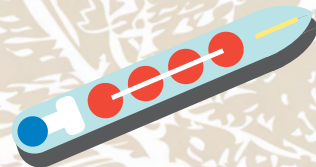


Sustainability Report 2023



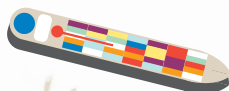
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Message from Our President and CEO

The maritime industry faced new challenges in 2023. In addition to the fresh outbreak of armed conflict in the middle east, the industry also faced economic turbulence on top of the ever-pressing environmental crisis.

In spite of these challenges, Wilhelmsen Ship Management is committed to providing our customers with safe and efficient ship management services. Our goal, as always, has been to operate responsibly to protect our planet and empower people worldwide.

With over 11,000 seafarers and 600 shore-based staff worldwide, our people are the most important part of our business. Our seafarers are the backbone of our operations, navigating our ships through challenging waters, while our onshore employees work collaboratively to ensure seamless operations.

In 2023, I am pleased to report that 47% of our top three management positions were held by women. We have also reclassified supply chain management from a Governance topic to a Social topic in order to better reflect the importance of good supply chain management in protecting human rights. Our success hinges on fostering an equitable, diverse and inclusive workforce which is safe and healthy for both our seafarers and employees. We are proud of the strides we have made in this area, but we recognize that there's still a lot more which can be done.

Within the environmental realm, we have made progress in reducing our own emissions by mapping out our Scope 3 emissions in preparation for reporting in 2024. We also assist our clients in reducing their emissions through efforts to reduce fuel consumption, comply with new environmental regulations, and transition to renewable energy. Our long-term ambition is to shape the maritime industry's transition to net zero emissions and capitalize on new growth, in line with the Sustainable Development Goals (SDGs).

Last but not least, we are committed to embracing responsible business practices throughout our operations. To that end, we have added cybersecurity as a material Governance topic as we recognize that strong cybersecurity standards are crucial in upholding the high business ethics standards that we hold ourselves to.

ESG is no longer optional. As regulations tighten and stakeholder demands increase, Wilhelmsen Ship Management is dedicated to upholding the highest ESG standards.

Sincerely,

Carl Schou
President & CEO
Wilhelmsen Ship Management



About Us

Wilhelmsen Ship Management is a part of Wilhelmsen Maritime Services, a Wilh. Wilhelmsen Group company. We are one of the world's largest third-party ship managers with a portfolio of more than 450 vessels and 11,000 active seafarers. We provide technical and crew management services for various vessel segments: LNG/LPG; Ro-Ro and PCC/PCTC vessels; FPSO/FSO; Container; Cruise; Bulk; Seismic; and Offshore. We manage vessels from eight offices worldwide alongside a crewing network of 21 manning offices in 13 countries. Other key services include dry-docking services, layup services and newbuilding supervision.

We provide a diverse range of ship management services, including:

Technical management:

Operational flawlessness is our hallmark, achieved through a robust safety culture. This culture is cultivated by capable professionals, established processes, and supported by technology.

Crewing management:

With an expansive network of manning offices and training centres, we assure our clients of our ability to seamlessly cater to their crewing requirements.

Emissions Management:

Involving the continuous monitoring of vessel emissions and the optimization of operations to minimize emissions.

OPEX management:

Through proactive monitoring of operational expenditure (OPEX), we optimize vessel operations for cost-effectiveness, efficiency, and strategic alignment. These factors significantly enhance the vessel's financial performance.

Auxiliary ship services:

Leveraging our expertise, we assist our clients in their fleet development plans. Our comprehensive services encompass ship inspections, new building supervision, and lay-up management.



About The Report

The content of this report is defined by the Wilhelmsen Group's double materiality assessment conducted in 2023 and covers activities in the calendar year 1 January to 31 December 2023.

Limited external assurance by DNV has been undertaken for the greenhouse gas (GHG) inventory 2023, (includes scope 1, 2 and specified scope 3 emissions), and a base year recalculation for 2022. The statements of limited assurance is included at page 38 of this report.

Scope of this report

Entities not wholly owned are not included in this report:

- Diana Wilhelmsen Management (49%)
- Hecla Emissions Management AS (50%)
- Wilhelmsen Ahrenkiel Ship Management (50%)
- Barber Ship Management (80%)

Setting the standard

We are committed to actively promoting an ethical culture where our employees are empowered to do the right things the right way. 2023 was the third consecutive year with a 100% completion rate for group-wide, mandatory business standards training.

Positive partnership

In 2023, the Wilhelmsen Group actively contributed to collective action on ocean health, decarbonisation of shipping, human rights, crew welfare, equity, diversity, and inclusion, anticorruption, and marine pollution.

Wilhelmsen Ship Management is accountable for integrating these topics into our strategies and annual plans. We intend to contribute actively and positively to the targets of the Sustainable Development Goals (SDGs) that are integrated into the Wilhelmsen Group's long-term strategy.



Safety culture starts from the top with visible, felt leadership: Carl Schou, our President and CEO, conducts regular visits onboard vessels to interact with our crew.



2023 Sustainability Ambition and Strategic Targets

AMBITIONS

Health and safety

Have an engaging and safe workplace with no harm to people

Equity and diversity

Have a culture where each employee is valued for their contribution

Human Rights and Value Chain Management

Have responsible supply chain partners

2023 STRATEGIC TARGETS

- LTIF not to exceed 0.40
- 40% women in top three management levels and internal boards by 2030
- Stricter ESG standards in our supply chain

AMBITIONS

Decarbonization and green growth

Shape the maritime industry's transition towards net zero emissions and capitalize on green growth

2023 STRATEGIC TARGETS

Net-zero emissions before:

- 2030 in our own operations
- 2040 in our complete value chain
- 2050 in all our investments

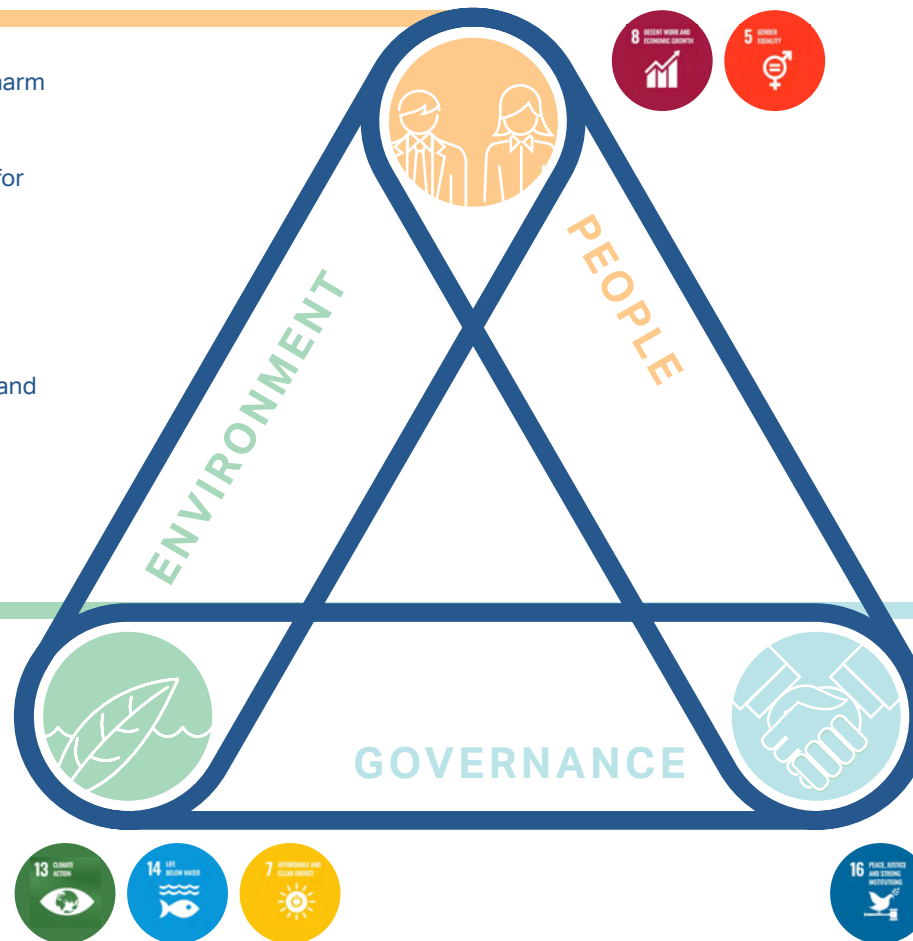
AMBITIONS

Compliance

Be a responsible, trusted and compliant value chain partner

2023 STRATEGIC TARGETS


- 100% employee completion of business conduct training





2023 Sustainability Key Figures


PEOPLE





-  **47%** females in leadership positions


-  **26** nationalities onshore


-  Engagement survey score: **7.7**

-  Fair, equal and inclusiveness perception score: **7.9**

-  Average registered training hours per employee: **11.69**

-  Number of suppliers screened with ESG criteria: **834**

-  Onshore LTIF: **0.16**
Onshore sickness absence percentage: **1.51%**
Onshore Occupational Disease Rate: **0**
Onshore TRCF: **0.31**

-  Onboard LTIF: **0.35**
Onboard sickness absence percentage: **0.02%**
Onboard Occupational Disease Rate: **0**
Onboard TRCF: **2.27**

ENVIRONMENT



-  Scope 1 **emissions: 7 tCO2e**

- Scope 2 **emissions (market based): 280 tCO2e**
Scope 2 **emissions (location based): 281 tCO2e**

- Scope 3 **emissions: 27,935 tCO2e**

GOVERNANCE



-  Percentage completion rate for Wilhelmsen Code of Conduct training: **100%**

-  Percentage completion rate for Cyber Policy training: **100%**

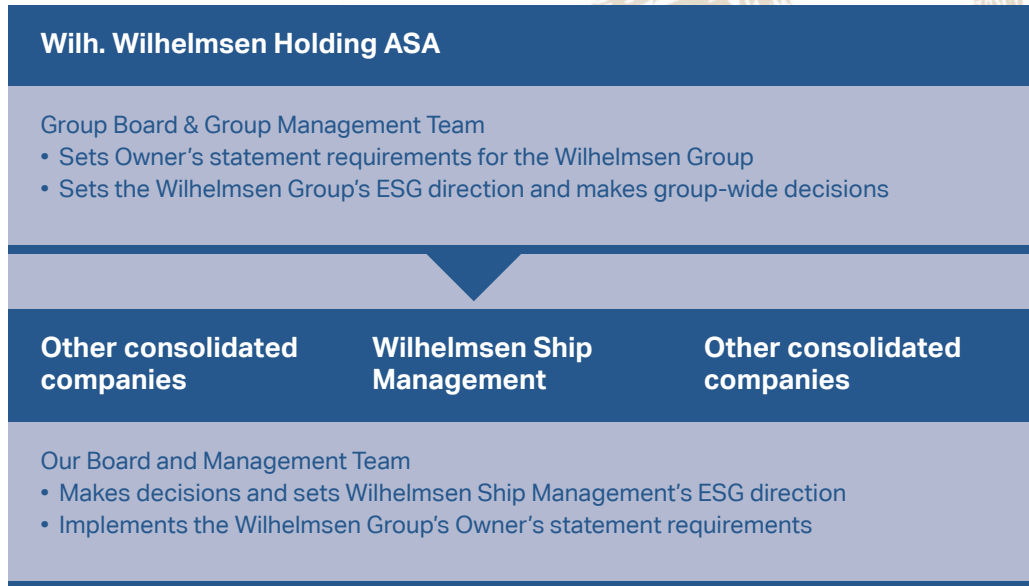
ESG Governance at Wilhelmsen Ship Management

Wilhelmsen Ship Management’s board of directors and management team is responsible for implementing the Owner’s statement requirements set by the Wilhelmsen Group. This means executing the Wilhelmsen Group’s agreed strategy, including financial, operational and ESG targets.

Within Wilhelmsen Ship Management, the ESG team works with top management to address ESG risks and sustain long-term value creation. The ESG team is responsible for implementing and continuously improving the following:

- ESG due diligence and assessment,
- ESG risk assessment and materiality assessment,
- Internal controls for ESG reporting,
- ESG index, reporting, and disclosures,
- ESG network with related companies in the group, and
- ESG positions and campaigns.

Our ESG results are submitted to the Wilhelmsen Group on a quarterly basis for consolidation and review. The results are also reviewed by Wilhelmsen Ship Management’s board and management team on a quarterly basis.



Double Materiality Assessment

In 2023, Wilhelmsen Ship Management participated in a double materiality assessment conducted by the Wilhelmsen Group. The double materiality assessment was based on requirements from the Corporate Sustainability Reporting Directive (CSRD) and corresponding European Sustainability Reporting Standards (ESRS). An assessment was made of all ESRS topics for both impact and financial materiality, and an aggregated Group-wide outcome was compiled at each phase of the double materiality assessment process.

As part of this process, Wilhelmsen Ship Management assessed the actual and potential, negative and positive impact on own operations, upstream and downstream value chain, over short, medium and long-term time frames. Standard scoring for impact and financial materiality were used across all consolidated companies, and Wilhelmsen Ship Management's results were aggregated as part of the Wilhelmsen Group.

Stakeholder interviews were conducted with selected board members, group and company management teams, customers, suppliers, and shareholders. In addition, extensive desktop assessments were conducted to understand material aspects related to the maritime value chain including customers, suppliers, competitors, finance, and relevant non-governmental organisations (NGOs).

Time horizons

Short term: 12 months

Medium term: 1 to 5 years

Long term: more than 5 years

Double materiality process

1. Understand phase: documented key activities and value chains defining the scope of the assessment (including relevant ESRS topics in the value chains).

2. Identify phase: identified actual and potential impacts (both negative and positive), as well as risks and opportunities, through analysis and interview with internal and external stakeholders and experts.

3. Assess phase: assessed the materiality of impacts, risks and opportunities which were compiled into a matrix with impact analysis and financial materiality.

4. Determination and consolidation: decided material topics.

5. Review and approval: the management team reviewed and approved the material topics.

Based on the double materiality assessment, there were few changes to the previous materiality assessment conducted by the Wilhelmsen Group in 2022:

- Environment aspects – some consolidation and updated language for climate change and decarbonisation, no material changes from last assessment
- People aspects – supply chain management moved from governance aspect to social aspect and more granular coverage of topics
- Governance aspects – addition of a new entity specific material topic "Information and cyber security"

The Wilhelmsen Group's double materiality assessment identified seven material topics, covering the following ESRS topics:

- E1 – climate change
- E2 – pollution (specific subtopics for pollution of air and water)
- E4 – biodiversity and ecosystems
- E5 – resource use and circular economy
- S1 – own workforce
- S2 – workers in the value chain
- G1 – business conduct

Double Materiality Assessment Overview

WILHELMSSEN GROUP'S STRATEGIC AMBITIONS AND MATERIAL TOPICS

STRATEGIC AMBITION	ALIGNMENT WITH SDGS	MATERIAL TOPIC
<p>PEOPLE</p> <p>Health and Safety: having an engaging and safe workplace with no harm to people</p>	<p>8. Decent work and economic growth - Achieve higher levels of economic productivity, improve global resource efficiency and decouple economic growth from environmental degradation (Targets 8.2, 8.4). Achieve full and productive employment and decent work, eradicate forced labour, modern slavery, human trafficking and child labour, protect labour rights and promote safe working environments (Targets 8.5, 8.7, 8.8)</p>	<p>Occupational health and safety – prevention of accidents, injuries and absence</p> <p>An engaging and safe working environment at sea and on shore is a prerequisite for an efficient, sustainable and profitable business. High health, safety and wellness standards prevent accidents and dangerous situations for our employees. We need to have in place standards and practices addressing physical and psychosocial health of employees; operational and process safety including accident prevention; and wellbeing of employees and contractors.</p>
<p>Equality, diversity and inclusion: having a culture where each employee is valued for their contribution</p>	<p>5. Gender equality - End all forms of discrimination against all females and girls everywhere (5.1). Ensure full participation in leadership and decision-making (5.5).</p>	<p>Equality, diversity and inclusion – respect and protection of equal treatment and opportunities for all, and investing in human capital.</p> <p>To do business and access the best local talent, we need to provide an engaging and safe work environment where equal opportunities are available for all. We also need to retain and attract a diverse and talented workforce with the right competence, experience, skills, and motivation.</p>
<p>Supply chain management: working with responsible supply chain partners</p>		<p>Human rights and working conditions – respecting and protecting fundamental human rights</p> <p>We conduct business with respect for human rights with sound, safe working conditions free from discrimination. This includes respect and protection of working conditions, equal treatment and non-discrimination practices, labor standards, and labor relations including freedom of association, collective bargaining, working hours, rest, minimum age, fair wages, and adherence to the ILO Maritime Labor Convention.</p> <p>Supply chain management – responsible procurement and supplier monitoring</p> <p>We need to ensure our ESG expectations are clear for our suppliers and that products and services are compliant with our standards. This includes standards and practices addressing human rights, employment conditions, compliance, business ethics and anti-corruption, health and safety, diversity and inclusion, emissions, circular systems, waste and recycling.</p>

Double Materiality Assessment Overview

WILHELMSSEN GROUP'S STRATEGIC AMBITIONS AND MATERIAL TOPICS *continued*

STRATEGIC AMBITION	ALIGNMENT WITH SDGS	MATERIAL TOPIC / WHAT THE TOPIC COVERS
<p>ENVIRONMENT</p> <p>Climate change and decarbonation: shape the maritime industry's transition towards net zero emissions and capitalize on growth in new arenas</p>	<p>13. Climate action - Strengthen resilience and adaptive capacity to climate-related hazards, and integrate climate change measures into policy, strategy and planning (Targets 13.1, 13.2).</p> <p>7. Affordable and clean energy - By 2030, increase substantially the share of renewable energy in the global energy mix (target 7.2). By 2030, double the global rate of improvement in energy efficiency (Target 7.3)</p> <p>14. Life below water - Prevent and significantly reduce marine pollution, sustainably manage and protect marine and coastal ecosystems and minimize and address the impacts of ocean acidification (Targets 14.1, 14.2, 14.3)</p>	<p>Climate change and decarbonisation – GHG emissions from own operations. Growth in new arenas and decarbonisation. Low carbon / circular products and services.</p> <p>Addressing climate change and associated physical and transition risks and opportunities requires operations, products and solutions with lower or no GHG emissions. We pursue investments and new business models aimed at decarbonising the maritime industry, enabling the energy transition and renewable energy, and sustainable product and service offerings.</p> <p>Biodiversity and ecosystems – impact of our activities and products on air, soil, and water</p> <p>Overuse or mismanaged use of ecosystem services can lead to contamination, ecological devastation, economic disruption and impacts on human health.</p> <p>Circular economy – reduce, reuse and recycle to minimise resource use.</p> <p>Pollution, stronger environmental focus, full asset / product lifecycle accountability, as well as regulatory requirements requires new product and service offerings for the maritime industry.</p>
<p>GOVERNANCE</p> <p>Compliance: be a responsible, trusted and compliant value chain partner</p>	<p>16. Peace, justice and strong institutions - Substantially reduce corruption and bribery (Target 16.5). Develop effective, accountable and transparent institutions at all levels (Target 16.6)</p>	<p>Compliance – business conduct, ethics and anti-corruption</p> <p>Compliant and ethical operations, and the elimination of corruption in the value chain supports fair trade and a level playing field. Our various stakeholders depend on us being a transparent, accountable and compliant partner. We expect the same of our partners and suppliers in order to do business. This includes standards and practices addressing business ethics and anti-corruption, data privacy, and channels for raising anonymous concerns from internal or external stakeholders (whistleblowing).</p> <p>Information and cyber security – secure confidentiality, data integrity and availability of information</p> <p>Protecting the confidentiality, integrity, and availability of information, which includes systems, hardware, and networks that process, store, and transmit the information. Lawful protection of personal data related to employees and 3rd parties. Beyond good practices, we see a competitive advantage in professionally managing cyber security threats and responding to increasing requirements of our customers.</p> <p>Responsible ownership – active ownership and investments</p> <p>We engage and actively exercise investor influence on ESG issues. ESG matters in the company's sourcing, investing and management of investments sets clear expectations to portfolio companies and better management of ESG risk and exposure.</p>

Double Materiality Assessment Overview

ALIGNMENT OF MATERIAL TOPICS WITH EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS) FRAMEWORK

	WILHELMSSEN'S MATERIAL TOPICS	ESRS TOPIC	IMPACT MATERIALITY	FINANCIAL MATERIALITY
PEOPLE	Occupational health and safety	S1 – Own workforce <ul style="list-style-type: none"> Working conditions Health and safety 	High	Medium
	Equality, diversity and inclusion	S1 – Own workforce <ul style="list-style-type: none"> Equal treatment and opportunities for all 	High	Medium
	Human rights and working conditions	S1 – Own workforce <ul style="list-style-type: none"> Working conditions Other work-related rights 	High	Medium
	Supply chain management	S2 – Workers in the value chain <ul style="list-style-type: none"> Working conditions Equal treatment and opportunities for all Other work-related rights G1 – Business conduct <ul style="list-style-type: none"> Management of relationships with suppliers including payment practices 	High	Low
ENVIRONMENT	Climate change and decarbonisation	E1 – climate change <ul style="list-style-type: none"> Climate change mitigation Climate change adaptation 	High	High
	Biodiversity and ecosystems	E2 – pollution E4 -- biodiversity and ecosystems	Medium	Low
	Circular economy	E5 – resource use and circular economy	Medium	Low
GOVERNANCE	Compliance	G1 – business conduct	High	Medium
	Information and cyber security	N/A	High	Medium
	Responsible ownership	N/A	High	Medium

Double Materiality Assessment Outcomes

OUR STRATEGIC ESG TOPICS

Strategic topics	Strategic ambition
Health and safety	Have an engaging and safe workplace with no harm to people
Equality, diversity and inclusion	Have a culture where each employee is valued for their contribution
Supply chain management	Work with responsible supply chain partners
Climate change and decarbonisation	Shape the maritime industry's transition towards net zero emissions and capitalize on new growth areas
Compliance	Be a responsible, trusted and compliant value chain partner

In 2024, Wilhelmsen Ship Management will continue to focus on five strategic topics in line with the priorities set by the Wilhelmsen Group:

- health and safety,
- equality, diversity, and inclusion,
- supply chain management,
- climate change and decarbonisation, and
- compliance.

These strategic topics are aligned with the Wilhelmsen Group's intentions to contribute actively towards achieving the Sustainable Development Goals (SDGs). These topics are integrated in our long-term strategy, as well as the Wilhelmsen Group's Owner's statement. Metrics and the status of activities related to these topics are reviewed on a quarterly basis through the ESG index which is consolidated at the Group level, and also presented by our management team to our Board. The double materiality assessment is also included as part of the annual ESG governance and management system review by our Board and management team. The next review will be conducted in 2024 and will be consolidated into the Wilhelmsen Group's long term strategy review process.

Working with Stakeholders

We are regularly in dialogue with key stakeholders on issues relating to our activities and to the maritime industry. This dialogue contributes to understanding the expectations of stakeholders and integrating these into our work. It also enables us to communicate decisions to stakeholders and provide them with explanations for underlying motives.

We also engage in dialogues with governments, investors, non-governmental organisations, and other stakeholders on topics related to the Wilhelmsen Ship Management and/or industry at large. We utilise external partners, shareholder meetings, customers, and stakeholder engagement for advice and to identify ways to improve and remain at the forefront of developments. We meet evolving stakeholder demands by partnering with other serious actors, customers, and value chain for broader impact, working through local and international associations to contribute to improved ESG practices, implementing recognised and transparent international standards and proactively demonstrating ESG work.

	 STAKEHOLDERS	 EMPLOYEES	 INVESTORS	 CUSTOMERS	 SUPPLIERS	 COMMUNITY
Key Topics		<ul style="list-style-type: none"> • Engagement, commitment, leadership, culture • Climate, environmental protection, human rights • Business ethics, working conditions, QHSSE, training • KPI results and targets 	<ul style="list-style-type: none"> • ESG risks, opportunities and governance • Results, outlook • Knowledge sharing • Main business drivers 	<ul style="list-style-type: none"> • Climate, environmental protection, human rights, child labour • Campaigns, plans • Satisfaction, feedback • Innovation, proper use, expertise advise 	<ul style="list-style-type: none"> • Climate, environmental protection, human rights, child labour • Business ethics, compliance, governance, labour regulations and standards • Working conditions, QHSSE, regulations 	<ul style="list-style-type: none"> • Climate, environmental protection, human rights • ESG governance, transparency, values • Education
Channels and Activities		<ul style="list-style-type: none"> • Intranet, management communication • Engagement survey • Performance appraisal • Industrial democracy • Code of conduct 	<ul style="list-style-type: none"> • Annual and quarterly reports and presentations • Investor meetings • Wilhelmsen.com 	<ul style="list-style-type: none"> • Customer meetings, regular dialogue • Customer surveys • Road-shows and fairs 	<ul style="list-style-type: none"> • Supplier code of conduct • Procurement policies • Supplier assessments and audits • Supplier forums 	<ul style="list-style-type: none"> • Meetings and discussions with NGOs • Membership organisations and associations • Sponsorships • Presentations and guest lectures

Partnerships and Alliances

During 2023, stakeholders' interests were related to geopolitical risks, human rights, financial issues, compliance, regulatory changes, innovation, decarbonisation of shipping, renewable energy and ESG in general. We continued active and collaborative stakeholder engagement through memberships with Maritime Anti-corruption Network (MACN), Sustainable Shipping Initiative (SSI), and more.

During 2023, we actively contributed to collective action on the decarbonisation of shipping; crew welfare; equality, diversity, and inclusion, anti-corruption; and marine pollution. We will continue to directly engage with stakeholders and be active through membership platforms.

Sustainable Shipping Initiative



We are a member of Sustainable Shipping Initiative (SSI). SSI is a multi-stakeholder collective of ambitious and like-minded leaders, driving change through cross-sectoral collaboration to contribute to – and thrive in – a more sustainable maritime industry.

Maritime Anti-Corruption Network



We are a member of Maritime Anti-Corruption Network (MACN). MACN is a global business network working towards the vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large.

Silk Alliance



We are one of the partners in Silk Alliance, an alliance spearheaded by Lloyd' Register Decarbonization Hub that aims to develop a green corridor cluster within the Intra-Asia container trade. Collaborating with other alliance members, we are working on a fleet-specific fuel transition strategy for container ships in Singapore and across Asia. This fleet fuel transition strategy can enable the establishment of a highly scalable green corridor cluster.

SIGTTO



We are a member of SIGTTO. SIGTTO is an international body established for the exchange of technical information and experience, between members of the industry, to enhance the safety and operational reliability of gas tankers and terminals.

International Marine Purchasing Association



We are part of the council supporting IMPA's (International Marine Purchasing Association) initiative called IMPA SAVE. The initiative represents global shipowners and maritime suppliers as adopters of sustainable business practices aimed at conserving the world's oceans through the maritime supply chain.



1. PEOPLE

a. Just Culture

b. Demographics

c. Equality, Diversity and Inclusion

- EDI Onshore
- EDI Onboard
- Employee Engagement
- Competence Building Onshore
- Competence Building Onboard

d. Occupational Health and Safety

- Health and Safety Onshore
- Health and Safety Onboard

e. Human Rights and Employment Conditions

- Collective Action for Seafarer Rights

f. Supply Chain Management

g. Local Communities



8. Decent work and economic growth -

Achieve higher levels of economic productivity, improve global resource efficiency, and decouple economic growth from environmental degradation (Targets 8.2, 8.4). Achieve full and productive employment and decent work, eradicate forced labour, modern slavery, human trafficking, and child labour, protect labour rights and promote safe working environments (Targets 8.5, 8.7, 8.8)



5. Gender equality -

End all forms of discrimination against all females and girls everywhere (5.1). Ensure full participation in leadership and decision-making (5.5).

People Information

Our strategic ambition is to have an engaging and safe workplace with no harm to people and a culture where each employee is valued for their contribution. In practice we focus on human rights and employment conditions, occupational health and safety, equality, diversity, and inclusion, and supply chain management.

We take pride in building a culture where employees around the world deliver the right results, the right way. As part of the Wilhelmsen Group, our strategic ambitions require the businesses to change and transform, to

have engaging and inspiring leaders, and to offer employees the possibility to grow and excel.

We conduct business with respect for human rights and labour standards, including conventions and guidelines related to the prevention of child or forced labour, minimum wage and salary, working conditions, and freedom of association. Employees and external stakeholders are encouraged to report on non-compliant behaviour through the Group-wide global whistleblowing system.

Key opportunities

- High employee engagement
- More diverse and inclusive workforce
- Attractive brand reputation

Key risks

- Human rights breaches in the value chain
- Fight for talent in key functions including seafarers
- Lack of competence

2023 target	2023 result	2024 target
<ul style="list-style-type: none"> • 30% women in top three management levels and internal boards • Engagement survey score (new system implemented, thus no KPI set) 	<ul style="list-style-type: none"> • 47% women in top three management levels and internal boards • 7.7 out of 10 	<ul style="list-style-type: none"> • 40% women in top three management levels and internal boards • Maintain engagement survey score at 7.7 out of 10
<p>Lost time injury frequency (LTIF) rate</p> <ul style="list-style-type: none"> • Onshore not to exceed 0.40 • On vessels not to exceed 0.40 <p>Total recordable case frequency (TRCF)</p> <ul style="list-style-type: none"> • Onshore not to exceed 2.60 • On vessels not to exceed 2.80 	<p>0.16</p> <p>0.35</p> <p>0.31</p> <p>2.27</p>	<p>not to exceed 2.00*</p> <p>not to exceed 0.40</p> <p>not to exceed 7.00*</p> <p>not to exceed 2.80</p>
<ul style="list-style-type: none"> • 100% Screening of new suppliers against ESG criteria • 250 supplier assessments and audits with ESG criteria as per plan • Rollout new Wilhelmsen Group Supplier Code of Conduct including human rights framework. 	<ul style="list-style-type: none"> • 100% of new suppliers in defined tiers screened with ESG criteria. • 391 supplier assessments / audits • 100% of new suppliers in defined tiers agreeing to Supplier Code of Conduct. 	<ul style="list-style-type: none"> • 100% of new suppliers in defined tiers screened with ESG criteria. • Supplier assessments and audits with ESG criteria as per audit plan. • 100% of suppliers in defined tiers agreeing to our Supplier Code of Conduct.

* In 2023, Lost time injury frequency rate calculation and Total recordable case frequency rate calculation based on factor of 200,000 manhours for onshore (exposure 8 hours 5 days) and 1,000,000 manhours for seafarers (exposure 24 hours 7 days). From 2024, both onshore and seafarers will use the 1,000,000 manhours multiplier.

Just Culture



We want to create an environment where our employees and seafarers can thrive.

In 2020, we implemented Just Culture on shore and on board. The principles of Just Culture provides assurance to our employees and seafarers that we have a workplace that is built on trust and responsible behavior where everyone is encouraged to share essential information without fear.

For our onshore employees, what this means is that employees are held accountable for their work performance and safety, while simultaneously being empowered to act within our defined systems. Employees are encouraged to speak up about any challenges or risks that could affect safety and performance.

For seafarers, Just culture complements our existing focus on safety onboard. Their feedback is crucial to ensure that our systems and processes onboard is robust to support them in their daily operations and ensuring their safety while performing their duty.

When mistakes do occur, we will conduct a fair investigation, attempt to mitigate impacts, and put in place measures to ensure that the same mistakes do not occur again. We acknowledge that to make mistakes is human. Employees who work within the systems, processes and policies defined by us will be protected and supported. We aim to encourage learning and improvement from our mistakes.

Through 2023, Just Culture was part of all employees onboarding process. Working with 26 nationalities on shore, we want to create an environment where people from various cultural and heritage differences can openly express their concerns on the processes and systems that may affect their work performance.

Demographics

At the end of 2023, we employed 11,986 people, 646 onshore and 11,340 seafarers.

26 nationalities are represented in our global onshore operations, with Malaysia, India and the Philippines representing the top three populations in size. 60 nationalities are represented in our global seafarer pool, with Philippines, India, and the Republic of Korea representing the top three populations in size.

The annual turnover rate for our onshore employees, including both voluntary and involuntary terminations, was 17%. Our goal for 2024 is to reduce the voluntary turnover rate to less than 16%.

Demographics	2023	2022	2021
Total workforce (employees + seafarers)	11,986	11,456	11,548
Number of onshore employees*	646	588	560
Nationalities onshore	26	28	27
Turnover rate onshore*	17%	21%	9.9%
Number of seafarers*	11,340	10,868	10,988
Nationalities onboard	60	-	-

* Turnover from 2023 based on average headcount in the period. Prior years was based on the headcount at end of year.



Equality, Diversity and Inclusion

Onshore

Being a global company representing employees from 26 nationalities, our company is diverse. We believe that a diverse workforce is valuable for several reasons:

- it allows us to access the broadest talent pool possible,
- it enables better decision making and increased value creation, and
- it is part of our social responsibility, contributing to higher workplace participation.

Wilhelmsen Group’s ambition is to have 40% of the top three level of management onshore and in internal boards represented by women by 2030.

In 2023, women comprised 49% of our workforce onshore, and 47% of our senior management team positions. This result is positively above target. It also marks a significant milestone as women only represented 25% of senior management positions in 2021, and 30% in 2022. In 2024, the target will be to maintain 40% female in top management and boards.

As part of the Wilhelmsen Group, we also progressed with several activities related to flexible workplace arrangements, targeted recruitment, focus on salary and work conditions, diversity data visibility, promotion and development opportunities, and unconscious bias training for all leaders in 2023.

To comply with the Norwegian Equality and Discrimination Act, the Wilhelmsen Group conducted an analysis of pay differences between men and women in 2023. The 2023 data disclosure is available at Appendix 4 at page 74 of the Wilhelmsen Group ESG Report.

Further work on improving our people processes with regard for equality, diversity and inclusion will continue throughout 2024.

Equality, diversity, and inclusion metrics	2023	2022	2021
Number of nationalities onshore	26	28	27
Females - % of employees onshore	49%	49%	47%
Females - % senior management *	47%	30%	25%

* Senior management refers to Top 3 levels of management (CEO = Level 1, Central management team (CMT) = Level CMT direct reports = Level 3)

2023 target	2023 result	2024 target	2030 ambition
>30% females in top management.	47% females in top management.	Maintain 40% female in top management and internal boards.	40% of each gender in top three management levels and internal boards
Strengthen leadership accountability through unconscious bias and diversity management training.	Unconscious bias training conducted for all leaders and HR employees.	Maintain equality, diversity, and inclusion score of 7.7 in engagement survey.	
Implement workplace arrangements project recommendations.	Flexible workplace arrangements implemented.	Continue reengineering the Wilhelmsen people processes.	
Re-engineer at least one people process.	Recruitment and succession activities.	Average employee training 8 hours per year	

Equality, Diversity and Inclusion

Onboard

The maritime industry continues to be male dominated, particularly related to seafarers. In order to combat this imbalance and advance gender equality within the maritime industry, we adopt a two-pronged approach: providing support to female seafarers, and increasing the intake of female cadets.

In 2023, we saw the percentage of female seafarers in our own workforce increase from 1% to 1.5%, with most of the new female seafarers holding junior officer positions onboard. As our number of female seafarers grow, we plan to support their advancement into senior positions through efforts which would help to maintain their careers in the long run. In 2023, we kickstarted this process by appointing a dedicated team whose purpose is to build a female seafarer support network.

We also have a robust cadet program to build a strong pipeline of skilled seafarers for the future. We partner with local institutions such as Lyceum Philippines University and Indian Maritime University; as well as scholarship programs such as the Norwegian Shipowners' Association (NSA) Philippines Cadet Program. In 2023, women comprised 5% of our cadet intake.

When these female cadets are assigned to vessels, we ensure that they are assigned in pairs. This system helps to build support networks among female cadets. In 2024, we plan to expand these support networks through various channels including face to face interactions such as cadet conferences.

Equality, diversity, and inclusion metrics	2023	2022	2021
Number of seafarers	11,340	10,868	10,988
Females - % seafarers	1.5%	1%	1%



Carl Schou, our CEO, welcomes some of our newly recruited female cadets in India.

Captain Lee Eun Ran, our first Korean female captain, returned to her alma mater to share her seafaring experiences and encourage more women to consider seafaring as a profession.



Succession Management

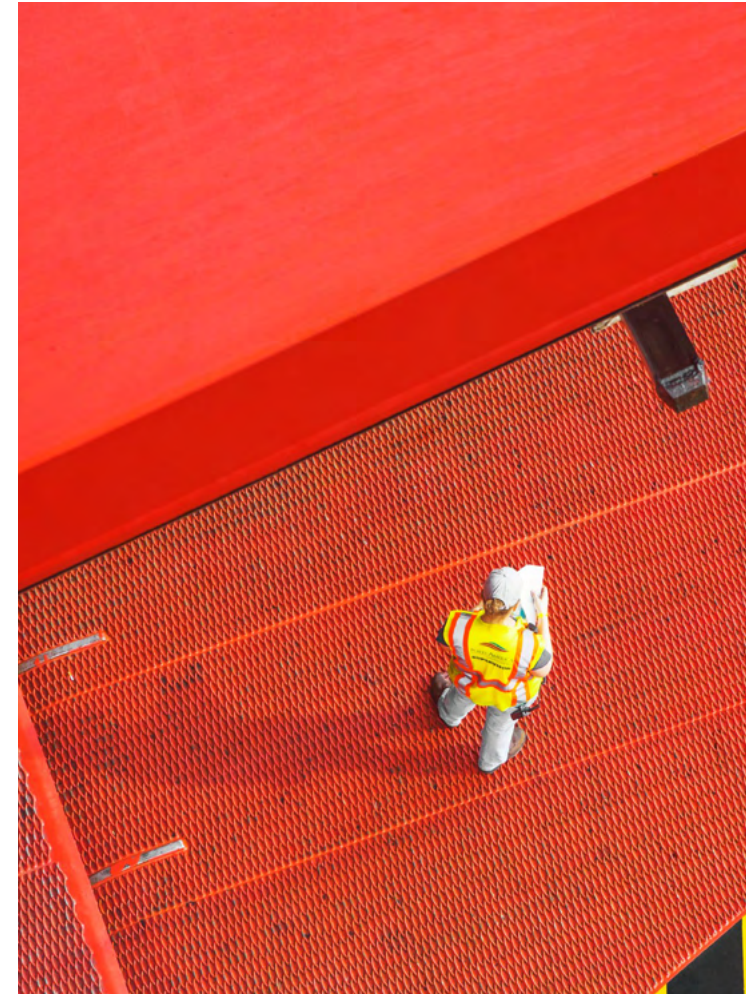
Every year, Wilhelmsen Ship Management conducts a succession assessment as part of the Wilhelmsen Group's succession assessment exercise. The purpose of the assessment is to ensure a diverse and sustainable pipeline of leaders for our key positions.

In 2023, the process focused on our company management team, which comprises 9 positions in total. Of these positions:

- 3 of the positions are held by women.
- The candidates range from 32 to 65 years old.
- For almost 67% of the positions, there are at least two identified successors.

The succession pool consists of 17 employees from 8 countries, with 41% females.

The succession process demonstrates that we are committed to gender diversity, have a pool of current and potential leaders representing our global footprint and experience, and that we have a sound pool of candidates for future leader positions.



Employee Engagement

At Wilhelmsen Ship Management, we promote a culture where employees have the right to equal opportunities, and differences are valued and respected. We adopt a zero-tolerance policy for harassment and discrimination based on race, gender or similar grounds; and other behaviour that may be perceived as threatening or degrading, is not acceptable.

To ensure that we build a culture where employees feel safe and are heard and accepted for who they are and what they bring to the workplace, we conduct an annual engagement survey capturing feedback on discrimination, harassment, and inclusion. The 2023 engagement survey, conducted in the third quarter, included questions and measures related to equality, diversity, and inclusion. Our result was a positive score of 7.7 (out of 10), and points to consistent and positive high engagement. In 2024, our target is to maintain this score at 7.7.

There is always room for improvement. Senior management and individual managers in all locations were required to conduct follow up discussions with their teams. Where results were less than the expected benchmark, managers were required to implement specific actions to improve results.

In addition to the engagement survey, employees have an annual performance review and mid-year review with their direct manager where achievements are recognised, development areas discussed and targets for the period are agreed.

Employee engagement metrics	2023	2022	2021	2020
Engagement survey score* (new system and scoring out of 10 from 2023)	7.7	75%	79%	77%
Engagement survey completion rate	96%	96%	95%	89%
Net promoter score	46%	43%	48%	46%



Competence Building

Onshore

To live the vision of shaping the maritime industry, we consistently work to stay relevant and ensure we have the skills and competencies necessary to create business value today and in the future. Our approach to learning includes three simple words – learn, apply, and share. By learning something new, applying it in work, and sharing it with colleagues, we know that we can create greater business impact. A learning organisation with motivated employees contributes to the efficiency of operations and has a positive effect on revenue and earnings.

Personal development plans are integrated in performance appraisal and review processes. Employees are encouraged to spend a minimum of eight hours training and in 2023, there were an average of 11.69 hours per employee recorded in HR systems. During the year, employees were required to complete mandatory training with 100% of employees completing both the Code of Conduct and cyber security trainings.

There has been significant attention during 2023 to increase the registration of other forms of formal and on the job training (non e-learning) to better track the variety of employee competence development activities. These include on the job learning, professional development courses, leadership development and other formal training. This work will continue in 2024.

Securing an inspiring and engaging work environment where employees can do their best and live up to the standards in our governing elements, requires a lot from our leaders. Our leadership development journey consists of learning modules for all leaders (approximately 1,000) across the Wilhelmsen Group. In 2023, the learning focused on unconscious bias and inclusion.

Learning and development metrics	2023	2022	2021
Average training hours recorded – onshore*	11.69	5	8**

* Based on e-learning program data available in HR information system
 ** Prior to 2022, reported as minimum number of training hours onshore



Competence Building

Onboard

Wilhelmsen seafarers have extensive, ongoing training throughout the year to comply with rules, regulations and best practices. Our Competence Development and Training (CD&T) team's goal is to establish a robust training framework which ensures that our seafarers possess the knowledge, skills, abilities and behavioural attributes to undertake assigned tasks onboard. Under this framework, seafarers must demonstrate:

- Competence in Health, Safety and Environment Standards
- Technical and job-specific skills
- Appropriate behavioural attributes.

In 2023, we also launched our first virtual reality training hub at the International Maritime Training Centre (IMTC) in Mumbai. The virtual reality training hub uses virtual reality for ship handling simulations, providing our seafarers with an immersive learning experience. We plan to replicate similar virtual reality training hubs globally across all our manning offices.

Our systems are built to ensure authentic certificates are achieved and essential competencies are learnt by Wilhelmsen's seafarers, rather than for collecting quantitative statistics such as number of training hours/days. We are therefore not able to report on the average number of training hours per year for seafarers.



Occupational Health and Safety

Onshore

We take pride in offering an engaging and safe workplace. Our business is conducted in compliance with local labour standards and internally accepted human rights as described in the UN Global Compact. In addition to continuously improving health and safety management systems and employee behaviours, our aim is to have zero work related fatalities or other work-related harm to people.

Our variety of ongoing initiatives to maintain employee wellbeing and a healthy and safe work environment continued during the year. The focus was on physical and mental health and safety, working environment and conditions, social activities, employee engagement surveys and opportunities for personal development. To support our efforts, we have in place comprehensive health, safety, environment, and quality (HSEQ) and Human Resources management systems.

For onshore operations, campaigns focused on safety risks and mental and physical health and wellness. The LTIF rate onshore was 0.16 in 2023, within target not to exceed 0.40. The TRCF rate result of 0.31 was within target not to exceed 2.6. In 2024, our LTIF target will be 2.00, and our TRCF target will be 7.00, to reflect the change in calculation of manhours. The sickness absence rate was 1.51% for onshore operations, in line with previous year. There were 0 onshore occupational disease cases recorded in 2023. All reported incidents were investigated to avoid similar incidents in the future, improve necessary training and awareness measures.

In 2023, there were around 38.7 million exposure hours (work hours) for both vessel and onshore operations. Vessel based operations accounted for 96.7% of total exposure hours and onshore operations accounted for 3.3%.

Health and safety metrics Onshore (exposure 8 hours a day, 5 days a week)	2023	2022	2021
Exposure hours	1,275,353	1,162,903	1,112,260
Lost time injury frequency rate*	0.16	0.17***	0**
Total recordable case frequency rate*	0.31	0.17***	0**
Sickness absence percentage	1.51%	1.48%	1.3%

* Lost time injury frequency rate and Total recordable case frequency rate calculation based on factor of 200,000 manhours for onshore (exposure 8 hours 5 days) and 1,000,000 manhours for seafarers (exposure 24 hours 7 days).
 ** Due to the pandemic, a majority of our employees were working from home.
 *** 2022's LTIF, TRCF and exposure hours have been adjusted for accuracy.



Occupational Health and Safety

Onboard

Our operations are compliant with the Maritime Labour Convention (MLC), and all our seafarers' contracts are in accordance with local Collective Bargaining Agreement (CBA)s and International Transport Workers' Federation (ITF) standards. We are also certified to operate ships as per the ISM Code.

In 2023, there were around 37.5 million exposure hours (work hours) related to seafarers. Regrettably, there was one seafarer work-related fatality during year. An able-bodied seafarer (AB) fell while rigging the gangway and landed on the pier. He was sent to hospital and passed away. An immediate safety stand-down hour for the whole fleet was initiated. The initial actions were to evaluate the overall usage of personal protective equipment (PPE) and review actions for more focus of correct usage of PPE by ship and shore personnel when visiting vessel. An investigation is ongoing.

The lost-time injury frequency (LTIF) rate for seafarers was 0.35, within the target not to exceed 0.40. The total recordable case frequency (TRCF) rate was 2.27, within the target not to exceed 2.80. Sickness absence was 0.02% and no occupational disease cases were recorded. The targets will remain the same for 2024.

Health and safety metrics Seafarers on vessels (exposure 24 hours a day, 7 days a week)	2023	2022	2021
Exposure hours	37,461,192	36,070,904***	34,001,856
Lost time injury frequency rate*	0.35	0.25***	0.35
Total recordable case frequency rate*	2.27	1.86***	1.26
Sickness absence	0.02%	0.04%	0.02%

* Lost time injury frequency rate and Total recordable case frequency rate calculation based on factor of 200,000 manhours for onshore (exposure 8 hours 5 days) and 1,000,000 manhours for seafarers (exposure 24 hours 7 days).
 ** Due to the pandemic, a majority of our employees were working from home.
 *** 2022's LTIF, TRCF and exposure hours have been adjusted for accuracy.

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Occupational Health and Safety

Safety-driven culture

The safety of our seafarers is paramount to us. We have intensified our efforts to enhance the dissemination of safety messages both onboard and onshore through the measures below:

- Fostered a culture of collaboration between onshore and onboard personnel.
- Implemented Shell's Maritime Partners in Safety (PiS) program in most of our fleet.
- Established Just Culture onboard and onshore.
- Emphasized safety messages through management visits and meetings with seafarers.
- In 2023, we engaged a third party to benchmark our safety culture. Our safety culture was rated at the 75th percentile, which indicated that we are performing better than the industry average.

Health and safety was a high priority issue at all our officer conferences. Seafarers participated in safety workshops, and awards were given to seafarers who had performed well in upholding high safety standards.



Seafarer well-being

Seafaring can be a lonely and difficult profession. In order to make sure that our seafarers receive the support they need, we have partnered with ISWAN (International Seafarers' Welfare and Assistance Network), which provides services such as a 24-hour multilingual helpline for seafarers and their families.

To further build a sense of community amongst our seafarers, we also have our own mobile application, WCrew. WCrew has three modules – Newsfeed, Shipboard Management System Information, and Seafarer Emotional Assistance – and is a useful resource for company news, updates and activities.

During our seafarer conferences, we hold activities which encourage seafarers to network and have fun. We also aim to include our seafarers' families by hosting activities for their spouses.

In 2023, seafarers were also involved in corporate events. We hosted a food recipe competition, where different vessels competed to create the best dish to serve to guests at NorShipping in Oslo.

Team-building activities are a core part of every Officer Conference.

Management visits to our vessels are an important and effective means of promoting safety culture onboard.



Human Rights and Employment Conditions

We believe it is important to act as a role model for the maritime industry and society at large. We are therefore committed to promote an ethical culture where employees and business partners do the right things the right way. Lack of respect for universal human and labour rights are not acceptable as this will have negative impact on employees, business partners, company reputation, and may have unacceptable financial consequences.

We are committed to safeguarding human rights across businesses, irrespective of the countries in which they operate. In accordance with governing elements, we expect all companies and supply chain partners to comply with the same standards regarding human rights.

We support and respect the internationally recognised UN Universal Declaration of Human Rights and the International Labour Standards (ILO Declaration on Fundamental Principles and Rights at Work) and prohibit any form of modern slavery. This includes, but is not limited to, human trafficking, forced labour, exploitative working conditions and practices, slavery, and child labour.

With companies, employees, and operations around the world, we recognize that activities may influence and impact the human rights of stakeholders. Where local laws differ from or conflict with international human rights standards, we will always endeavour to honour the principles of internationally recognised human rights without violating local laws and regulations. We are committed to understanding these impacts, taking actions to reduce any negative aspects and enhancing our positive impacts.

Our commitment is implemented through a human rights due diligence process, guided by the United Nations Global Compact and Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We assess actual and potential human rights impacts, integrate and act upon findings, monitor progress, track responses, and communicate how impacts are addressed.

In 2023, we conducted a review of our due diligence assessments from 2022. In total, 12 scenarios were identified (8 in 2022) to prioritise measures to implement to cease, prevent or mitigate impacts. This is a positive indication of increased awareness of how our operations have potential or actual human rights impacts. Additional assessments were made for potentially affected stakeholders during the year. Based on the heat map of company scenarios, we are particularly focused on 7 "red" zone scenarios related to health and safety and working conditions in the value chain.

We require everyone working in companies or on our behalf to comply with this commitment. We actively seek to work with third parties who support the approach and standards. In 2023, we continued to engage with both internal and external stakeholders.



Human Rights and Employment Conditions

Raising Human Rights Concerns

Stakeholders may raise concerns regarding human rights impacts by using the whistle-blower channel available on the company website.

In 2023, Wilhelmsen Ship Management received eight whistles related to alleged human rights breaches including discrimination, working conditions, harassment, and safety. The allegations in two of the whistles were confirmed through internal investigations with appropriate mitigating actions taken; while six were not confirmed, or not possible to follow up due to lack of information, no wrongdoing confirmed or whistleblower not wanting to pursue the allegations further.

If we, through our actions directly cause or contribute to harmful human rights impacts, we will promote access to and/or provide fair remediation.

Stakeholders can also request information regarding our human rights impacts by email: humanrights@wilhelmsen.com. In 2023, we did not receive any requests for information from stakeholders.

On 1 July 2022, the Norwegian Transparency Act entered into force requiring companies to conduct due diligence, publish statements, and upon request provide information on how they work to deal with the negative consequences on human rights and decent working conditions. An account of the Wilhelmsen Group's human rights due diligence pursuant to Section 4 of the Transparency Act is available in Appendix 5 at page 77 of the Wilhelmsen Group ESG Report.

The human rights that are most relevant to us include:

- Providing secure working conditions where the life and liberty of our employees are protected.
- Providing safe, healthy, and decent working conditions free from bullying and harassment
- Treating employees fairly and without discrimination based on race, colour, religion, gender, age, nationality, sexual orientation, disability, or any status protected by law. We help employees achieve their full potential through career management efforts, performance evaluations, and training and development.
- Promoting decent and fair employment conditions including wages and benefits, and work/life balance through reasonable working and rest hours.
- Opposing all forms of modern slavery including human trafficking and forced labour as well as child labour in our value chain.
- Respecting employees' rights to form and/or join trade unions and collective bargaining.
- Upholding the right to privacy of those who entrust us with their personal information.



Collective Action for Seafarer Rights

We continue to be active together with other members of Sustainable Shipping Initiative (SSI) to apply the industry Code of Conduct and assessment tool to protect the human rights and welfare of the world's nearly 2 million seafarers. The Code of Conduct seeks to address systematic risks and impacts experienced by seafarers through:

- emphasising rights in the Maritime Labour Convention that are not being adequately enforced, and
- including rights and issues that are important to seafarers but not currently covered in the regulation.

The goal is to continue to lift the industry treatment of seafarers beyond minimum compliance.

In 2023, we also hosted two seafarer roundtable events with industry participants to focus on the most pressing seafarer welfare challenges, hear directly from seafarers, and discuss developments in the Code of Conduct implementation.

Right Ship Self-Assessment Test

Rightship's launch of a self-assessment tool, in conjunction with the Code of Conduct, provides practical guidance for shipowners, operators, charterers, and cargo owners to evaluate their current operations in terms of meeting seafarers' rights and welfare obligations.

By utilizing the Code of Conduct and self-assessment, the industry will have a platform to uphold worker dignity and advance overall progress.

All the Document of Compliance (DOC) holders of Wilhelmsen Ship Management completed the assessment in 2023.

We acknowledge that there is always room for improvement, and we are committed to tracking our progress throughout 2024.

RIGHTSHIP



CREW WELFARE

Self-Assessed, Wilhelmsen Ship Management Sdn Bhd



The "Seafarer Wellbeing and the Importance of Responsible Business Conduct" Panel at Nor-Shipping 2023, co-hosted with SSI, the Institute for Human Rights and Business (IHRB), and Rafto Foundation. At this panel, the issues discussed included recruitment fees, as well as how brands, charterers and shipping companies could pull together to eradicate this practice.



The "SEAFAIRER Roundtable", co-hosted with SSI, IHRB, Rafto and Mission to Seafarers in Singapore. This Roundtable focused on the challenges and opportunities associated with human rights due diligence obligations, and emphasized the importance of collaboration between government and industry players. Seafarers were also given the opportunity to share their insights and raise awareness on the most challenging issues they faced onboard.

Supply Chain Management

We have over 2,700 supply chain partners including sub agents, sub-contractors, and suppliers, all of which are an integral part of the business and deliveries to customers. We are committed to doing business with responsible suppliers, thus we need to ensure ESG expectations are clear to suppliers, that products and services are compliant and that we continue to strengthen our approach in complex and extensive supply chains.

In 2023, a new Wilhelmsen Supplier Code of Conduct was implemented and rolled out to suppliers in defined tiers. Defined tiers exclude some suppliers of limited materiality and/or where the company has no influence over the contract terms e.g. government bodies. Where a supplier is within the defined tier and is not willing to accept but has an equivalent or better code of conduct, a bridging clause is made in the respective agreement to reflect this. In 2023, 100% of new suppliers in defined tiers agreed to the SCoC which was on target.

Through supplier screening, assessment and audit activities, we place clear responsibilities on suppliers to comply with minimum requirements on the following areas:

- preventive measures of financial fraud,
- sanctions and compliance,
- quality management systems and accreditation,
- human rights, modern slavery, and child labour,
- working conditions including health and safety,
- corruption and bribery,
- business ethics and code of conduct,
- supporting the UN Convention on the rights of the child,
- cybersecurity precautions, and
- the reduction of environmental impact.

Supply chain metrics	2023	2022	2021
Number of suppliers - approximate	2,702	2,662	2,712
Number of supplier screenings with ESG criteria	834	1,031	852
Number of risk-based supplier assessments	391	58	58

We assess risks, vet and verify applications from companies to become a supplier and retain supporting documentation for future reference. As a part of the Supplier Code of Conduct, suppliers may be audited at any time and high risk / materiality suppliers will be audited from time to time. Suppliers with framework agreements are required to re-submit their applications annually. Suppliers who do not meet the minimum standards are removed from the approved supplier list.

We also commit to undertake ongoing due diligence to identify and address any actual or potential adverse impacts with which we or our suppliers may be involved (whether directly or indirectly). Stakeholders may raise concerns regarding human rights impacts by using the whistle-blower channel available on the Wilhelmsen website.

In 2023, there was high level of activity related to supplier assessments and audits, demonstrating our increased focus on supplier and value chain due diligence. We conducted 834 supplier screenings with ESG criteria; and 391 risk-based supplier assessments, which exceeded our target of 250 risk-based supplier assessments. In addition, we conducted periodic supplier workshops, information sessions, performance assessments, business reviews and onsite audits.

In 2024, we will continue to roll out the Supplier Code of Conduct and robust processes for assessments, qualification, contracting, audits, and reviews.

Local Communities

Our corporate philosophy

We are dedicated to supporting social sustainability and inclusion in the communities where we operate. As a responsible employer, we believe in giving back to society. We collaborate with local non-profit organizations to reach marginalized and vulnerable communities. We aim to create communities that provide equal opportunities for everyone to thrive and contribute to human capital wealth. Through various activities, we inspire children to dream big, explore the world beyond their boundaries, and raise awareness about seafaring as a profession.

We recognize that not all children have equal opportunities to pursue their dreams and participate in societal norms due to significant barriers. By promoting social inclusion in the maritime industry, we aim to create a more equitable society. Our guiding principle is to "Leave No One Behind."

We strive to positively impact the countries where we operate, both through our employees and seafarers. Part of our social responsibility is contributing to educational opportunities that lead to employment, empowering individuals and fostering sustainable development.

Do Good Locally Program

The Wilhelmsen Group is concerned with making a positive impact in the communities where we have operations as part of its contribution to SDG targets 8 and 5.

To do this, the Wilhelmsen Group conducts a range of local activities including those that result from the "Do good locally" programme. The Do good locally programme is a bottom-up social initiative at Wilhelmsen. Each year, all employees are invited to nominate a not-for-profit organisation in their local community for financial support. In 2023, the Wilhelmsen Group limited nominations to social and human rights organisations to ensure continuity with the Wilhelmsen Group's ambition. A key criterion in the programme is that local Wilhelmsen employees participate in an activity with the elected organisation to actively engage in their work. This means that the impact of the programme is to impact the local community and to build employee engagement.

More details about the Do good locally programme can be found at page 39 of the Wilhelmsen Group ESG Report.



Our employees and seafarers volunteering at the Holy Family Home Makati Foundation.

Local Communities

In 2022, we introduced the Wilhelmsen Seafarer Family Club. With our seafarers and their families at the helm, the Club runs initiatives to support underprivileged children who hail from the communities where our largest seafaring populations originate from (India, Philippines and South Korea). In doing so, the Club allows us to give back to the communities in which we operate.

In 2023, we carried out the following philanthropic activities:



Located in Manila, Holy Family Home Makati Foundation has served as a home for underprivileged girls since 1991. Upon learning that one of our employees had spent her adolescent years here, we gathered funds to sponsor the waterproofing and repainting costs of the home's exterior walls, which had been badly damaged by water seepage. Our seafarers and employees also organized a trip to the home to conduct general maintenance and to have lunch with the girls.



In Busan, our employees and seafarers worked together making 650kg of kimchi. The kimchi was then delivered to Busan's underprivileged senior citizens.



The SHELTER Network is a network of homes, currently serving 35 underprivileged children in the Kuala Lumpur area. Our team in Malaysia organized a donation drive for food and cleaning supplies, and sponsored renovation works to upgrade the kitchen and paint the peeling walls. We also sponsored a day-trip to KidZania, where the children could have fun and learn through realistic role-play.



The Angel Xpress Foundation in Mumbai is a non-profit organization dedicated to supporting first-generation learners as they navigate their educational journey. This year, we are pleased to report that the learning centre project which we sponsored in 2022, has grown from 25 to 75 students.



2. ENVIRONMENT

a. Climate Change and Greenhouse Gas (GHG) Emissions

- GHG Emissions Ambitions
- 2023 Scope 1 and Scope 2 emissions, and base-year recalculation
- Scope 3 Emissions

b. Decarbonization and New Growth

- Energy Efficiency Onboard
- Preparing for a Multi-Fuel Future

c. Biodiversity, Ecosystems and Circular Economy

- Protecting our Water and Marine Resources
- Air Pollution
- Reducing the use of plastic drinking bottles onboard
- Ship Lifecycles

d. EU Taxonomy Disclosure



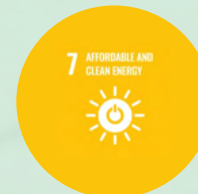
13. Climate action -

Strengthen resilience and adaptive capacity to climate-related hazards, and integrate climate change measures into policy, strategy, and planning (targets 13.1, 13.2).



14. Life below water -

Prevent and significantly reduce marine pollution, sustainably manage and protect marine and coastal ecosystems and minimize and address the impacts of ocean acidification (targets 14.1, 14.2, 14.3)



7. Affordable and clean energy -

By 2030, increase substantially the share of renewable energy in the global energy mix (target 7.2). By 2030, double the global rate of improvement in energy efficiency (target 7.3)

Environmental Information

The magnitude and nature of climate related risks will be determined by actions taken today. Addressing climate change and associated physical and transition risks also presents opportunities for us.

We continue to develop and mature a systematic approach to climate risk and opportunity identification. Proper handling of environmental impacts and climate related risks and opportunities are necessary to ensure business growth and long-term value creation.

In 2024, the Wilhelmsen Group will develop a robust climate transition plan as a part of the long-term strategy process.

Key opportunities	<ul style="list-style-type: none"> • Enhancing resource efficiency • New growth in new arenas • New partnerships with other serious actors • Access to capital from environmentally conscious actors, both public and private
Key risks	<ul style="list-style-type: none"> • Acute physical risks from increased severity of extreme weather events such as cyclones and floods. • Chronic physical risk from changing water patterns and rising mean temperature, sea levels and resource scarcity/cost. • Transition risks related to regulations, potential liability, technology shift, market shifts, and reputational impact.

2023 target	2023 result	2024 target
<ul style="list-style-type: none"> • 5.25% reduction in tCO2e emissions in own operations from 2022 base year • Continued investment in new growth • Introduction of Scope 3 reporting • Target key suppliers to participate in scope 3 emissions reporting • Establish reduction program for Scope 3 emissions in line with targets set by Wilhelmsen Group • Improve accuracy and completeness of GHG emissions reporting • Complete 3rd party GHG Inventory verification 	<ul style="list-style-type: none"> • 16% increase in Scope 1 + 2 emissions (market-based) • Increased awareness of Scope 3 categories. Initial Scope 3 screening completed, and key suppliers identified • Determined 2024 will be base year for Scope 3 and target setting • Implemented new reporting system, and improved competencies and internal controls related to GHG emissions reporting • Completed 3rd party GHG Inventory verification by DNV 	<ul style="list-style-type: none"> • Continue Scope 1 and 2 (market based) tCO2e reduction pathway of minimum 5.25% per year from 2022 base year to 2030 (total 42% reduction) • Establish 2024 as base year for Scope 3 emissions. • Establish scope 3 emissions reduction program from 2025 in line with Wilhelmsen Group targets • Continuous improvement in competencies and internal controls related to GHG emissions reporting • Be part of Wilhelmsen Group’s climate transition plan
<ul style="list-style-type: none"> • Improve visibility and integrity of data with vendors related to waste streams • Progress circular initiatives • Create awareness on biodiversity issues and map potential areas for biodiversity focus 	<ul style="list-style-type: none"> • Improved waste disposal reporting for increased accuracy and completeness • Performed double materiality assessment and gap analysis based on European Sustainability Reporting Standards (ESRS) 	<ul style="list-style-type: none"> • Enhance data relevance with vendors concerning waste streams • Progress circular initiatives • Be part of the Wilhelmsen Group’s framework for biodiversity, ecosystems and circular economy • Establish biodiversity, ecosystems, and circular economy as part of the Wilhelmsen Group strategy



Climate Change and Greenhouse Gas (GHG) Emissions

GHG Emissions Ambitions

As part of the Wilhelmsen Group, our long-term ambition for GHG emissions reduction is:

- net zero emissions in own operations before 2030,
- net zero emissions in the value chain before 2040, and
- net zero emissions in portfolio (equity investments) before 2050.

To progress towards the first net zero ambition, the Wilhelmsen Group has set minimum short-term targets to consolidated companies, based on the Science-Based Targets initiative (SBTi) guidance:

1. Scope 1 emissions: minimum 42% reduction by 2030 compared to 2022 base year, and
2. Scope 2 emissions: procurement of 80% renewable electricity by 2025 and 100% by 2030.

Procurement includes the installation of renewable electricity at sites, power purchasing agreements with local service providers, and purchasing of guarantees of origin.

2023 Scope 1 and Scope 2 Emissions, and Base-year Recalculation

2022 was established as the base-year because of data availability and because it represented a typical year of operations (post-COVID-19). In 2023, a recalculation of our 2022 base-year was triggered at the Wilhelmsen Group level in order to increase the precision of our reporting.

Under the GHG Protocol, base year evaluations are triggered by material events, including structural changes with substantial effects on base year

Year	tCO ₂ e				
	Scope 1	Scope 2 Market based	Scope 2 Location based	Total Scope 1 + Scope 2 Market based	Total Scope 1 + Scope 2 Location based
2022 base year*	3	233	189	236	192
2022 base year with recalculation	11	236	194	247	205
2023	7	280	281	287	288

emissions—examples being mergers, acquisitions, divestments, and the outsourcing or in-sourcing of emitting activities. Additionally, any alterations in the calculation methodology or enhancements in the precision of emission factors or activity data, will trigger a reassessment. The identification of significant errors or a cumulative occurrence of errors with collective significance will also prompt a review of the base year calculation. These assessments ensure the accuracy and reliability of Wilhelmsen GHG emissions data over time.

Our scope 1 and 2 emissions in tonnes of CO₂ equivalent (tCO₂e), with recalculated 2022 base-year are described in the table.

Our Scope 1 emissions are derived from our two company vehicles, and have been deemed immaterial for the purposes of reducing emissions since the amounts are relatively small.

Our Scope 2 emissions are derived from electricity consumption at our various offices. In 2023, we saw an increase in our Scope 2 emissions, driven by a combination of easing Covid measures allowing employees to return to office, an expansion in our headcount, and renovations conducted at our office in India.

In 2023, some of our electricity consumed was classified as renewable, with this figure coming entirely from the Guarantees of Origin (GOs) purchased for our Norway office. In 2024, we hope to purchase more Renewable Energy Certificates (RECs) for our offices in other jurisdictions. However, the procurement potential for renewable electricity will be impacted by lease agreements, local energy infrastructure, regulation, and incentive programs. We also operate in geographic locations where the marketplace for RECs or GOs is not yet mature, hence purchasing RECs for our other offices will be an uphill task.

Climate Change and Greenhouse Gas (GHG) Emissions

In 2023, the Wilhelmsen Group implemented a new GHG reporting system which marked a pivotal step toward enhancing transparency and integrity in the Group's reporting. This system serves as a key enabler for us to establish and monitor annual targets, as well as evaluate the impact of reduction measures. The attention of management during the year has focused on developing more competence in GHG emissions and improving on reporting principles and controls, as defined in the GHG Protocol Corporate standard. Additionally, they have focussed on analysing the emissions, identifying areas for reductions and formulating strategic approaches on potential areas for reductions.

During the year, an analysis of historical GHG data and reporting processes was conducted and improvements were made on accuracy and completeness. A data quality review process was also conducted in preparation for the year-end reporting and data verification process. The data quality and completeness of reporting has improved significantly in 2023, and corrections have been made on a granular level and generally on low material values.

Small office sites continue to be challenging to account for as some employees work in multi-user leased spaces where there is limited/no operational control of facilities.

At the end of 2023, DNV, a 3rd party assurance provider, conducted a verification of the inventory data for Scope 1, 2, and business travel, employee commuting, and waste for scope 3.

Scope 3 emissions

Since 2022, we have had processes in place to record category 5 waste generated in operations, category 6 business travel, and category 7 employee commuting.

In 2023, we continued to build a robust GHG emissions inventory. Addressing scope 3 emissions throughout our upstream and downstream value chain will present significant challenges, especially given that our supply chain extends worldwide. A three-step program was conducted to develop competence related to Scope 3 emissions and screen for scope 3 inventories. The program included:

1. mapping of material scope 3 emissions categories,
2. conducting initial scope 3 inventory screening, and
3. preparing for scope 3 target setting based on the science-based targets initiative (SBTi) guidance.

The initial screening identified one new material category of scope 3 emissions – category 1 purchased goods and services, with an estimated 2,272 tCO₂e.

Category 1 was estimated using the spend-based method for high-spend categories or identified suppliers, and using generic emissions factors from DEFRA, Exiobase, NTM, Quantis, and Global Warming Potential (GWP) values from the IPCC fourth assessment report (AR4).

This initial screening data is not included in our Scope 1, 2 and 3 emissions table below as it has been based on estimation and not verified. This screening has been a critical initial step to identify material emissions and specific focus areas. Building on the screening results, we are now more prepared to engage with suppliers, particularly those contributing significantly to scope 3 emissions. Collaborative efforts will be undertaken over time to assist these suppliers in reporting relevant data, setting targets and monitoring performance. The new scope 3 emissions categories will be reported in our GHG inventory from 2024 and continuously improved as better and more granular emissions factors are used and/or better quality or activity data becomes more available.

In 2024, further routines for reporting scope 3 emissions will be put in place, and the base year will be established. We will then establish reduction programs in line with the targets set by the Wilhelmsen Group.



DNV

VERIFICATION STATEMENT

Statement no: 2024-10480135g Valid from: 12 February 2024

Wilhelmsen Ship Management

Verification of the Scope 1, Scope 2, and selected Scope 3 categories GHG emission footprint for year 2023 for Wilhelmsen Ship Management

DNV Business Assurance Norway AS (DNV) was commissioned by Wilh. Wilhelmsen Holding ASA (Wilhelmsen) to provide limited assurance on the information described below for the year ended 31 December 2023.

The purpose of this document is to clarify matters set out in the process of verifying CO₂ emissions for Wilhelmsen's operations. We do not accept or assume any responsibility or liability on our part to any party who may have access to this letter or related documents.

- Boundaries of the reporting company covered by the assurance report and any known exclusions.**
The scope of our work was limited to assurance over the 2023 GHG emission figures for Wilhelmsen Ship Management:
 - Scope 1 CO₂ emissions.
 - Scope 2 CO₂ emissions.
 - Selected Scope 3 CO₂ emissions:
 - Category 5 – Waste generated in operations.
 - Category 6 – Business travel (air travel).
 - Category 7 – Employee Commuting (seafarers only).
- Emissions data verified** – broken down by scope 1, scope 2 and scope 3 categories with figures given; option to include other relevant data that has been verified with figures.

The GHG aggregated emissions data for Wilhelmsen Ship Management (Selected Information) is presented in the table below and represents the cumulative emissions for Wilhelmsen Ship Management.

Scopes [CO ₂ -eq]	2023
Scope 1, Total CO ₂ -eq Scope 1 emissions:	7
Scope 2, Total CO ₂ -eq Scope 2 emissions (location based):	281
Scope 2, Total CO ₂ -eq Scope 2 emissions (market based):	280
Scope 3, CO ₂ -eq Scope 3 emissions:	27935

Other emissions have not been part of the verification scope and hence have not been verified by DNV.

- Period included in the verification:** 01 January 2023 to 31 December 2023.
- Verification standard used:** ISO 14064-3:2019.
- Level of assurance:** Limited.

DNV Business Assurance Norway AS, Veritasveien 1, 1363 Høvik, Norway

DNV

The verification was conducted between 7 December 2023 and 9 January 2024, during which Wilh. Wilhelmsen ASA provided its GHG calculations in Position Green GHG Reporting Tool.

DNV has performed the verification with the following approach:

- A review of the consolidation process.
- Review of procedures for collection of activity data and emissions factors and calculations including routines for data quality management.
- Review of calculation methods and emission source references in:
 - o GHG inventory reporting manual v2.0.docx.
 - o Position Green GHG Reporting Tool.
 - o Wilhelmsen Ship Management.xlsx.
- Interviews with key personnel through calls (MS Teams) for Wilhelmsen Ship Management.
- Closing out reported non-compliances, observations, and clarifications.

Based on the procedures DNV has performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected information for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

- Verification provider:** DNV Business Assurance Norway AS
- Lead verifier name:**
Lead verifier: Sam Dresner Barnes
Technical Reviewer: Tone Rice

Place and date: Høvik, 12 February 2024
DNV Business Assurance Norway AS

Dresner Barnes, Sam

Digitally signed by Dresner Barnes, Sam
Date: 2024.02.12 09:45:34 Z

Sam Dresner Barnes
Lead verifier

Rice, Tone

Digitally signed by Rice, Tone
Date: 2024.02.12 13:21:02 +01'00'

Tone Rice
Technical Reviewer

DNV Business Assurance Norway AS, Veritasveien 1, 1363 Høvik, Norway



DNV's verification statement of our Scope 1, Scope 2 and selected Scope 3 categories of GHG emission footprint for 2023.

2023 Table of Emissions

The table represents 2023 GHG emissions disaggregated by Scopes 1 and 2 and material Scope 3 categories. In 2023, Scope 1, 2 and Scope 3 categories related to business travel, employee commuting, and waste are included in the verification process conducted by DNV at the end of the year.



Emissions Category	2023 tCO ₂ e	2022 tCO ₂ e
Scope 1 Emissions		
Stationary combustion	0	0
Mobile combustion	7	11
Scope 1 Total	7	11
Scope 2 Emissions		
Electricity (Location-Based)	281	194
Electricity (Market-Based)	280	236
Scope 2 (Location-Based) Total	281	194
Scope 2 (Market-Based) Total	280	236
Scope 3 Emissions		
Category 1: Purchased goods & services	N/A	N/A
Category 2: Capital goods	N/A	N/A
Category 3: Fuel and energy related activities	N/A	N/A
Category 4: Upstream transportation & distribution	N/A	N/A
Category 5: Waste generated in operations	11	5
Category 6: Business travel	1,583	1,074
Category 7: Employee commuting*	26,341	26,502
Category 8: Upstream leased assets	N/A	N/A
Category 9: Downstream transportation & distribution	N/A	N/A
Category 10: Processing of sold products	N/A	N/A
Category 11: Use of sold products	N/A	N/A
Category 12: End of life treatment of sold products	N/A	N/A
Category 13: Downstream leased assets	N/A	N/A
Category 14: Franchises	N/A	N/A
Category 15: Investment	N/A	N/A
Scope 3 Total	27,935	27,581
Total Scope 1, Scope 2 (Location-Based) and Scope 3 Emissions	28,223	27,786
Total Scope 1, Scope 2 (Market-Based) and Scope 3 Emissions	28,222	27,828

* Category 7 employee commuting is related only to air travel for seafarers recruited from in-house manning centres, to and from assigned vessels.

Decarbonization and New Growth

Energy Efficiency Onboard

To provide value to customers and reduce environmental impact, we work with customers to optimize vessel operations and reduce operational costs and emissions. Purpose-built digital solutions such as Spark will enable us to do this.

We also assist customers in adapting to stricter emissions regulations, such as the Energy Efficiency Design Index for existing ships (EEXI) and Carbon Intensity indicator (CII) which came into effect on 1 January 2023. On a broader level, our goal is to collaborate with relevant partners on the decarbonisation of shipping, particularly in the development and transition to alternative fuels including hydrogen, ammonia, and methanol.

In 2023, we also established Hecla Emissions Management, a joint venture with Affinity Shipping LLP. Hecla integrates technical ship management and carbon allowance procurement in order to support customers on a path of compliance and strategic management in the EU Emissions Trading System (ETS). Hecla centralizes the ETS value chain within one workflow and enables customer oversight through its digital platform. The company offers a range of services, including data handling, registry account management, procurement of allowances, and advice on the annual surrendering process. With over 750 ships under management across various sectors of the industry, Hecla is playing a crucial role in the shipping industry's adaptation to new environmental standards.



At Nor-Shipping 2023, we hosted "The Nitty Gritty of Environmental Compliance and Beyond" Panel. While the panellists agreed that tighter environmental regulations were a healthy step for the industry, they also discussed the commercial impacts of these regulations, as well as how these challenges could be overcome.



At Nor-Shipping 2023, we also unveiled Hecla, our new joint venture with Affinity Shipping LLP.

Decarbonization and New Growth

PREPARING FOR A MULTI-FUEL FUTURE

Newbuilding Supervision

As part of our commitment to supporting our customers' net-zero goals, we actively participate in their newbuilding programs, particularly for ships that run on alternative fuels. Design for these ships differs from conventional ships in many aspects, such as:

- Technical specifications that maximise energy efficiency
- Optimized design philosophy for the bunker containment system
- Ship design aspects relative to safety and risk assessment

We are enhancing our competence in this area through projects like the methanol-ready and methanol-powered container vessels. With our expertise and available resources, we are well-positioned to oversee newbuilding projects for ships operating on alternative fuels on behalf of our owners. Since we are involved from the initial stages of our clients' shipbuilding processes, we can provide valuable input based on our experience gained through our engagement in projects such as Yara Birkeland, Topeka, and ASKO. This experience is an invaluable roadmap for our customers striving to achieve their net-zero goals.

Crew competence for alternative-fuel vessels

Ensuring the competence of seafarers to operate ships powered by new technologies is crucial. Successfully integrating these technologies requires advancements in fuel and technology and the adaptation of human behaviours and processes to address any potential safety concerns related to handling the new bunker.

We are committed to developing seafarers' competence in parallel with the advancements in fuel and technology. As of 2023, our International Maritime Training Centre (IMTC) in Mumbai has received Directorate General certification for the IGF basic and advanced training courses.

We have also taken steps to ensure crew competence in ESG matters. Regulatory compliance (EU ETS, CII, EXI) and new environmental initiatives are some of the key topics covered during our officer conferences.

Partner in Silk Alliance Green Corridor

We are one of the partners in the Silk Alliance, an alliance lead by Lloyd Register Decarbonization Hub that aims to develop a green corridor cluster within the Intra-Asia container trade. Collaborating with other alliance members, we are working on a fleet-specific fuel transition strategy for container ships in Singapore and across Asia. This fleet fuel transition strategy can enable the establishment of a highly scalable green corridor cluster.



Biodiversity, Ecosystems and Circular Economy

Protecting our Water and Marine Resources

Overuse or mismanaged use of ecosystem services can lead to contamination, ecological devastation, economic disruption and impacts on human health. In addition, full asset and product lifecycle accountability, as well as growing regulatory requirements require new product and service offerings for the maritime industry.

In order to mitigate our impact, we include relevant biodiversity, ecosystems and circular economy aspects in our environmental aspect and impact assessment, planning, and strategy. Our aim is to minimise resource use and the impact of activities and products on air, soil, and water.

As a provider of complete technical management, crewing, and related services for all major vessel types, we are in a good position to influence compliant, sensible, safe, and environmentally sound operations for vessel owners. All of our environmental management practices onboard comply with the Convention for Prevention of Marine Pollution (MARPOL), Ballast Water Management Convention (BWMC) and The International Convention on Oil Pollution Preparedness (OPRC). In 2017, Wilhelmsen Ship Management also obtained its Polar Water Operation Manual. We manage several vessels which trade in the polar water regions.

Air Pollution

Our environmental management practices onboard are fully compliant with MARPOL, which regulates the emission of air polluting substances which may create polluting effects even if they do not contribute directly to climate change.

Besides, we also offer digital solutions like Spark, which are capable of monitoring the emission of air polluting substances.

Reducing the use of plastic drinking water bottles onboard

We promote responsible consumption and recycling programs onboard and onshore. For example, we are proactive in reducing plastics in vessel operations by introducing requirements towards suppliers and facilitating industry initiatives to reduce single use plastics in the maritime industry. Together with 84 other companies, we have taken the IMPA SAVE pledge to drastically reduce the use of plastic drinking water bottles onboard our vessels by 2025.

In order to reduce consumption of single-use plastic bottles, some of our fleets have upgraded their water dispensers onboard. Upgraded water dispensers ensure that the water is safe to drink, and ensuring a continuous supply of drinkable water is crucial in encouraging seafarers to transition away from single-use plastics. While this is a positive step, more effort is needed to drastically reduce plastic consumption onboard.



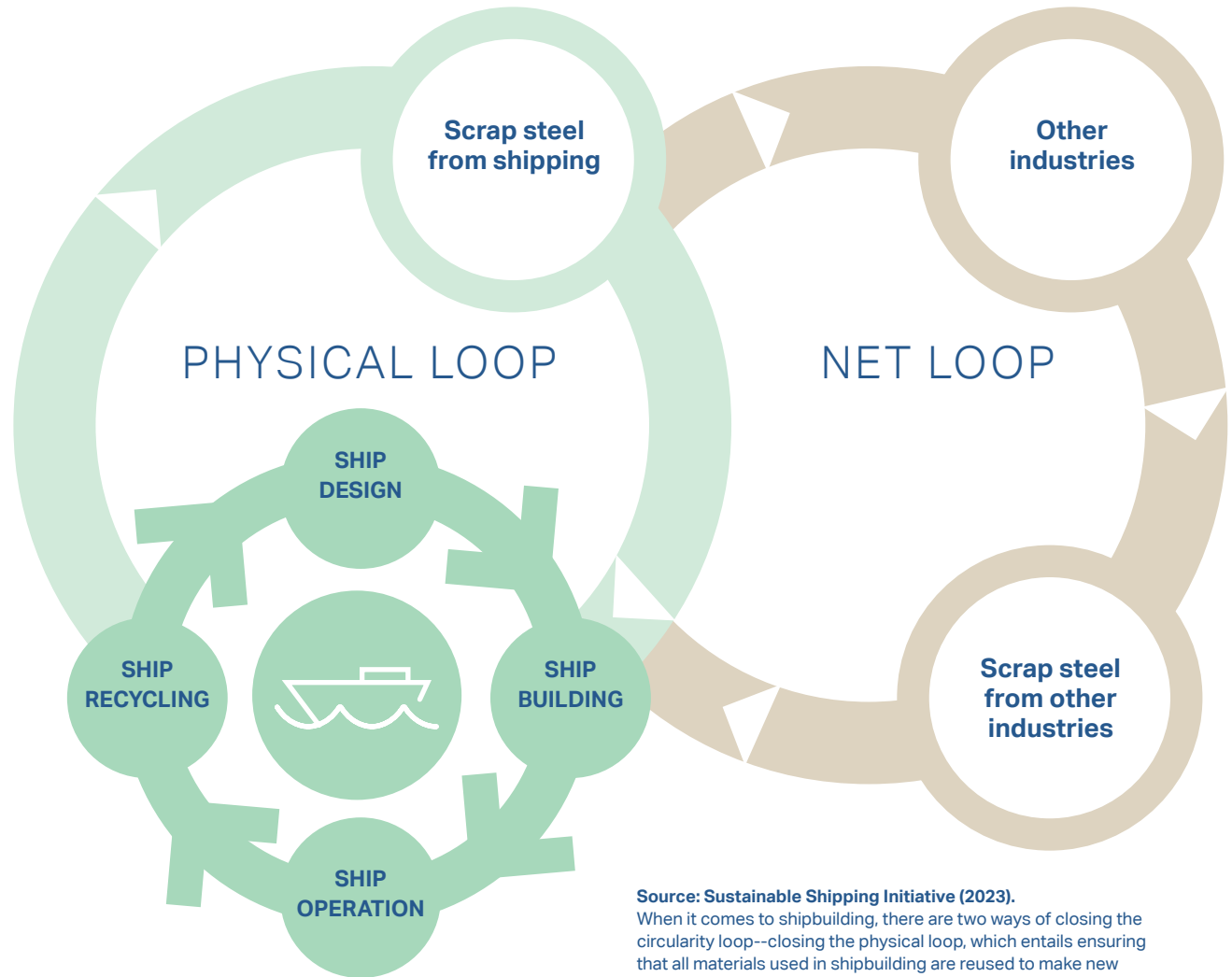
Biodiversity, Ecosystems and Circular Economy

Ship Lifecycles

As an active participant in the sustainable shipping movement, we are proud to be part of a working group led by Sustainable Shipping Initiatives (SSI) that focuses on applying circular economy principles in the shipping industry.

In 2023, SSI published its report, "Green steel and shipping", exploring the material flow of steel in the shipping industry, and the factors influencing the uptake of green steel in shipping.

Our collaboration with SSI aims to raise awareness and understanding among various stakeholders in the shipping sector. We aim to apply the principles through our newbuilding supervision services offered to our customers in the design and shipbuilding phase.



Source: Sustainable Shipping Initiative (2023).

When it comes to shipbuilding, there are two ways of closing the circularity loop—closing the physical loop, which entails ensuring that all materials used in shipbuilding are reused to make new ships; and closing the net loop, which entails redirecting scrap steel from shipping into other industries where there may be greater need, while also using scrap steel from other industries for building new ships. Both these methods have their advantages, but implementation remains challenging.

EU Taxonomy

The EU Taxonomy is a classification system that establishes a list of 'environmentally sustainable' economic activities. The purpose of the EU Taxonomy is to scale up environmentally sustainable investments and help in reaching the EU's climate and environmental targets for 2030 and the objectives of the European Green Deal.

Environmentally sustainable economic activities are described as those which make a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum safeguards.

Wilhelmsen Group's EU Taxonomy report for the annual reporting period of 2023 has been prepared in accordance with the Taxonomy Regulation EU (2020/852) and the supplementing delegated acts; Climate Delegated Act (2021/2800) and the Disclosure Delegated Act (2021/4987).

In 2023, Spark, our data-monitoring and performance management platform, has been classified as taxonomy-eligible. The rest of our core business (revenue generating activities) are not taxonomy-eligible because, even though they are within maritime services, shipping, logistics, and related infrastructure, they are:

- not yet defined in the scope of the EU Taxonomy, and/or
- within the value chain of the current list of eligible economic activities, and/or
- related to management and administration

In 2023, we did not have any taxonomy-aligned turnover, CapEx and OpEx for climate change mitigation or climate change adaptation – even though Spark is taxonomy-eligible, it does not meet the Substantial Contribution and Do No Significant Harm criteria.

In the same vein, the Wilhelmsen Group will not report any taxonomy-aligned turnover, CapEx, or OpEx in 2023. Please refer to Appendix 3 at page 60 of the Wilhelmsen Group ESG Report for the Group's complete EU Taxonomy Report.



3. GOVERNANCE

a. ESG Governance

b. Compliance

- Whistleblowing
- Facilitation Payments
- Recruitment Fees
- Awareness Training
- Reporting and Control
- New Business and M&A Activities

c. Information and Cyber Security

- Cyber Security
- GDPR Compliance



16. Peace, justice, and strong institutions -

Substantially reduce corruption and bribery (Target 16.5).
Develop effective, accountable, and transparent institutions at all levels (Target 16.6)

Governance Information

Our ambition is to be a responsible, trusted, and compliant value chain partner. A robust governance and management system ensures that we have sound governance in place.

For this report, governance is related to how we aspire to reach our ESG ambitions, including how we set these ambitions and follow up on them, whistle-blowing routines and anti-corruption.

Key opportunities

- Customer and market confidence in ethical business culture
- Healthy partnerships with serious actors
- Higher employee engagement as a responsible employer

Key risks

- Non-compliance events with human rights, security, reputational and/or financial consequences
- Operational or supply chain disruption
- Business dealings in high governance risk countries

2023 target	2023 result	2024 target
<p>100% completion rate for mandatory business conduct training.</p> <ul style="list-style-type: none"> • Conduct CSRD/ESRS gap analysis. • Implement robust ESG management system including ESG reporting tool. 	<p>100% completion of business conduct training.</p> <ul style="list-style-type: none"> • CSRD/ESRS gap analysis complete. • ESG management system developed and in continuous improvement. • ESG reporting tool procured. 	<p>100% completion rate for Code of Conduct training.</p> <ul style="list-style-type: none"> • Implement gap closure plan and complete compliant disclosure for 2024. • Implement Internal Controls for Sustainability Reporting (ICSR) policy. • Implement CSRD/ESRS module in ESG reporting tool. • Continuous improvement of ESG management system.
<p>New</p>		<ul style="list-style-type: none"> • Implement and measure the Cyber Security Standard based on ISO27001 and ensure continuous risk management in companies. • 100% completion rate for cyber security training.

ESG Governance

Several sustainability and disclosure requirements in the EU and Norway will be entering into force in the next years including the Corporate Sustainability Reporting Directive (CSRD) in 2024 and the Corporate Sustainability Due Diligence Directive (CSDD) which is still to be determined.

In 2023, we participated in the Wilhelmsen Group's internal process to prepare for EU Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS) regulation. Key activities included a gap analysis, organisation and processes review, reporting systems evaluation, double materiality assessment, and an EU Taxonomy assessment. In 2024, we will continue to develop a robust ESG management system, internal controls, reporting practices and tools to manage these requirements.

To continue to build competence, drive initiatives, and prepare for new regulations, a Group-wide three-day ESG network forum was held for the ESG network. A webinar about ESG related regulations and board duties was also held for employees that have internal and/or external board responsibilities. In 2023, the Wilhelmsen Group ESG team conducted

internal ESG audits in five locations and two ESG due diligence assessments related to investments. Wilhelmsen Ship Management was audited as part of the internal ESG audits. An ESG due diligence assessment enables decision makers to make an informed decision about the proposed project, investment, or business relationship. The due diligence process is used to assess gaps against the ESG aspects of the Wilhelmsen Group's Owner's statement requirements and to better understand what may constitute severe and/or systematic ESG risks for Wilhelmsen investments.

In 2023, the Wilhelmsen Group revised its owner's statement which sets expectations for consolidated companies and towards investments. Group standards for Environment, Financial governance, People and workplace, and IT and Cyber security as well as an update Code of Conduct were rolled out to consolidated companies.

To increase transparency for stakeholders and enhance our brand reputation, the consolidated Group-wide internal ESG Index results have been included in the quarterly market reports published since the first quarter of 2023.



Compliance

The industry we operate in is exposed to several risks. To mitigate risks and prevent and mitigate unethical business practise, we have a governance system in place including policies, audits, risk assessments, and reporting. We also have an external and internal whistleblowing channel and performs continuous awareness training to ensure employees understand expectations.

We also find it valuable to participate in networks with other companies in the industry and other business partners, as we believe in collaborating to move the industry and the world in the right direction and contribute to develop regulatory requirements. For example, we are part of Maritime Anti-Corruption Network (MACN), a global business network working towards the vision of a maritime industry free of corruption that enables fair trade to the benefit of society at large.

We have a zero-tolerance policy for corruption and works tirelessly to achieve a culture of fully compliant employees.

The number of whistleblowing cases suggest that working towards the goal of a fully compliant work- force never stops. Unfortunately, we still have cases every year of employees operating in non-compliant ways. By continuing work towards zero corruption, a sound and compliant culture, and having the systems in place to report and act on non- compliance, we are confident that we can achieve the right results the right way.

Whistleblowing metrics	2023	2022	2021
Number of whistles	20	-	-
Number of whistles open at year-end*	3	-	-
Number of whistles related to alleged corruption	2	-	-
Number of whistles related to alleged discrimination and harassment	6	-	-
Number of whistles related to alleged human rights** breaches	8	-	-
Number of dismissals related to confirmed breaches of the company's Code of Conduct and Business Standards	1	-	-

* The three whistles open at end of year are not perceived as business critical
 ** Recorded from 1 July 2022 when the Norwegian Transparency Act was introduced.

Whistleblowing

The whistleblowing channel provides all employees and external stakeholders with a secure channel to report violations of laws, governing elements, and internal policies. The whistleblowing channel enables all employees of Wilhelmsen, business partners, and stakeholders to report serious concerns or offenses in a confidential manner. The whistleblowing channel can be found on wilhelmsen.com.

In 2023, we received 20 whistles related to allegations of fraud/corruption, data protection, health and safety, bullying and harassment, and other human rights related issues. In 17 of the whistles, the reported issues have been concluded with appropriate action taken where applicable. At the end of the year, 3 of the whistles received in 2023 were pending a conclusion. There were no confirmed incidents of corruption (there were 2 alleged cases pending outcome of internal investigations), and 6 whistles alleging of discrimination and harassment.

Compliance

For Wilhelmsen Ship Management, there were eight whistles received in 2023 categorised as human rights concerns of alleged discrimination, working conditions, harassment and safety. The allegations in two of the whistles were confirmed through internal investigations with appropriate mitigating actions taken. For the remaining six whistles the allegations were not confirmed, or not possible to follow up due to lack of information, no wrongdoing confirmed or whistleblower not wanting to pursue the allegations further.

A new EU whistleblowing requirement was introduced on 17th December 2023. All legal companies within the EU with more than 50 workers will have to facilitate the possibility of local whistleblowing. A system has been introduced across the Wilhelmsen Group to ensure compliance with the EU requirement and all employees in the relevant legal companies have been informed. In late December, the Wilhelmsen Group introduced the possibility of filing whistle reports in multiple languages through its webbased whistleblowing system. This in accordance with best practice and what other companies with a global footprint have established.



Compliance

OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION

Facilitation payments

Facilitation payments remain a challenge in the industry, primarily in interactions with authorities in ports.

We adopt a zero-tolerance policy towards corruption. The Wilhelmsen Group will continue to work towards eliminating any form of facilitation payments in its scope of operations, including:

- review of the compliance framework, specifically for port operations, to ensure the framework continues to be fit for purpose,
- refine the internal control framework to continue understanding and create awareness of business ethics risks,
- adopt a risk management approach towards high-risk operations to ensure resources are effectively allocated,
- continue supplier forums globally inducing both sub-agents and high-risk suppliers to the mandatory attendance list, and
- continue participation in the Maritime Anti-corruption Network (MACN).

Recruitment fees

We uphold the principle that no seafarer should be required to pay for a job. Our commitment to valuing seafarers and respecting their human rights is reflected in our adherence to the International Labour Organization (ILO) Maritime Labour Convention (MLC 2006) requirements.

As representatives of ship owners, we collaborate with internal and external manning agents for crew recruitment. Throughout the recruitment process, we strictly prohibit any form of payment or gift from seafarers as recruitment or placement fees or for any related costs. In addition, our manning agents are guided by our code of conduct and are expected to comply with all applicable national and international laws and regulations pertaining to recruitment practices.

In 2022, we launched a campaign to reinforce the message of "No recruitment fee" across all our in-house manning offices. This campaign entailed displaying large posters in prominent locations at our manning offices, as well as on our websites and in our job advertisements online.

Our whistleblowing channel is open to seafarers to address non-compliance issues in the recruitment process. Seafarers undergoing recruitment procedures with our appointed manning agents can file complaints or report any circumstances suggesting violations through this channel.



Compliance

Awareness Training

We expect all employees to live up to the high ethical standards laid down in our governing elements and Code of Conduct. Business conduct work is ongoing and constant, and various stakeholders depend on the company being a transparent and compliant partner.

In 2023, a new Group-wide Code of Conduct training was developed in addition to the mandatory business conduct training all new employees participate in as part of the onboarding process. The 2023 Code of Conduct training addresses anti-corruption, theft and fraud, GDPR and data protection, competition law, bullying and harassment and whistleblowing.

An impressive 100% of employees including seafarers and board members completed business conduct training. Reaching a 100% compliance rate even for mandatory training requires hard work. In addition to having built a strong culture with focus on high ethical practice over many years, the company has reason to believe that success is a result of active management attention, dashboards monitoring progress, screen savers reminding employees of the tasks ahead, and a wide range of communication activities through several channels. In addition, the Wilhelmsen Group used the international anti-corruption day on 9th December to create awareness related to fraud and corruption.

In 2024, a Group-wide Code of Conduct training will be launched for all employees worldwide, with the target of 100% completion.

Training completion by shore employees	2023	2022	2021
Mandatory Code of Conduct training - % completion rate	100%	100%	100%

Mandatory Code of Conduct training from 2023 includes competition law training.

Reporting and Control

Compliance audits on location were conducted by the Wilhelmsen Group in three major hubs as part of scheduled ESG audits. In addition, the follow up of potential irregularities was mainly conducted through desktop audits and by providing guidance and instructions to local and regional resources.

In previous years, a limited number of fraud cases have been detected. As a principle, such cases are reported to the police. In 2023, the Wilhelmsen Group did not detect any cases that have been reported to the police. In February 2022, the Wilhelmsen Group faced an external fraud related to a significant amount. The case was reported to the police in relevant jurisdictions. The police investigation is still on-going.

As part of the Wilhelmsen Group, we make risk assessments and initiate mitigating actions where applicable. The Group board receives a quarterly update on potential compliance issues and awareness training and have an annual meeting dedicated to discussing compliance, regulatory requirements etc.

New Business and M&A Activities

As part of opening business in new countries and/or investing in new companies and/or merging or acquiring new businesses, the Wilhelmsen Group conducts country assessments and integrity due diligence as part of the assessment. In 2023, we saw an increase in M&A activities, such as the joint acquisition of Zeaborn Ship Management by Wilhelmsen Group and MPC Capital. These M&A activities have resulted in an extended number of integrity due diligence assessments being conducted.



Information and Cybersecurity

Our objective is to minimise both cyber security and data protection risks, while encouraging employees to actively participate in a culture of risk prevention.

Cyber Security

The cyber threat picture is constantly changing, and in 2023 we saw a significant increase in threats. To address this, a group-wide cyber risk framework for identifying, mapping out and mitigating found security risks was launched. The launch of a group-wide IT and Cyber Security standard was an important step to deliver a holistic security framework across all companies. The main objectives are to decrease the risk of a cyber-attack and to be compliant with key regulatory requirements and expectations from customers.

Statistics globally have shown that the majority of known ransomware incidents have been related to non-corporate devices. Due to this, we see a need to strengthen the setup when it comes to device and identity security, that historically has had a good portion of bring-your-own devices. A key objective is making sure that users are more resilient against the latest cyber threats, like for example advanced phishing attacks. This work has started to address and raise security levels.

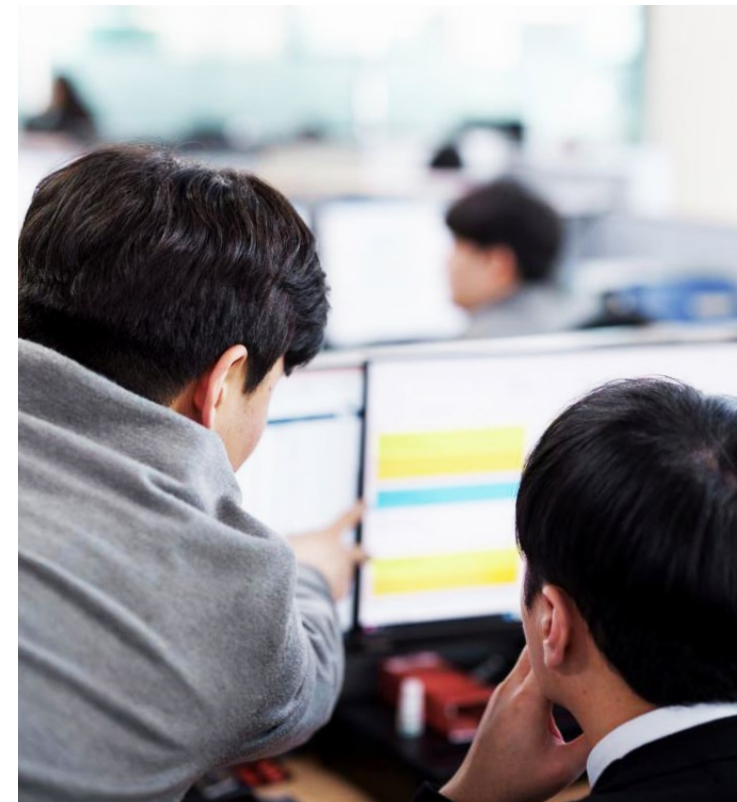
Training completion by shore employees	2023	2022	2021
Mandatory cyber security training - % completion rate	100%	100%	100%

On the employee side, we have continued the training and awareness and seen a positive down-trend in 2023, especially on the click-rates for the simulated phishing tests. The Wilhelmsen Group launched a cyber policy for employees at the end of the year, with clear requirements and expectations to our employees, with a mandatory sign-off and global completion rate of 100%.

In 2024, we will participate in Group-wide implementation of the Cyber Security Standard based on ISO27001 and ensure continuous risk management in our operations.

GDPR

GDPR practices are managed through an internal network of personal data protection administrators. In 2023, we continued with internal quarterly reviews of GDPR compliance. Results show that there is a continuous focus on personal data protection and GDPR compliance. The Wilhelmsen Group's data protection officer processed 36 enquiries and incidents during the year.



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