



# Sustainability Overview 2022



**MAERSK**  
SUPPLY SERVICE





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# Gaining momentum in our green transition



## A foreword from our CEO

2022 was an extraordinary year for us at Maersk Supply Service. It saw the key drivers for our green transition truly start to come to life, from breakthroughs in offshore renewables to some major turning points for our green innovation projects, and important progress in our solutions contracts.

We began the year with possibly the most significant step forward for us as a business, in securing the Equinor wind turbine installation contract that enabled us to order our pioneering Wind Installation Vessel newbuild, the construction of which is now underway in Singapore. This will be our first vessel dedicated purely to offshore wind and lays out a bold new direction for our company.

We have also made good progress in the fast-emerging floating wind space through our partnerships and contracts. Besides being contracted for the transport and installation of three floating wind turbines in France, we successfully completed the offshore mooring installation for the DemoSATH project in Spain, ready for what will be the first floating turbine connected to the Spanish grid. We also entered a strategic partnership with Stiesdal Offshore, developer of the innovative Tetra concept, the world's first fully industrialised floating technology.

On the solutions side of our business, we successfully completed the offshore execution of the Mero2 project. This was a true milestone for our integrated solutions offering, since it not only demonstrates our operational excellence in the towing and mooring space, but our full capabilities in the broader realm of project management, engineering and design. This strategically supports our green transition by furnishing us with the technical and operational expertise needed to facilitate the industry move to offshore renewables, safely and efficiently.

2022 has also been a year during which we have reflected deeply on our values as a company. Maersk's five Core Values have been in the organisation's DNA for many years, and certainly us since Maersk Supply Service's founding in 1967. The values are an integral part of our heritage, acting as a guiding star in our fundamental purpose to have a positive impact on society. And while the values themselves are a constant, the world around us is changing. It has therefore been important to us to reflect on and articulate what this means today - for our employees, our communities, our wider society, and our planet.

I hope you enjoy the read.

A handwritten signature in dark ink, appearing to read 'Steen S. Karstensen'.

**Steen S. Karstensen**  
CEO of Maersk Supply Service



# Our ESG strategy is built on the Maersk Core Values

Maersk has always been a purpose-led company. Its well-known Core Values of **Constant Care**, **Uprightness**, **Humbleness**, **Our Employees**, and **Our Name**, have long acted as foundational cornerstones providing a moral code for how we work together, and behavioural standards for us as individuals and as a company.

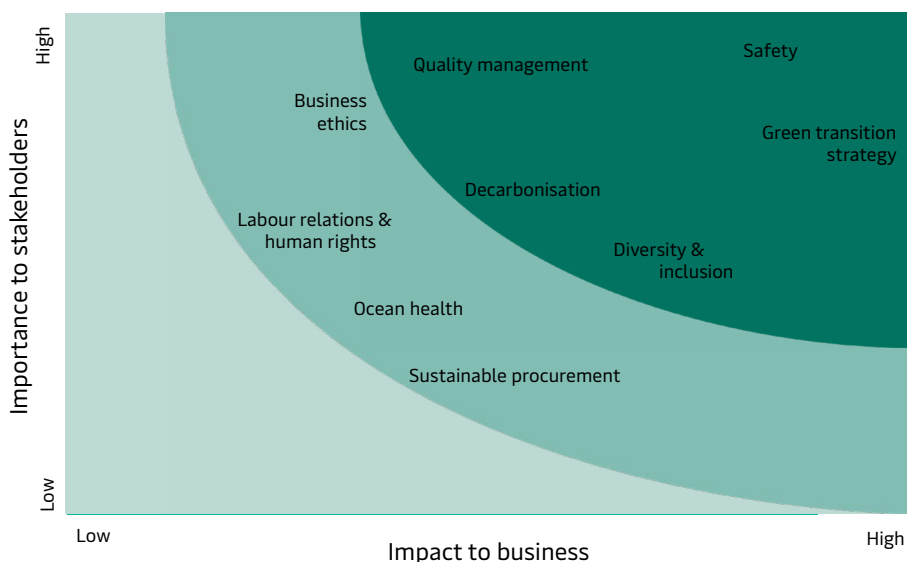
Today, these values help to frame our Environmental, Social and Governance (ESG) strategy, mapping seamlessly onto a framework that ensures we conduct our business in the most sustainable, ethical and conscientious way possible. For example, **Our Employees** form one of our Core Values, and we can also see this reflected in the 'Social' elements of our framework, through our uncompromising focus on safety, our ongoing efforts to create diverse and inclusive work environments, and our commitment to labour relations and human rights.

We use our ESG framework to focus on our environmental footprint and wider social impact, identifying key areas for action and accountability, assessing them, and setting targets and tracking progress.

As a vessel owner and operator, we are particularly aware of our responsibility to preserve and protect ocean health. The oceans have a vital role to play in the green energy transition, the blue economy, and the livelihoods of millions. That is why we have set ambitious decarbonisation targets to halve our carbon intensity (CII) by 2030, and to achieve net zero operations by 2040.

Ultimately, these targets align with our commitment to **Constant Care**, taking care of today while actively preparing for tomorrow.

## Maersk Supply Service's ESG materiality matrix



In 2022, Maersk Supply Service conducted a formal materiality assessment, entering into direct dialogue with our internal and external stakeholders to identify the specific ESG risks and opportunities that are important most to them.

Based on this research, we determined how sustainability issues are material to Maersk Supply Service by applying criteria for risk, responsibilities (values) and strategic opportunity assessment.

This graph outlines the most important material issues, with Safety and our Green Transition ranking the highest among all our stakeholders, internal and external.



 **Constant care**

Take care of today,  
actively prepare  
for tomorrow

 **Humbleness**

Listen, learn and share  
to create value  
for others.

 **Uprightness**

Our word  
is our bond

 **Our employees**

The right  
environment  
for our people.

 **Our name**

Everything we  
stand for.



## Breaking down our ESG strategy

 **Environment**

 **Social**

 **Governance**

Reducing our carbon footprint  
and impact on the ocean

Creating a safe and inspiring  
workplace for all our employees

Operating based on  
responsible business practices

We aim to deliver on our commitment to our customers by optimising our fleet for energy efficiency, continue our partnership with The Ocean Cleanup, and provide our customers with options to reduce emissions through our green offerings.

We have robust practices in place to ensure our employees get home safely from every operation. We also support and guide our leaders and employees in creating a psychologically safe environment that encourages diversity of thought.

We support our customers with systems and processes in place that demonstrate our performance and assures the excellence that should be expected when working with Maersk Supply Service.

2030 Reducing our CII by 50%  
from 2018 baseline  
2040 Net zero GHG emissions

2023 More women globally in  
senior management roles  
2025 Increase global female  
cadet intake to 35%

2023 100% employees trained  
in Anticorruption roles

Decarbonisation  
Ocean health  
Renewable energy

Diversity & inclusion  
Labour relations & human rights  
Safety & security

Sustainable procurement  
Quality management  
Business ethics & anti-corruption

Commitment

Strategic  
targets

Overall  
categories

# At a glance: Maersk Supply Service in 2022

## Our business



1,315 offshore colleagues  
325 onshore colleagues



36 vessels



390M revenue

## Our industries



Oil and Gas  
• OSV Chartering &  
• Offshore projects



Offshore wind  
• Bottom-fixed  
• Floating



Ocean cleaning



## Plastic removal from sea

194

tonnes of plastic collected from Pacific Ocean,  
through support for The Ocean Cleanup



## Diversity & inclusion

1st

female captain appointed at  
Maersk Supply Service



## Carbon Intensity Indicator (CII)

17.7%

CO<sub>2</sub> intensity reduction, from  
2018 baseline



## Safety

0.50

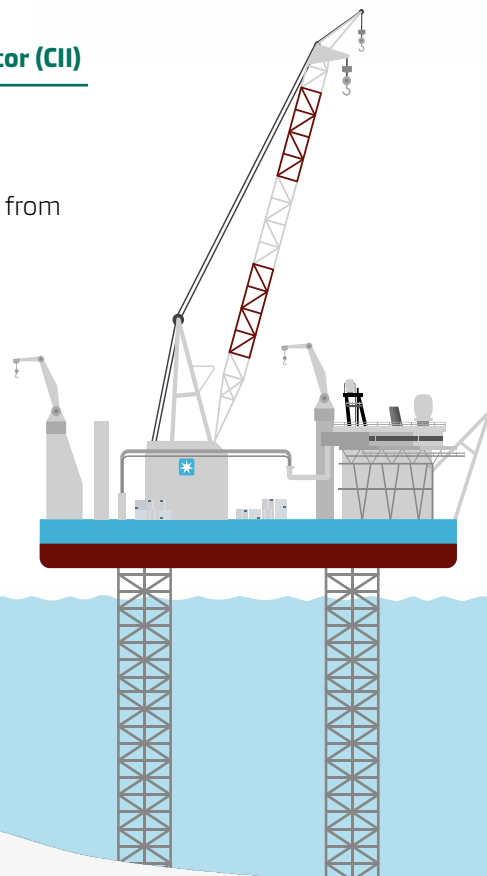
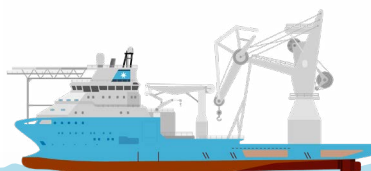
lost-time incidents  
frequency in 2022



## Spills

0.01

m<sup>3</sup> spills to water





## Global presence

10

offices worldwide



## Green transition

1st

Wind Installation Vessel commission,  
being built in Singapore for  
firm U.S. contract with Equinor



## GHG emissions

268,436

tonnes greenhouse gases emitted from our  
vessels in 2022.



## Governance and quality

3

ISO Management System Standards  
accredited



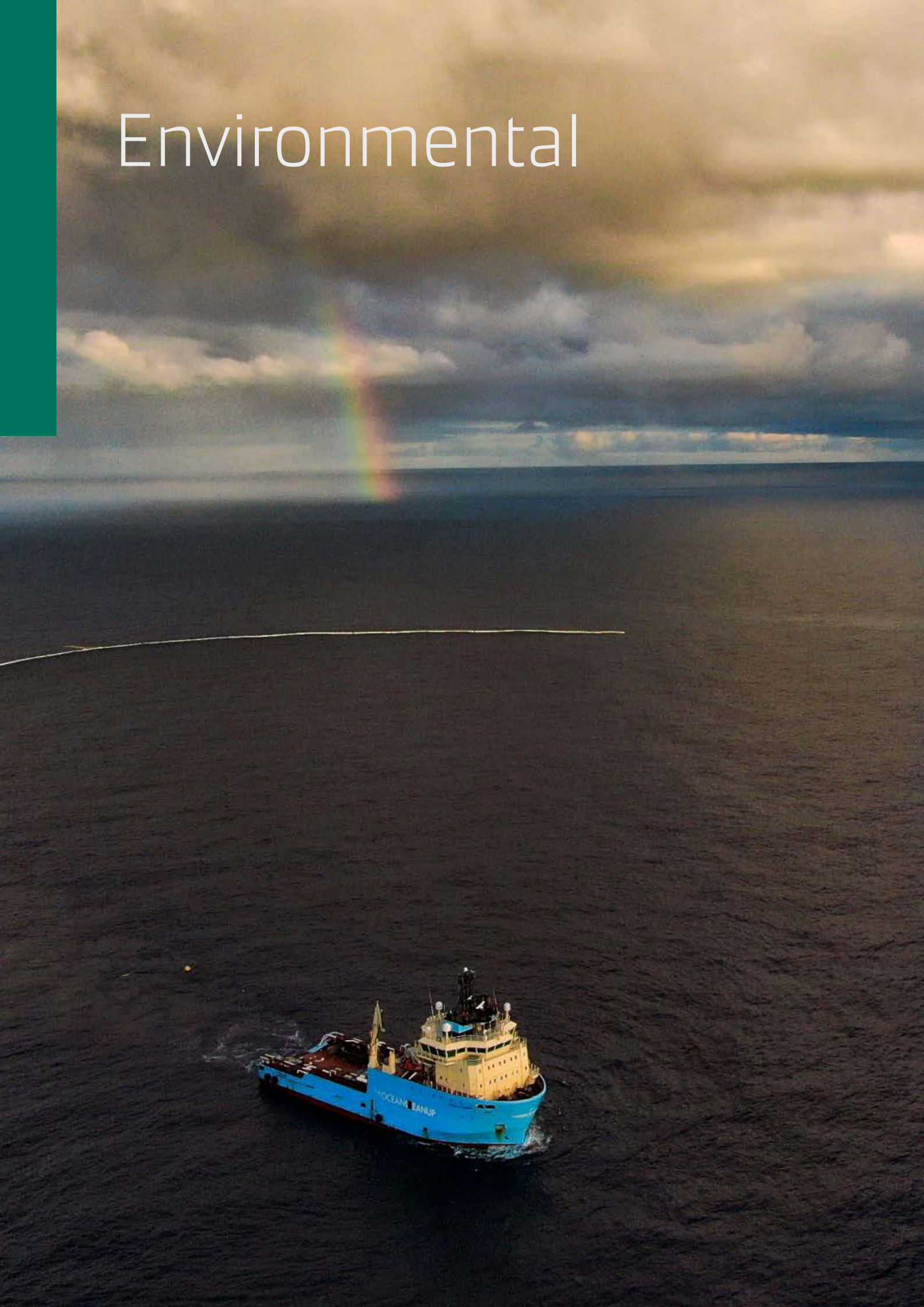
## Diversity & inclusion

31%

onshore female leaders



# Environmental





# Improving our emissions reporting

Our operations, our vessels, our offices, and the value chain that supports our business all have an impact on the environment. We are therefore committed to providing transparency related to our greenhouse gas emissions across all scopes.

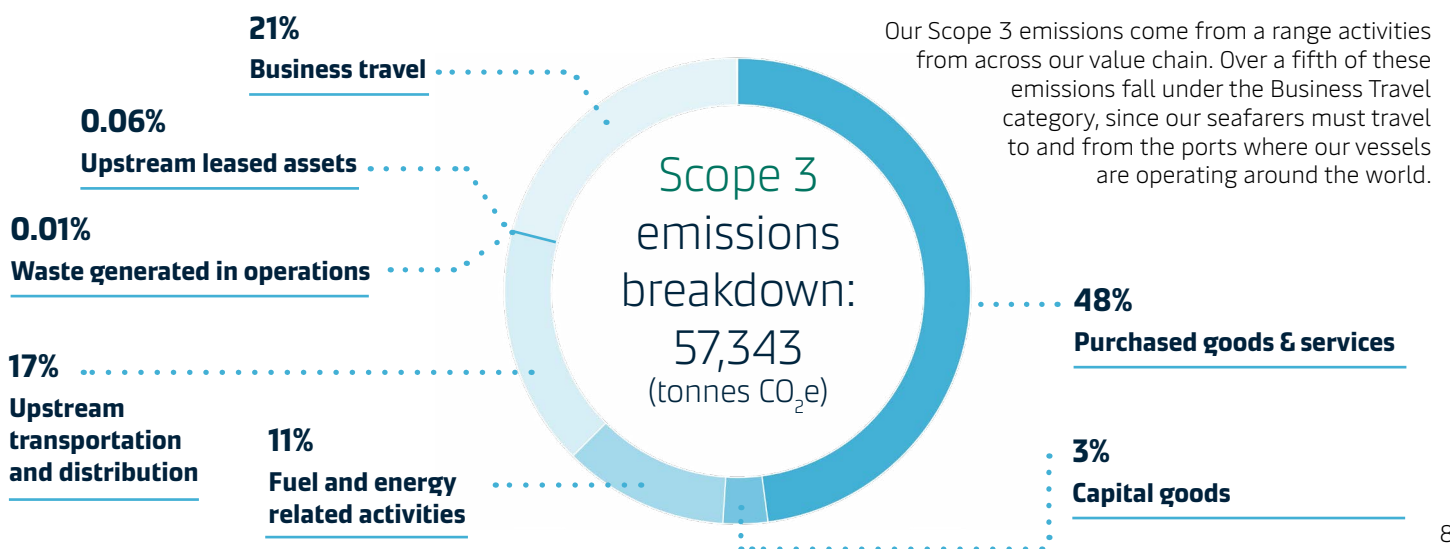
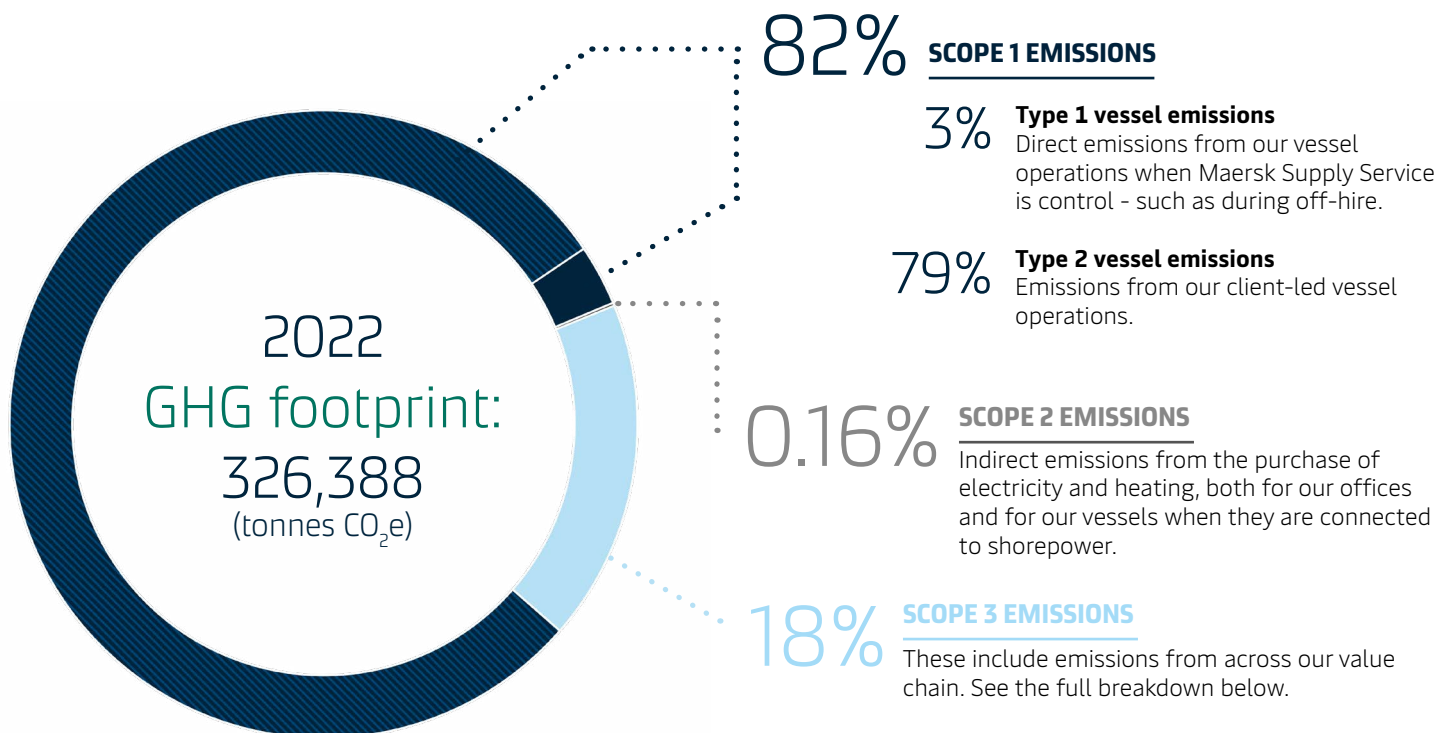
As a vessel owner and operator, 82% of our Greenhouse Gas (GHG) emissions come from fuel consumed onboard our vessels. These emissions can be broken down into two areas:

Our **Type 1 vessel emissions** refer to any vessel emissions over which we have full control; we manage our operations and have direct say on how we operate the vessel.

**Type 2 vessel emissions** are those vessel emissions deriving from contracted operations for which we act as advisors to our customers on the most energy efficient approach to vessel operations. However, our customers have the final say since they have chartered the vessel.

Both of these emission types are direct emissions from vessels. However, since emissions reporting is still relatively new and has yet to be standardised across the industry, it remains unclear whether the on-hire emissions can be categorised as scope 3 under category 13 ("Emissions from downstream leased assets"), or whether they should be categorised as our direct scope 1 emissions.

For 2022, Maersk Supply Service has taken the decision to categorise all vessel emissions under Scope 1, while still clearly indicating where they come from, i.e. which result from our own direct emissions from off-hire operations, and which come from client-led operations.



# Decarbonisation through collaboration



## Leading the OSV industry towards a net-zero future

**Mark Handin,**  
Chief Operating Officer

We all have a role to play when it comes to climate action. As a leading vessel owner and operator, we believe we can have a meaningful impact on protecting our planet by reducing our carbon emissions – but it is also clear that we need to coordinate and combine our efforts across the industry to succeed.

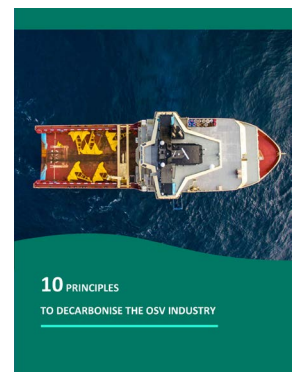
For this reason, Maersk Supply Service is taking an 'All Steps Matter' approach to reducing our emissions, proactively pursuing initiatives internally to decarbonise our fleet and operations, while also engaging collaboratively with our clients and stakeholders. We believe that even incremental measures are can add value to the overall effort.

Internally, our decarbonisation initiatives have seen some encouraging progress over the last year. A particular highlight was the installation of a battery system onboard the AHTS Maersk Minder, possibly making her the first hybrid-powered anchor handler in the world. We continue to explore multiple routes to decarbonisation, from technology and innovation,

to optimising behaviours and habits, and improving our energy performance through tighter data management.

We have also been proud to participate in the Forum for Decarbonising the OSV Industry, engaging directly with major players in the offshore energy sector such as Chevron, Shell, TotalEnergies, Equinor, and ABS. The Forum aims to foster dialogue among vessel owners and charterers, enabling us to leverage a collective and focussed effort to reduce OSV carbon emissions. In 2022, the Forum published its first whitepaper, containing ten agreed-upon principles for concrete actions that can be taken across the industry.

Read the whitepaper:  
[www.maersksupplyservice.com/10-principles](http://www.maersksupplyservice.com/10-principles)



## ECO Offshore: supporting our customers with the option of biofuel

**Patricia Ayoub,**  
Sustainability Partner



Last year, we were proud to launch ECO Offshore: a green operation option for our customers, based on sustainable biofuels.

The idea is to support our customers' decarbonisation journeys by enabling them to reduce or remove the carbon emissions from their upstream operations. We do this by purchasing sustainable biofuel for use in our global fleet and 'banking' the resulting CO<sub>2</sub> emissions savings. These savings are what we pass on to our customers when they choose ECO Offshore as an option. Our process will then be assured by third-party auditor to make sure it is credible.

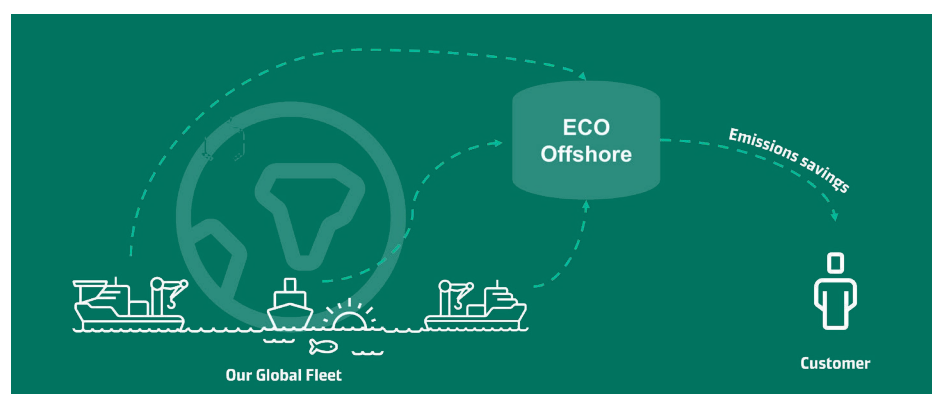
We only use ISCC-approved second-generation biofuel, an advanced Hydrotreated Vegetable Oil (HVO) that does not harm or deplete food sources while reducing carbon emissions.

Of course, with the safety culture we have at Maersk, we tested this rigorously before releasing this to the market. In 2021, we successfully trialled aboard the anchor handler Maersk Tender, in partnership with The Ocean Cleanup, when we blended biofuel into the

marine gasoil. This led to a carbon emissions saving of 38.95 metric tonnes over two six-week charters. Crucially, the trial confirmed that the biofuel does not compromise on safety or performance, and does not require vessel modifications or additional crew training.

We now offer our customers the opportunity to decarbonise their offshore operations and value chain as part of every tender.

Find out more about ECO Offshore:  
[www.maersksupplyservice.com/eco-offshore](http://www.maersksupplyservice.com/eco-offshore)





# Decarbonisation



## Why it matters

Aligning with our core value of Constant Care, we work to take care of today by actively reducing greenhouse gas emissions to prepare for a better tomorrow. Since our offshore operations have a direct impact on our environment, we believe we have a responsibility to manage and minimise our carbon emissions. As the expectations and the ambition level of society and regulators continue to rise, our customers are also impacted and have higher requirements for their operations as a result. Our actions are therefore not only value-based but a strategic imperative and a licence to operate within our industry.



## Ambition

We are committed to reducing our emissions, both by optimising our vessel operations and through technical upgrades. We will also support our customers and stakeholders on decarbonisation issues by providing our knowledge and maritime expertise, ensuring a constant focus on emissions reduction. We believe we can make the greatest climate impact through a collaborative approach to the way we operate our vessels.

Our initiatives focus on the following key areas:

- **Vessel upgrades** to support energy efficient operations
- **Diving deeper into new technologies** that support our decarbonisation journey
- **Data-transparency** and visualisation to support decision makers (both on- & offshore), as well as tracking and analysing vessel performance



## Targets

- 50% reduction of our CO<sub>2</sub> intensity (CII) by 2030 against our 2018 baseline
- Net zero CO<sub>2</sub> emissions from operations by 2040



## Progress

**Battery system** installed on Maersk Minder.

**ECO-Offshore** introduced as a biofuel option for our customers, to reduce operational emissions.

**Variable frequency drives** installed on various equipment to reduce energy consumption.

**Automated energy performance monitoring tools** implemented, enabling crew to optimise for more energy-efficient voyages.

**Behavioural campaigns** and dialogue with seafarers through webinars and seminars, to educate, inform and share best practice to reduce emissions.

**Member of Forum for Decarbonising the OSV Industry**, with published whitepaper containing 10 agreed-upon principles to decarbonise the sector.

	2022	2021	2020
Absolute GHG emissions from vessels	268,436	270,425	275,100
Carbon Intensity Indicator	75.95	76.5	78.5

# Using our capabilities to address plastic waste

“The oceans are at the heart of our operations and are the workplace for our seafarers, who see plastic pollution first-hand every day. At Maersk Supply Service, we believe we have a responsibility to take care of the oceans, for example by minimising plastic waste.”



**Charlotte Holst, Head of Communications and Sustainability**

## An environmental & social responsibility – and good business sense

According to the UN, every minute, the equivalent of a truckload of plastic is dumped into the oceans. It is estimated that there could now be up to 199 million tonnes of plastic currently floating in the seas.

The impact is far reaching, across ecosystems, habitats and species – and since the ocean is the largest ecosystem on the planet, this can directly affect millions of people's livelihoods, food production capabilities and health.

At Maersk Supply Service, we therefore see that we have both a responsibility and a vested interest in using our maritime capabilities and assets to address this environmental issue. The oceans have a key role to play in our society's green transition, offering solutions that can responsibly meet our demand for energy and resources. So protecting and improving ocean health both makes good business sense by supporting the blue economy, and supports our wider society in line with our core company values.

## A global environmental issue

Since 2018, Maersk Supply Service has been supporting The Ocean Cleanup, a Dutch non-profit organisation developing plastic-harvesting technologies to rid the oceans and rivers of plastic. We are proud to be using our capabilities to facilitate this important project, by providing both the vessels to tow the ocean system, but also skilled,

experienced and safety-oriented people who can project manage and optimise the maritime operation itself.

In autumn 2021, The Ocean Clean's plastic-sweeping System 002 achieved proof of technology, with the Now ready for scale-up in 2023, this past year has seen the teams continue the ocean-cleaning mission, with 194 tonnes plastic removed from the Great Pacific Garbage Patch to-date and fast, tangible progress in the execution and methodology.

## Our internal focus

Since it can take centuries for plastic to break down, our focus is both on prevention and cure. On an internal level, Maersk Supply Service launched its Plastic Policy in 2020, laying out our commitments to:

- Use our marine expertise to help find solutions to reduce ocean plastic
- Avoid unnecessary plastic in our operations
- Engage with our suppliers, partners and customers to find solutions to minimise plastic use

Since then, our plastic-reducing initiatives have seen us engaging with suppliers to install an additional 33 water filtration systems across our fleet, which has led to an estimated annual fleet-wide 75% reduction in bottled water consumption.





# Ocean health



## Why it matters

As the Earth's largest ecosystem and main support system, the ocean helps regulate our climate by redistributing CO<sub>2</sub> and heat. It is a source for food, water, renewable energy and other vital resources. The ocean is home to multiple organisms that are responsible for generating almost 70% of the oxygen on the planet. The health of the ocean is rapidly deteriorating due to increasing temperatures, acidification, depletion of natural resources and pollution from land and sea, including large quantities of plastic waste.



## Ambition

We are committed to proactively protecting and restoring ocean health and marine biodiversity, and are primarily focussed on reducing the impacts of plastic waste, vessel noise, and oil spills. We approach this from a number of angles: by actively participating in partnerships, such as with The Ocean Cleanup; by engaging with clients, stakeholders and suppliers, for example on limiting the plastics in our supply chain or reducing our transit speeds where possible; and through internal campaigns to raise awareness and change behaviours.



## Targets

- Continue supporting The Ocean Cleanup with our marine competencies to optimise solutions that can remove plastic from the oceans
- Reduce our vessel transit speed to below 10 knots to decrease underwater noise and vibrations, which may have an impact to marine life
- Test new methods for monitoring marine growth on vessel hulls
- Limit use of hazardous chemicals with high environmental footprint
- Six vessels to be retrofitted with ballast water treatment systems, to preserve and protect marine biodiversity
- Work with third party ROV contractors to prevent even the most minor spills
- Strengthen procedures for quick response to contain spills



## Progress

- Partnership with The Ocean Cleanup, providing offshore support for their plastic waste clean up system. As of December 2022, 194 tonnes of plastic have been collected from the Pacific Ocean
- 3 vessels recycled as per A.P. Moller - Maersk's Responsible Ship Recycling Standards (RSRS)
- Rollout of a specialised Chemical Management System that incorporates accessibility to a fleetwide stock library, custom-made risk assessments, as well as a chemical footprint indicator. The implementation will further act as a foundation to target highly toxic chemicals and improved chemical usage
- 15 vessels have had ballast water treatment system installed
- Maersk Supply Service has been ISO 14001 certified since 2003

	2022	2021	2020
Spills to water (m <sup>3</sup> )	0.01	0.001	20.32
Plastic waste (m <sup>3</sup> )	948*	752	727

\*The increase in plastic waste in 2022 is currently under investigation.



# Our future in offshore wind



## Building our pioneering 'world-first' Wind Installation Vessel design

**Lars Blicher,**  
**Director of Offshore Wind**

2022 was truly a breakthrough year for our offshore wind strategy, in which Maersk Supply Service commissioned the build of our pioneering new Wind Installation Vessel (WIV) that will make the installation of offshore wind turbines 30% faster than the conventional jack-up method.

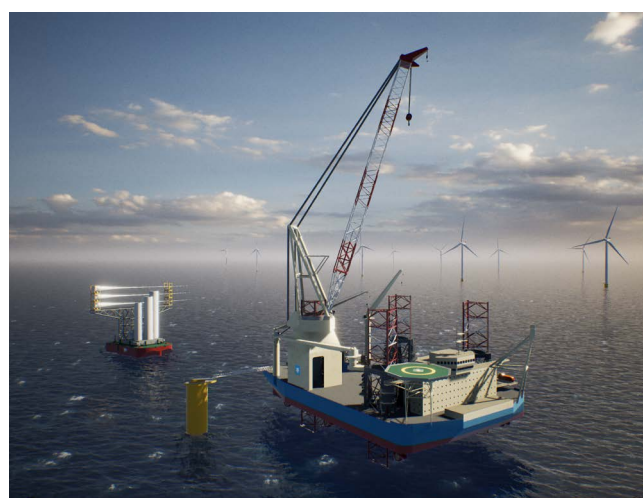
Developing a brand-new concept for offshore turbine installation is no light brief! And the final design and methodology was ultimately the result of many people's hard work, learning, innovation and dedication over several years. But the result is certainly something we are proud of: a first-of-its-kind WIV, whose innovative new methodology will ensure a radically more efficient installation, which will in turn contribute to bringing down the levelised costs of offshore wind and support a faster transition to offshore renewables.

The new methodology will see the WIV stationed permanently at a windfarm to carry out successive installations, while tugs and barges ferry the turbine components out to the installation site. These will be delivered to the WIV using a patented load transfer system that will enable safe transfer of cargo.

The newbuild investment was made possible thanks to a firm contract with Equinor for the installation of U.S. offshore

wind park Empire Wind 1 & 2. Due for completion in 2025, the WIV is set to be the largest in the world to-date. It will also be the first vessel in the Maersk Supply Service fleet dedicated purely to offshore wind installation, so this is truly a milestone for the company, too, in our transition to become a coming a major contractor in offshore wind.

Read [more: www.maersksupplyservice.com/offshore-wind](https://www.maersksupplyservice.com/offshore-wind)



## Contributing our capabilities to make Floating Wind a success

**Gry Rostrup,**  
**Head of Floating Wind**



Our core capabilities are rooted in over 50 years' experience of safely and efficiently delivering towing and mooring scopes in some of the world's harshest waters, so the move into floating wind is a natural progression for Maersk Supply Service. This emergent technology has the potential to play a pivotal role in the urgent transition to renewable energy - and we believe we have vital expertise and experience to support its development and expansion.

Facilitating the roll out of floating wind is important for us on two fronts: firstly, it's embedded in Maersk's Core Values to make a positive difference to society where we can; and secondly, ensuring a green transition is vital to maintaining a sustainable marine economy.



No one can do this alone and as an industry we will need to pull together to make a success of floating wind. The role we can play is by bringing our project management, global network and marine expertise to the table. We adopt a collaborative and partner-oriented approach, so that we can contribute our marine expertise right from the early stages - and avoid complications down the line.

In 2022, we entered into a strategic partnership with Stiesdal Offshore, developer of the innovative Tetra concept, the world's first fully industrialised floating technology. For us as an EPCI contractor, familiarity with the foundation design enables us to build the optimal solution for our clients. From a maritime perspective, we have two significant advantages: 1) owning our own global, versatile fleet, and 2) our ability to incorporate offshore operational insights right from the design phase. Both help to derisk a project and ensure a safe offshore execution.

Finally, our synergies with A.P. Moller - Maersk, combined with our assets and competencies, makes us very agile, with the ability to set up quickly in new countries.

Read [more: www.maersksupplyservice.com/floatingwind](https://www.maersksupplyservice.com/floatingwind)



# Green transition



## Why it matters

The combination of the current energy crisis and the building climate crisis has made the need to transition to sustainable energy sources more stark than ever. A large proportion of this energy is envisioned to come from blue industries, which will require sound marine expertise.



## Ambition

Our ambition is to use our marine capabilities, innovative mindset and partnerships to facilitate the transition to offshore renewables, safely, efficiently and collaboratively. This includes supporting and accelerating the development of the emergent floating wind industry towards technological and commercial viability.

We will continue to use our solutions business across the global offshore energy sector to continue building the technical skills, knowledge, project management track record and market standing needed to enable us, our clients, and the wider industry to unlock the ocean's potential.



## Targets

- Increase our green revenue to 50% from offshore renewables by 2028
- Continue to steadily transform Maersk Supply Service from an oil and gas supplier to a recognised player in the offshore renewables sector



## Progress

In 2022, Maersk Supply Service began reporting on its share of activities that are aligned with the EU Taxonomy for Sustainable Activities: a classification system identifying environmentally sustainable economic activities. Our eligible activities meet both the 'substantial contribution' and the 'do no significant harm' criteria outlined in the EU Taxonomy Regulation, with the results of the 2022 EU Taxonomy Report confirming that Maersk Supply Service can make a substantial contribution towards climate change mitigation through its green activities.

	EU taxonomy criteria	Our economic activities	Revenue	CAPEX	OPEX
6.12	Retrofitting of sea and coastal freight and passenger water transport	Numerous fleet upgrades/retrofits (see page 10 for more details)	N/A	4%	N/A
6.16	Infrastructure enabling low carbon water transport	Launch of StillStrom, our offshore charging technology company	N/A	7%	N/A
7.6	Installation, maintenance and repair of renewable energy technologies	Contracts for offshore wind farms in Europe, US and Asia	2%	62%	6%
<b>Total Maersk Supply Service activities aligned with EU taxonomy</b>			<b>2%</b>	<b>73%</b>	<b>6%</b>

The EU Taxonomy regulation is still maturing and evolving. As such, our reporting against the taxonomy is currently subject to interpretation. We will change and expand our reporting according to the developments in the regulation, which may also impact our taxonomy KPIs in future reports.

Note: our activities related to The Ocean Cleanup are not included.



# Social





# Labour relations & human rights



## Why it matters

We firmly believe that the way we treat our employees will bring competencies and capabilities to our business, which is fundamental to our success as a company.

We respect the human rights of everyone affected by our business. There are many aspects of our business that can impact human rights, such as working conditions and the health and safety of our crew members.



## Ambition

Our key ambition is to provide fair and equal working conditions for all employees, and we strive to create an engaging, inspiring and safe work environment, so each employee feels valued and engaged.

Our actions are driven by our core values, international recognised labour and human rights standards, and the clear expectations of our key stakeholders.

We take constant care to avoid causing adverse impact on people within our company, our value chain or communities we operate in. Further, increasing regulation and growing expectations from our stakeholders confirm that human rights is a significant matter for Maersk Supply Service.



## Targets

We continually ensure compliance with A.P. Moller - Maersk's Commit Rule on Global Employee Relations and Code of Conduct, which is based on internationally recognised labour standards.

In 2023, our target will be to conduct bi-annual company-wide labour rights self-assessment and training of employees in employee labour rights.

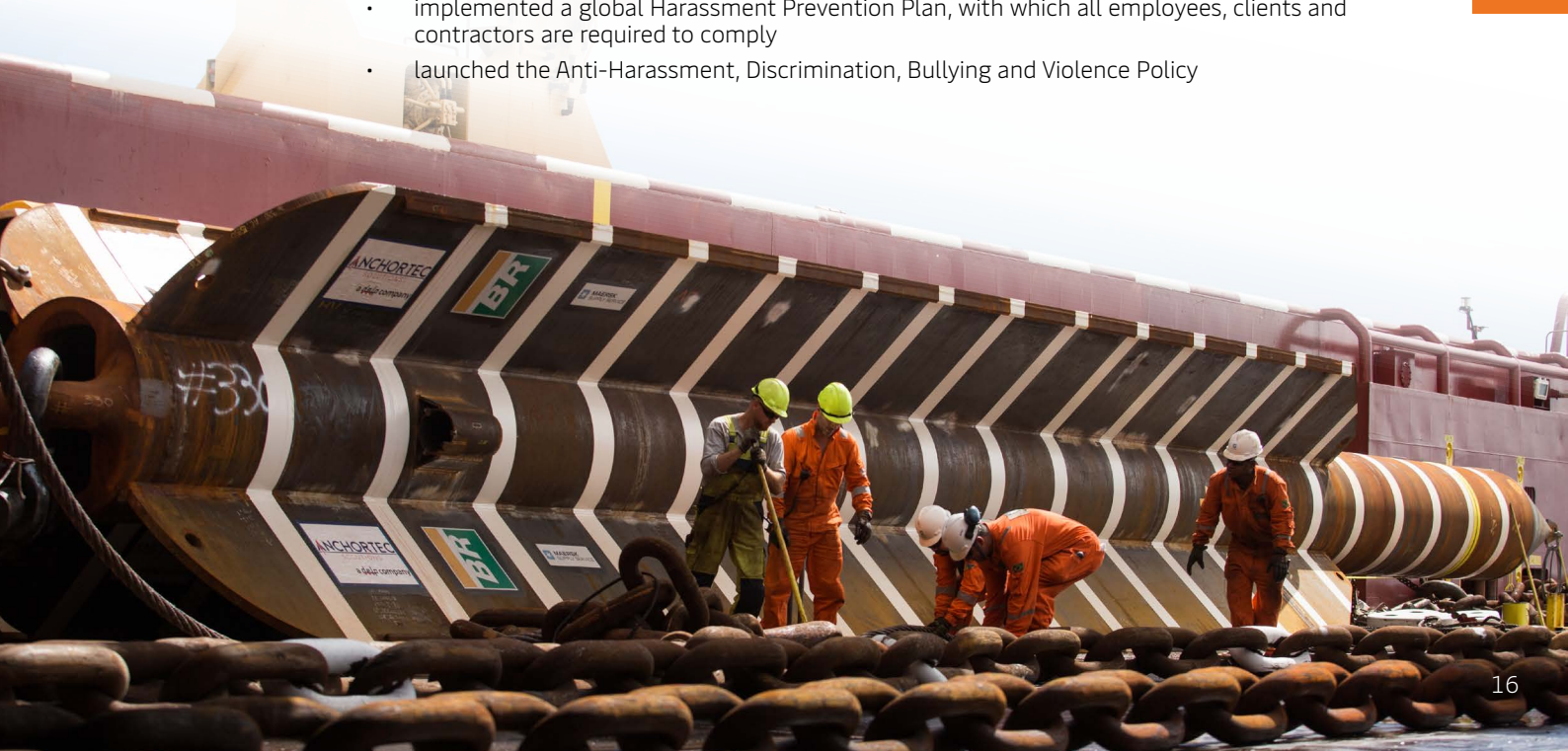


## Progress

Maersk Supply Service is signed up to Maersk's Global Employee Relations Council, the Whistleblower system, and the Ombuds function. We are committed to ensuring that our all our places of work are psychologically safe for all.

In 2022, we:

- held a Global Diversity and Inclusion Drill for all employees, including senior management, on the subject of Psychological Safety
- implemented a global Harassment Prevention Plan, with which all employees, clients and contractors are required to comply
- launched the Anti-Harassment, Discrimination, Bullying and Violence Policy





# Psychological safety is core to creating an inclusive workplace

“ Keeping our employees safe is at the heart of our values - and this extends well beyond the operational sense of the meaning. For our people to be able to fully embrace and contribute all aspects of their identity, we need to ensure a culture in which all feel accepted, empowered, and able to speak up when they need to. ”



**Heather Stone, Diversity and Inclusion Partner**

## Mental health is a safety issue

At Maersk Supply Service, we want all of our employees to feel safe physically, mentally, and emotionally. We know that when people do not feel supported in this way, they are unable to focus or contribute to the best of their capacity. Maersk Supply Service believes in building psychologically safe environments at sea and on shore. For us, this means people can bring their whole selves to their job, speak up with ideas, questions, concerns and not be punished for mistakes.

Just as Diversity and Inclusion requires contributions from every person at Maersk Supply Service, so does psychological safety. Each one of us has a part to play in making our spaces safe, healthy, and protected.

## ...and so is inclusion

Diversity and inclusion are fundamental principles at Maersk Supply Service, however diversity alone does not create business or social benefits. It is diversity with inclusion that drives improved performance, collaboration, and innovation. When we have a psychologically safe workplace that has inclusion at its core, the outcome is a culture that supports and drives excellence through diversity and equity. This is the culture that we envision for

Maersk Supply Service and why diversity and inclusion is on our business agenda.

## Connecting female voices

The Female Sounding Board (FSB) has been relaunched in 2022 after being paused during COVID. The FSB meets quarterly to discuss ideas, concerns, and initiatives that aim to make life at sea better for all. All female seafarers are welcome to participate.

To increase the sense of community for all permanently and 12 month employed female crew across MSS, we have started the Women@Sea network via the MSS News platform. The network is facilitated by the Diversity and Inclusion Specialist with overall oversight by the Female Sounding Board (FSB).

## Pride!

Maersk Supply Service is now a part of the Pride@Maersk Network. The Network is a safe space for members and allies of the LGBTQI+ community working at Maersk. It is a diverse and inclusive community of colleagues who support each other and work towards equity in meaningful ways.

## Allyship

To turn our diversity and inclusion intentions into action we need allies! Anyone and everyone can be an ally. If you are searching for a way to start, look no further than our core values. They are a practical commitment to respect each other and create a workplace where people can thrive.

# Diversity & inclusion



## Why it matters

'Our Employees' form one of our Core Values at Maersk, as part of which we aim to create 'the right environment for our people'. To us, this means cultivating a safe, inclusive and welcoming environment for all our employees, one that empowers and encourages all to bring their fullest and best selves to work. From a business perspective, Diversity and Inclusion has been proven to boost creativity and innovation, drive performance and collaboration, and improve talent retention through greater job satisfaction.



## Ambition

Our goal is to shape a diverse and supportive work environment where all employees feel included and able to contribute, making room at the table for all experiences and voices.

We are committed to providing training in D&I topics and skills for both onshore and offshore employees, to ensure our leaders are equipped with the skills to guide their teams through our cultural changes in a healthy, collaborative, and psychologically safe way.

From 2023-2025, our Diversity and Inclusion and ESG programmes will have an increased focus on improving employee health and wellbeing.



## Targets

- 4% female representation at sea, more than double from 2021
- All top four offshore ranks to attend a four-day leadership course by 2025, with a focus on psychological safety
- Continue to include D&I questions in the Employee Engagement Survey, tracking response trends to identify areas for improvement and opportunities for development



## Progress

- **Maersk Core Values training** delivered by Senior Management Team in all regional offices
- **Global Diversity and Inclusion Drill** held for all employees, including senior management, on the subject of Psychological Safety
- **D&I questions added** to the Employee Engagement Survey and Employee Systems Review
- **'GlobeSmart' training platform** launched in May 2022
- **Diversity and Inclusion channel** added to our internal news app, to share information, updates and resources for all employees
- **Maersk Supply Service Female Sounding Board** launches Women@Sea Network
- **Pride@Maersk Network launched** to connect LGBTQIA+ colleagues and allies across the APMM Group

	2022	2021	2020
Women onshore	37%	38%	35%
Women offshore	3.6%	1.9%	1.7%
Female leaders onshore	31%	29.5%	27%



# How we prevent and learn from safety incidents

“ Incidents and near miss events unfortunately occur. When they happen, it is important that we learn from them. We have built procedures and processes to ensure that both our onshore and offshore organisation get as many learnings as possible, so we avoid repeating previous mistakes. ”



**Lars Bagger Hviid, Head of HSSEQ**

‘Our Employees’ form one of the core values at Maersk Supply Service, and the safety of our personnel is an important part of this. Business priorities may change, but our core values are constant and are at the “heart” of our company.

Within our team, the phrase ‘personnel’ extends to all the Maersk Supply Service team, our valued third-party contractors, clients and key stakeholders. We do not differentiate for personnel safety.

Maersk Supply Service knows it is the actions of our personnel and extended teams that provide the key for project success.

## Clear processes in place

At Maersk Supply Service, we believe no loss of life due to an accident at work is acceptable. Our Safety Critical Controls come from the study of fatal and serious accidents across our industry and are meant to draw attention to the activities most likely to lead to fatality during our offshore operations, and the life-saving actions over which an individual has control.

The Controls ensure the verification of safety critical barriers for operations completed onboard our vessels - and supplement a management framework, competent people, site rules or procedures.

Maersk Supply Service operates with the highest standards

and work instructions. These standards, instructions, references and procedures are available via our Management System “UniSea”. This is an online Management System, where all material and tools are saved.

All jobs are planned, coordinated and executed in a controlled manner. Maersk Supply Service has developed a work execution process with complete instructions to do so.

## Empowerment of all

Maersk Supply Service has always empowered its crew members with a ‘Stop Work Authority’, to be exercised when a task or working environment is deemed unsafe. Over time, it formed an integral part of our culture.

Now, we are raising the bar, and the ‘Stop Work Authority’ has become a ‘Stop Work OBLIGATION’ to intervene. This is not just a change in terminology but reflects our commitment to deliver the industry’s highest safety performance. We expect people to stop a job that is perceived to be potentially unsafe.

## Reporting for learning

All Incidents and Near Misses must be reported immediately. It is vital to the safety culture - both onshore and offshore - that incidents are reported promptly:

- To improve and learn from what went wrong;
- And to avoid repetition of the same error.

## Maersk Supply Service’s Safety Critical Controls



**Control of Work & Work Authorization:** Work with valid permit when required



**Energy Isolation:** Verify isolation and zero energy before work begins



**Hot Work:** Control flammables and identify ignition sources



**Line of Fire:** Keep yourself and others out of the line of fire



**Marine & Nautical Operations:** Ensure the safety and compliance of marine operation



**Safety Control:** Obtain authorization before overriding or disabling safety controls



**Confined Space:** Obtain authorization before entering a confined space



**Working at Height:** Protect yourself against a fall when working at height



**Safe Mechanical:** Lifting Plan lifting operations and control the area



**Safe travel & Security awareness:** Ensure safe and secure conditions are in place before and whilst traveling



# Health & safety



## Why it matters

At Maersk Supply Service safety is a value, not a priority. Priorities change, but our commitment to safety is at the core of everything we do. Safety is, quite simply, our license to operate. Moreover, we also believe in the principle that safety is not the absence of events, but rather the presence of defences.



## Ambition

The ambition is to conduct all activities in a manner that first and foremost protects the health and safety of Maersk Supply Service employees, client representatives and subcontractors. At Maersk Supply Service, it is always the most important objective to ensure everyone gets home safely by preventing fatal or life-altering incidents.

In 2018, we introduced Safety 2.0, a new framework on how we work with safety, with three elements: Safety as a capacity; Just and joint accountability, and Strong learning and proactive mindset.

This acts as a guide for Maersk Supply Service employees to ensure a safe, compliant and healthy work environment - onshore as well as offshore.



## Targets

Maersk Supply Service's 2023 targets are to:

- Continue to improve the quality of the newly implemented Self-verification Programme onboard Maersk Supply Service vessels, in part by introducing coaching to vessel crew to support roll out.
- Launch the Maersk Supply Service Activity Assurance Programme, which will make up a second layer of verification for critical controls.
- Launch the Work Execution Risk Assessment Simplification sprint, to make it simpler for frontline workers to follow procedures, perform quality risk assessments at the right level, and match these to the task at hand. In short, "making it simpler to safe".



## Progress

	Target	2022	2021	2020
TRCF per 1M exposure hrs (vessels only)	0	1.34	1.02	1.41
LTIF per 1M exposure hrs (vessels only)	0	0.24	0.41	0





# Governance





# Quality management



## Why it matters

Quality is integral to Maersk Supply Service and is a constant throughout the organisation. From the leadership down, Maersk Supply Service employees all carry the responsibility to aspire to the highest standards from start to finish. By maintaining a high level of quality, Maersk Supply Service aims to deliver the very best and strives for consistent improvement every step of the way.



## Ambition

The ambition towards quality management is and will always be to consistently provide exceptional quality in all aspects of Maersk Supply Service's deliverables. To achieve this, eight principles act as a guide to ensure consistent and reliable results.

These guiding principles strengthen the collaboration both internally and externally, allowing Maersk Supply to meet its customers' expectations as well as its own.



## Targets

The following areas will be the focal points of 2023, where we will raise the bar further:

- Establish risk-based approach for internal vessel audits
- Create a more robust Lessons Learned process
- Canada and Brazil will be certified ISO 9001, bringing us to 4 certified offices globally



## Progress

Throughout 2022, extensive work was conducted to finalise the Quality Framework, which is now in place with tools to be used to ensure that Maersk Supply Service follows the 8 quality principles and always delivers exceptional quality.

Further, Maersk Supply Service has had a focus on incorporating integrated processes throughout the company, which has been received very well and has been deemed a success.





# Business ethics and anti-corruption



## Why it matters

Acting with integrity is fundamental to us at Maersk Supply Service, and is within the A.P. Moller - Maersk core value of Uprightness.

Corruption is one of our key compliance risks. We know that it undermines social and economic development, destabilises the business environment and adds to the cost of doing business and participating in global trade. It is against our values and affects both external confidence as well the morale of our employees.



## Ambition

As a values-driven company, we are committed to act with integrity and recognise the importance of operating our business in compliance with anti-corruption laws in all locations where we operate. Maersk Supply Service applies a principle of zero tolerance of corruption in any form, including facilitation payments. Bribes and kickbacks are strictly forbidden for any of our employees or third parties we work with.

We continually work to ensure global compliance with anti-corruption laws, we have implemented a comprehensive risk-based anti-corruption compliance framework which includes measures designed to prevent and mitigate our corruption risk such as the rolling out of anti-corruption policies and standards, internal control framework, training and communications, third party management, confidential reporting, investigations and disciplinary process, periodic testing, monitoring and reporting and continuous improvement.



## Targets

**2030 Target:** Regular completion of mandatory anti-corruption e-learning by all relevant employees at Maersk Supply Service, including all onshore employees.



## Progress

More than 95% of all onshore employees have completed the online training, which is also now mandatory for relevant offshore employees.



# Sustainable procurement



## Why it matters

The interaction with suppliers is important for us, as it has an impact on our environmental and social footprints and business performance. It is our responsibility to select suppliers that ensure we uphold the company values and conduct business in an ethical way, for our stakeholders to trust us as a reliable, responsible and caring partner.

Our suppliers play an important role in our progress towards a more sustainable operation. Suppliers' operations, logistics and even packing materials are things we look into as we work towards creating a more holistically sustainable operation.



## Ambition

We expect all of our suppliers to carry out an ethical business practice and uphold the A.P. Moller - Maersk Code of Conduct. This means we engage with suppliers in an upright and transparent manner. We continually evaluate risks and make sure any non-compliance is being addressed.

Throughout our sustainability journey, we are finding new ways to collaborate with our suppliers to reduce plastic and food waste. As a part of our collaboration with key suppliers, we are working to create more transparency around scope 3 emissions. We encourage our suppliers to adopt a sustainable point of departure when approaching various operations.



## Targets

We always aim to:

- Treat suppliers with fairness, honesty and respect
- Promote ethical and responsible business practices within the supply chain
- Mitigate supply chain risks at every opportunity
- Ensure the procurement activities are aligned with the Responsible and Sustainable Procurement practices from A.P. Moller - Maersk
- Ensure that suppliers respect and commit to the implementation of internationally recognized standards within the areas of Human Rights, Anti-corruption, Environment and Labour, such as, but not limited to, the United Nations Global Compact (UNGC)

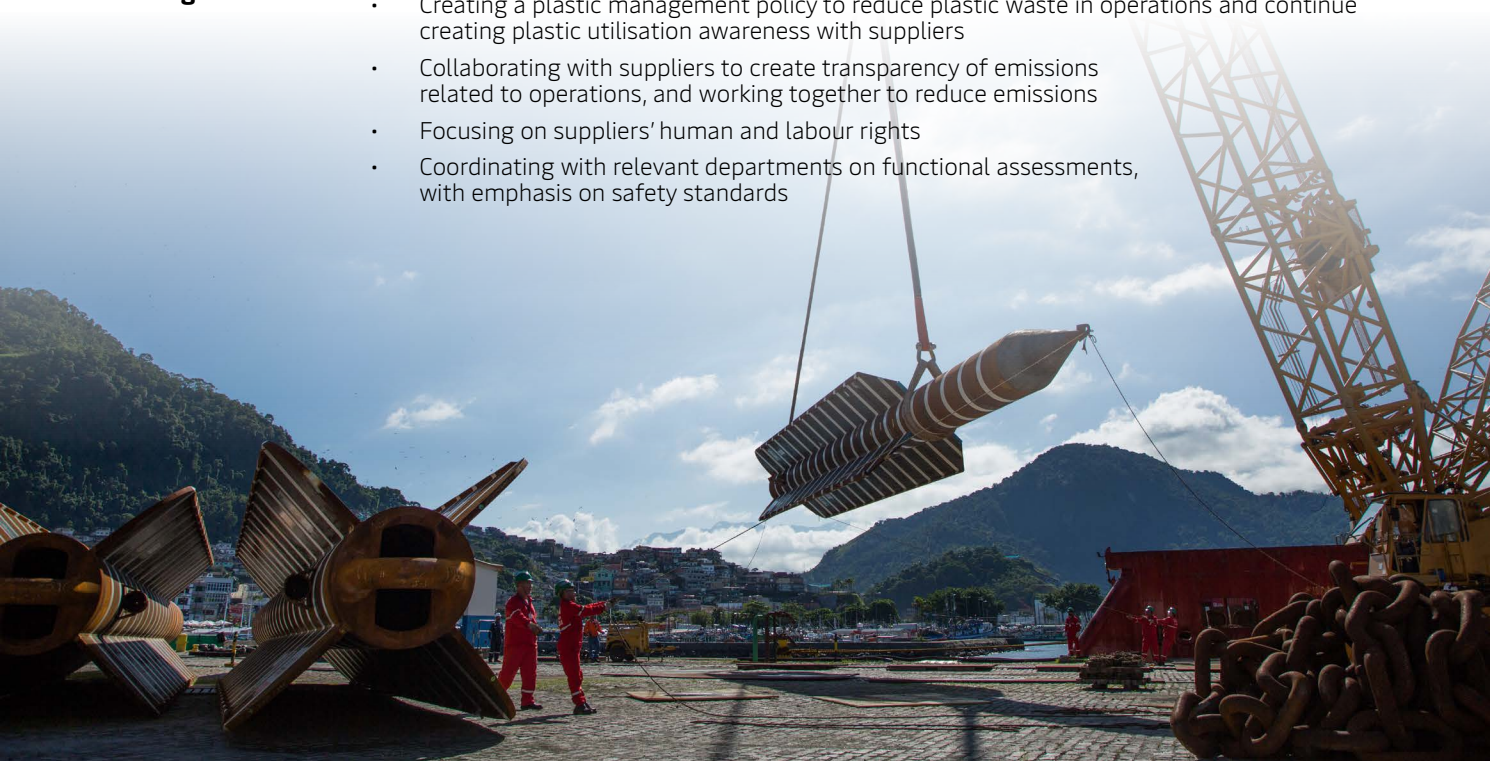


## Progress

For suppliers to obtain a contract with us, it is a requirement to adhere to the Responsible and Sustainable Procurement practices of the A.P. Moller Group or an equivalent policy. For high-risk categories, further assessments are being done to ensure compliance. This can include onsite audits if needed as verification. On top of this, a number of initiatives have been identified both internally and externally regarding suppliers, as we continue to improve our business practices.

Areas where we have made strides in the past year:

- Creating a plastic management policy to reduce plastic waste in operations and continue creating plastic utilisation awareness with suppliers
- Collaborating with suppliers to create transparency of emissions related to operations, and working together to reduce emissions
- Focusing on suppliers' human and labour rights
- Coordinating with relevant departments on functional assessments, with emphasis on safety standards



# ESG performance data



## Environmental



Performance indicators	Unit	2022	2021	2020
Scope 1: Total GHG emissions from our vessels	Tonnes CO <sub>2</sub> e	268,436	270,425	275,100
Scope 2: Indirect GHG emissions	Tonnes CO <sub>2</sub> e	518	698	1,005
Scope 3: Value-chain GHG emissions	Tonnes CO <sub>2</sub> e	57,343	--	--
NOx emissions	Tonnes	7,228	7,365	7,622
SOx emissions	Tonnes	184	188	194
CO <sub>2</sub> intensity	CII	75.95	76.5	78.5
Oil spills to water (not including 3rd party)	m <sup>3</sup>	0.01	0.001	20.32
Plastic waste	m <sup>3</sup>	948	752	727



## Social



Performance indicators	Unit	2022	2021	2020
Percentage of female employees onshore	%	37	38	35
Percentage of female employees offshore	%	3.6	1.9	1.7
Female leaders onshore	%	31	29.5	27
TRCF (vessels only)	Cases per 1M exposure hours	1.34	1.02	1.41
LTIF (vessels only)	Incidents per 1M exposure hours	0.24	0.41	0



# Sources and definitions

Reporting period: 1st January – 31st December 2022

## About this overview

This is an overview of what our stakeholders found to be the most relevant ESG topics, to create more transparency about our activity and progress. This is not an audited report but rather a summary of our performance in 2021 and our future targets. As a business entity within A.P. Møller – Maersk, we report our data annually to them; this is made public through the A.P. Møller – Maersk annual Sustainability Report. Our approach to sustainability reporting is to focus on material issues and activities, taking into consideration the impact our business has on environmental, social and governance.

## Accounting of environmental performance

### Direct GHG emissions (scope 1)

Scope 1 refers to direct emissions from owned or controlled sources. Direct GHG emissions (scope 1) are the sum of CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O, which are calculated based on amount of direct energy that are consumed/combusted and on Maersk Supply Service controlled entities/vessels.

### Indirect GHG (scope 2 – location-based)

Scope 2 refers to indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the reporting company. Indirect GHG (scope 2) is the CO<sub>2</sub> equivalents' converted sum of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, calculated based on electricity and district heating bought from a third party and using location-based IEA emission factors that has been based on estimated consumption calculated from the number FTEs in each location.

### Value chain GHG emissions (scope 3 GHG protocol)

Scope 3 refers to indirect emissions that occur in a company's value chain. Value chain GHG emissions (scope 3 GHG protocol) are the CO<sub>2</sub> equivalents' converted sum of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O from value chain activities. These categories are calculated based on hybrid spend based method comprising of both spend and activity data. Of the 15 Scope 3 categories in the Greenhouse Gas Protocol, nine categories are currently determined as applicable to Maersk Supply Service's business model and activities. The excluded categories are Category 7- employee commuting, Category 9 – downstream transportation and distribution, Category 10– processing of sold products, Category 13 – downstream leased assets. Category 14 – franchises and Category 15 – investment.

The applicable value chain GHG emissions comprise of: Category 1 – purchased goods and services, which are reported based on procurement data and includes Opex goods. Category 2 – capital goods, which is reported based on procurement data and includes our capital investments such as e.g., retrofit of vessels and dry docking. Category 3 – fuel and energy-related activities, which are reported based on actual fuel procured and consumed. Category 4 – upstream transportation and distribution, which is reported based on procurement data multiplied by relevant emission factor per transportation category (air/includes carrier haulage). Category 5 – waste generated in operations, which is reported based on amounts and types of waste. Category 6- business travel which is reported as activity data for our direct air travel based on business travel activities. Category 8 – upstream leased assets, which is reported based on operations of assets that are leased and are not applicable to be reported in scope 1 and 2.

### Vessel emissions

As emission reporting is relatively new and has yet to be standardised across the industry, it remains unclear whether emissions where Maersk Supply Service vessels are time chartered to customers are reported under Scope 1 direct emissions or Scope 3 category 13- emissions from downstream leased assets. For the year 2022- we have reported all emissions from Maersk Supply Service vessels as scope 1. The scope 1 emission types have been split up as follows:

**Type 1 emissions** refer to emissions over which Maersk Supply Service have full control of the way the vessel is operated and therefore takes control of how much energy is consumed onboard.

**Type 2 emissions** refer to vessel emissions that come from operations where the vessel is chartered to a customer and Maersk Supply Service acts as an advisor to the customer proposing energy efficient options but ultimately the customer has the final decision on operations i.e speed in transit, engine utilisation etc.

### Carbon Intensity Indicator

The carbon intensity index is calculated through the following calculation:

$$CII = \frac{\text{Total consumption (CO}_2\text{)}}{(\text{Total power installed} \times \text{hours in operation})} \quad [\text{g/kWh}]$$

### EU taxonomy

Eligible activities refer both to the 'substantial contribution' and the 'do no significant harm' criteria outlined in the EU Taxonomy Regulation. 2022 EU Taxonomy Report confirm that Maersk Supply Service can make a substantial contribution towards climate change mitigation through its green activities. Activities related to The Ocean Cleanup are not included in the reporting.

## Accounting of social performance

### Percentage of female crew

This number is calculated based on an average crew pool of 1,300 offshore personnel, which is a combination of permanent and voyage crew.

### LTIF

Refers to Lost Time Incident Frequency: number of lost work hours in every 1,000,000hrs, due to a work-related injury resulting in an individual being unable to carry out his/her duties, or to return to work for a period of 24 continuous hours immediately following the injury (unless caused by delays in access to medical treatment onshore). <sup>2</sup>

### TRCF

Refers to Total Recorded Case Frequency of all work-related cases such as: fatalities, Lost Time Injuries, Restricted Work Cases and Medical Treatment Cases. <sup>2</sup>

## Sources

<sup>1</sup> IEA (2022) Emission Factors ([https://www.iea.org/t\\_c/termsandconditions/](https://www.iea.org/t_c/termsandconditions/))






<sup>2</sup> A.P. Møller-Maersk GAAP Sustainability Reporting Manual 2022

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