations constitute a reputational risk.

We expect everyone within our business to understand what type of payments, transfers and business activities that may expose the company to corruption risk. This policy describes our standards and expectations in respect of anti-corruption. Our goal is to use it as a practical tool to ensure compliance with the law.

Anti-corruption and anti-bribery is also included as a key part of our business principles for suppliers and partners. We expect that all suppliers and business contacts commit to our antibribery and anti-corruption policy and take all possible actions to mitigate the risk for corruption.

What is corruption?

Any personal benefit may potentially be considered as corruption

- Transferral of Cash
- Gifts, Dinners, Travel
- Favourable Investments
- Free use of property
- Paid training and/or trainee period

Corruption is not defined by whether such benefit is accepted or not. The key factor for an action to be considered as an act of corruption is whether the action is clearly out of range regarding general acceptance of the cooperation between the parties. We must consider Purpose of the action, Value of the benefit, Open/hidden action and General Business conduct. In general, all communications, actions and mutual benefits between the parties shall be transparent for everyone in the organisation.



The Transparency Act

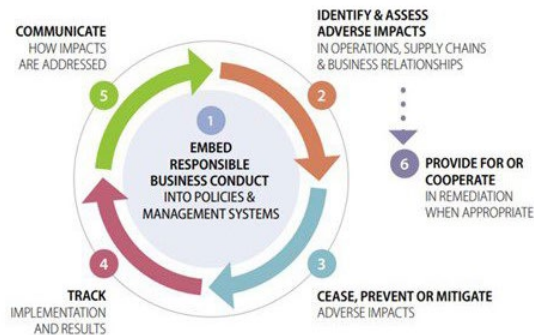
What is the Transparency Act?

The Transparency Act was established to promote transparency and accountability in larger enterprises, both resident and foreign, that offer goods or services in Norway. The Act aims to ensure that the general public has access to information on how companies address and respect fundamental human rights and decent working conditions in the production of goods and provision of services. It entered into force on July 1st, 2022, and is expected to directly affect around 9000 enterprises. Although the act is not strictly applicable to smaller enterprises, it is likely to have an impact on them through the demands exerted on larger ones.

The Transparency Act requires companies to conduct due diligence assessments into their own business, meaning they have to investigate and identify potential risks of adverse impacts on human rights or decent working conditions in their own operations, supply chain and other business relationships. The principle of proportionality applies to the assessment, meaning that it should be adapted to the individual business taking into account size, nature and context of operations, and the probability and severity of adverse impacts.

As part of the assessment, it is imperative that the company does its utmost to prevent and mitigate any adverse impacts identified and disclose the preventive measures taken. The company is thus required to publish an account of the due diligence assessments and make it publicly available.

Overall, the Transparency Act serves to ensure that larger enterprises conduct due diligence assessments and take appropriate measures to respect fundamental human rights and decent working conditions in their operations and supply chain. This promotes greater transparency and accountability in these areas and allows consumers to make more informed choices.



Implementation in Moreld

Human rights and decent working conditions for all employees, suppliers and subcontractors are principles which cannot be compromised. Business conduct, ethical compliance and corporate responsibility are well established cornerstones in Moreld's compliance system.

Moreld's **Business principles for suppliers and partners** is available on our web site and contains fundamental requirements to do business with Moreld, including the requirements of the Transparency Act. Suppliers to Moreld are required to confirm adherence through the Supplier Declaration. Moreld requires its suppliers and partners to extend the same requirements to their supply chain.

Moreld has established internal guidelines to ensure compliance with the Transparency Act. This includes a **materiality analysis** based on supplier significance and a **risk analysis** based on international risk indices published by e.g. UN, UNICEF, World Bank, Transparency International.

High risk elements in the supply chain will be subject to special scrutiny, which may include audits, enhanced questionnaires and documentation. Unsatisfactory results will be reviewed, and improvement plans, suspension or termination will be considered for implementation.



Part 06

Appendix

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Prioritized material topics

As a result of our stakeholder and materiality analysis we have selected 10 material topics for Moreld from the GRI framework. These are the topics that are most important for our stakeholders and the ones where we believe we can have an impact through our work. For all the topics we have guidelines and procedures and relevant KPIs. While we report on ten material topics these have been condensed into five focus areas which encapsulates our long-term ESG targets. Our five ESG main KPIs are found on p. 14-15.

Moreld's material topics – Global reporting initiative (GRI):

- Anti-corruption
- Climate risk
- Diversity and Equal opportunity
- Energy
- Effluence and Waste
- Emissions
- Environmental compliance
- Occupational health and safety
- Responsible supply chain

We increasingly focus on how we can help our clients reduce their GHG footprint through contract deliveries.

While other topics such as biodiversity, land-use and water consumption are not included as prioritized material topics for Moreld we still believe these topics are of great importance. However, we have a limited impact on these topic as our main operations are in geographies where water scarcity is not a prime concern. We are also an asset light service company with low resource intensity and therefore our land use and impact on biodiversity is limited.



GRI
Global Reporting
initiative



GRI tables

Our report has been prepared in accordance with the GRI Standards 'core' option. We have sought to report fully on all relevant dimensions of the disclosures, but where this has not been possible, we have reported as comprehensively as possible, based on the data we have. The table refers to where information is available in this report, our annual report and our website.

General disclosures			
Disclosure #	Disclosure name	Answer to disclosure or location in 2022 Sustainability Report	2022 Sustainability Report page number
organisational Profile			
102-01	Name of the organisation	Moreld AS	
102-02	Activities, brands, products, and services	Main chapter: Introduction	6-7
102-03	Location of headquarter	Address: Moseidsletta 122, Stavanger, Norway	
102-04	Location of operations	Main chapter: Introduction	6-7
102-05	Ownership and legal form	Moreld is a Norwegian limited liability company, 100% owned by three funds managed by HitecVision	
102-06	Markets served	Main chapter: Introduction	6-7
102-07	Scale of the organisation	Main chapter: Introduction	6
102-08	Information on employees and other workers	Main chapter: Introduction, Social	6, 27 and 28
102-09	Supply chain	Main chapter: Governance	31
102-10	Significant changes to the organisation and its supply chain	Main chapter: Introduction	5-6
102-11	Precautionary Principle or approach	Main chapters: ESG in Moreld, Governance	9 and 32
102-12	External initiatives	Main chapters: Governance	31
102-13	Membership of associations	N/A for corporate group	

GRI tables

Disclosure #	Disclosure name	Answer to disclosure or location in 2022 Sustainability Report	2022 Sustainability Report page number
Strategy			
102-14	Statement from senior decision-maker	Main chapter: Introduction	4
Ethics and integrity – 2016			
102-16	Values, principles, standards and norms of behaviour	Main chapter: ESG in Moreld	11
Governance			
102-18	Governance structure	Main chapter: ESG in Moreld	9
Stakeholder engagement			
102-40	List of stakeholder groups	Main chapter: ESG in Moreld	10
102-42	Identifying and selecting stakeholders	Main chapter: ESG in Moreld	10
102-43	Approach to stakeholder engagement	Main chapter: ESG in Moreld	10
102-44	Key topics and concerns raised	Main chapter: ESG in Moreld, Appendix	10 and 35
Reporting practice			
102-45	Entities included in consolidated financial stats.	Main chapter: Introduction	7
102-46	Defining report content and topic boundaries	Main chapter: ESG in Moreld, Appendix	10 and 35
102-47	List of material topics	Main chapter: Appendix	35
102-48	Restatements of information	No	
102-49	Changes in reporting	New KPIs included, described in chapter ESG in Moreld	12
102-50	Reporting period	Calendar year 2022	

GRI tables

Disclosure #	Disclosure name	Answer to disclosure or location in 2022 Sustainability Report	2022 Sustainability Report page number
Reporting practice			
102-51	Date of most recent report	Report for 2021 was published in February 2022	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	Contact@Moreld.com	
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.	
102-55	GRI content index	Appendix, GRI Index table	35-40
102-56	External assurance	This report is not externally assured	
Management approach – material topics			
103 1-3	Material topics: Anti-corruption, human rights, responsible supply chain Management approach	Main chapter: Governance	31-33
103 1-3	Material topic: Energy Management approach	Main chapter: Environment	18-19
103 1-3	Material topic: Effluence and waste Management approach	Main chapter: Environment	20
103 1-3	Material topic: Environmental compliance Management approach	Main chapter: Environment	18
103 1-3	Material topic: Occupational health and safety Management approach	Main chapter: Social	26
103 1-3	Material topic: Training and education Management approach	Main chapter: Social	27
103 1-3	Material topic: Diversity and equal opportunity Management approach	Main chapter: Social	27
TCFD	Material topic: Climate risk Management approach	Main chapter: ESG in Moreld Our climate risk disclosures, found in separate report on our webpage.	13

GRI tables

Disclosure #	Disclosure name	Answer to disclosure or location in 2022 Sustainability Report	2022 Sustainability Report page number
GRI standard: 205 – Anti-corruption			
205-1	Operations assessed for risks related to corruption	Main chapter: Governance	31-32
205-2	Communication and training about anti-corruption policies and procedures	Main chapter: Governance	31-32
205-3	Confirmed incidents of corruption and actions taken	In 2022, neither Moreld nor any employee faced criminal action related to corruption	
GRI Standard: 302 - Energy			
302-1	Energy consumption within the organisation	Reported energy consumption of 19 389 compared to 35 178 MWH in 2021	
GRI Standard: 305 – Emissions			
305-1	Direct (Scope 1) GHG emissions	Main chapter: Environment	19
305-2	Energy indirect (Scope 2) GHG emissions	Main chapter: Environment	19
305-3	Other indirect (Scope 3) GHG emissions	Main chapter: Environment	19
305-5	Reduction of GHG emissions	Main chapter: Environment	19
GRI Standard: 306 - Effluents and Waste - 2016			
306-2	Waste by type and disposal method	Main chapter: Environment Appendix: Environmental figures, waste overview by type	20, 41
306-3	Significant spills	Main chapter: ESG in Moreld	14
GRI Standard 307 – Environmental compliance			
307-1	Non-compliance with environmental laws and regulations	Not identified any non-compliance with environmental laws and/or regulations	
GRI Standard: 308 - Supplier Environmental Assessment			
308-1	New suppliers screened using environmental criteria	Main chapter: Governance	31-32

GRI tables

Disclosure #	Disclosure name	Answer to disclosure or location in 2022 Sustainability Report	2022 Sustainability Report page number
GRI Standard: 403 - Occupational Health and Safety			
403-1	Occupational health and safety management system Main chapter: Safeguarding People and Assets	Main chapter: Social	26
403-6	Promotion of worker health	Main chapter: Social	26-27
403-8	Workers covered by an occupational health and safety management system	HSSE Management System covers all workers on our sites, no exclusions.	
GRI Standard: 405 - Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Main chapter: Social	27

Waste by disposal method

Waste category	Top category	Unit	2021	2022
Hazardous waste, treated	Disposal	mt	22	53
Special waste	Disposal	mt	112	98
Waste water treatment	Disposal	mt	29	0
Organic waste, treated	Disposal	mt	0	3
Hazardous waste, landfill	Disposal	mt	1	0
Industrial inert waste, landfill	Disposal	mt	6	0
Residual waste, incinerated	Incinerated	mt	561	204
Solvents mix waste, incinerated	Incinerated	mt	1	3
Mineral oil waste, incinerated	Incinerated	mt	4	5
Hazardous waste, incinerated	Incinerated	mt	8	0
Wood waste, incinerated	Incinerated	mt	13	13
Plastic waste, incinerated	Incinerated	mt	0	0
Organic waste, incinerated	Incinerated	Mt	0	13
Paper waste, recycled	Recycled	mt	59	36
Plastic waste, recycled	Recycled	mt	9	4
Wood waste, recycled	Recycled	mt	133	108
Metal waste, recycled	Recycled	mt	1014	291
Residual waste, recycled	Recycled	mt	29	0
EE waste, recycled	Recycled	mt	31	29
Organic waste, recycled	Recycled	mt	12	3
Sorted waste, recycled	Recycled	mt	716	128
Cardboard waste, recycled	Recycled	mt	16	11
Glass waste, recycled	Recycled	mt	0	2
Mixed waste, recycled	Recycled	mt	1	26
Hazardous waste, recycled	Recycled	mt	0	0
Organic waste, composting	Recycled	mt	3	2
Total			2 782	1032



Contact

Moreld AS

Moseidsletta 122, 4033 Stavanger

E-mail:

contact@moreld.com

Web:

www.moreld.com

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