

Sustainability Report 2022



Table of Contents

Letter to our stakeholders	3	In-house expertise driving greener solutions	24
Our company	4	Blue Water Academy	26
We do much more than moving cargo from A to B	4	An international trainee programme	26
A local company with global reach solving all transport and logistics needs	4	Governance	27
Organising sustainability	5	Responsible sourcing and procurement	27
We always work with the client in focus	6	Supplier Relationship Management system	27
Overall customer satisfaction 2022	6	Our Code of Conduct	28
Importance of Blue Water offering more sustainable transport and logistics solutions	6	Ethics and business conduct	28
Sustainability highlights	7	Human and labour rights	28
Understanding the challenges around us in a complex world	8	Our Ethics Line	28
Prioritising material topics in our strategy	9	Data Ethics in Blue Water	29
The launch pad for our materiality assessments	9	Our policies and policy implementation	30
Material topics identified	9	Governance, risk management and control	31
Environment	11	New Global Management System	32
Carbon accounts for scope 1, 2 and 3	11	Audit Programme	32
More accurate carbon accounts for 2021	12	Internal audit plan	33
Full carbon account for 2021 and 2022	12	Documentation and reporting sustainability	33
New data collecting tool for scope 1 and 2	13	Preparing for future reporting requirements	33
Mapping scope 3 emissions	13	NIS2 (Network and Information Security)	33
Waste Management and Segregation	14	Ownership and values	34
Developing long-term targets and road map	15	Carbon accounting principles	35
Climate impact from our value chain	16	Carbon accounting using Greenhouse Gas Protocol	35
Social	19	Scope 1 and 2 emissions	35
Dare to Care	19	Location-based method	36
How we lead a culture of safety in Blue Water	20	Scope 3 categories included in our accounting following GHG categories	37
Employee engagement	22	ESG Key figures overview	38
Diversity, equality and inclusion	22	Management statement regarding this report	39
Gender: Targets and definitions	23		
Data-driven decision-making for diversity	23		
Community engagement	24		
Cross-functional execution	24		
Creating a sustainable movement and mindset	24		
Sustainability Ambassador Network	24		

Letter to our stakeholders

During the summer of 2022, we celebrated our 50-year anniversary. An important milestone for our company, for the employees and partners that have contributed to our journey and where we are today. After 50 years, we have successfully grown to become a global company with Danish roots, with more than 2,000 employees who serve clients all over the world and engage in partnerships with almost 30,000 partners globally. We have successfully grown to become a healthy and thriving organisation and a global provider of all logistics services in modern supply chain management based on strong values. And we are determined to continue this journey for generations.

In November 2022, the UN summit COP27 was held in Egypt's Sharm El-Sheikh. Simon Stiell, UN Climate Change Executive, said during his speech: "Today, a new era begins, and we begin to do things differently," he said. "Paris gave us the agreement, Katowice and Glasgow gave us the plan, Sharm el-Sheikh shifts us to implementation".

The emphasis on implementation was reflected clearly in the conference's slogan: "Together for implementation". These words give us a glimpse of the future, and they reaffirm me of the crucial role Blue Water plays in supporting and enabling solutions that will drive the transition that we, societies and industries will go through and are already going through for the greater good of people and planet.

However, while the words from world leaders may seem like 'only' words and often can seem disconnected from the actual work of running a global business, the words should resonate with all of us at Blue Water. Because it is not enough to talk about sustainability: implementation requires real action. It requires that we create real solutions. Together.

For 50 years our slogan has been "Together we create solutions" because we are all about implementation.

Not only words

At Blue Water, sustainability is not only a word. It is part of our DNA as a family-owned business with a pragmatic entrepreneurial spirit. It is an integrated part of what we define as being a responsible company. Since the beginning of our company history, we have acknowledged that our responsibility reaches beyond our business. The basic moral force driving our way of doing business is the aim to create a positive impact - on each other, our partners and our society. Because we believe that responsibility efforts are what sustains our company in the long term, and at Blue Water responsibility and sustainability are interlinked. We insist that being responsible requires action - not just words.

In 2022, we have already achieved important sustainability milestones. Milestones that lay the foundation for forward motion, commitment and enthusiasm for solutions and implementation. A journey that is fuelled

Together we create solutions

further each day by a strong eagerness to learn across our organisation and by the unique engagement from internal and external stakeholders in our Blue Water network. As Blue Water's CEO, I am extremely proud of this.

This report

In this report, you will see the tangible results of our commitment to sustainability throughout the Blue Water Group. Among many achievements in 2022, we have calculated our first scope 3 emissions, made progress in health and safety and continuously upgraded our governance practices and structures. We have increased our services in renewables, and we have engaged further in the shipment of carbon for storage purposes.

In the report, you will also see a nudge towards a more integrated approach to sustainability with cross-functional alignment and implementation, demonstrating our belief that sustainability is not just a social responsibility, but a commercial opportunity - it is an integrated part of what makes us a responsible business.

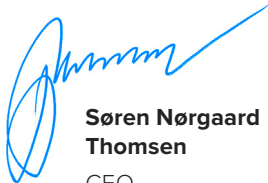
The progress we have made is a testament to our commitment, and we hope it will inspire others to join us on this journey, because only together will we create the solutions needed.

We hope you enjoy this report, and we remain at your service for comments, feedback and suggestions.

We would like to hear from you

Our stakeholders' perspectives are of utmost importance to us - both with respect to our way of doing business as well as to this report about our sustainability efforts. Therefore, we encourage you to engage with us with any comments, suggestions or questions you may have. Please reach out to sustainability@bws.net. For further information about Blue Water and our company history, organisation and services, please visit bws.net. For in-depth information about our financial performance, we refer to our Annual Report 2022.

[This report covers the reporting period of 1 January 2022 to 31 December 2022.](#)



**Søren Nørgaard
Thomsen**
CEO

Blue Water Shipping



8

business areas



Road



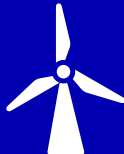
Sea & Air



Port Service



Oil, Gas & Projects



Renewables



Reefer Sea & Road



North Atlantic



Marine Logistics

Our company

We do much more than moving cargo from A to B

Blue Water is more than the traditional transport and logistics provider. We are a global provider of all logistics services in modern supply chain management. At the heart of Blue Water is an organisation of professionals skilled to offer complete and tailor-made solutions to any shipping and transport requirement anywhere in the world.

Since the company was founded in 1972, our ambition has been to provide clients with the best service and highest quality in the industry, and today this is still our core ambition while executing with contemporary focus on responsibility. Our foundation is knowledge, decades of experience and dedicated employees. From the very start

– as a small local freight forwarding company in Esbjerg, Denmark – the ambition was to provide the clients with better service and higher quality than our competitors.

Now - being a large international company - our ambition is still the same: to be Best in Town everywhere we operate. Today, Blue Water is represented with more than 70 offices worldwide. In every Blue Water office, we combine our strong global network with local expertise – thereby adding value and providing our clients with services beyond transporting cargo in a safe and efficient way.

A local company with global reach solving all transport and logistics needs

In Blue Water, we are dedicated to solving our customers' transport and logistics needs with a strong focus on optimisation, flexibility and reliability. Understanding the unique challenges and opportunities in each of the markets in which we operate requires not only a solid and trustworthy relationship with our customers, but it also requires a combination of strong global network and profound local expertise. Therefore, our in-house competencies and expertise always go hand in hand with a global knowledge of our industry and the market. This provides our customers with services beyond transporting cargo in a safe and efficient way – it adds value from supply chain to supply chain all around the world.

To reinforce our DNA as a local company with a global reach, we are focused on having a short line of command in our organisation. This is vital for us since it makes us flexible and proactive in finding the best

solutions to any challenge we may meet. In practice, our Group Management works in close cooperation with local management at each of our offices, ensuring straight lines of communication while giving authority and responsibility to those who know best – since they are closer to our stakeholders and have relevant information available to them.

At the same time, we are aware of the complexity of our context and the network of stakeholders around us which requires unified leadership across all business units to identify and understand the needs and expectations of our key stakeholders. This makes it essential that our Board of Directors and Management Board are focused on value creation and on maintaining strong relations across our entire company giving our group functions the best foundation for local stakeholder management across our value chain.

Blue Water is – and always will be – a knowledge-based and local company built on in-house competences, mutual trust and personal relations. These building blocks are even more important as we now operate globally aiming for a positive impact on the world around us.



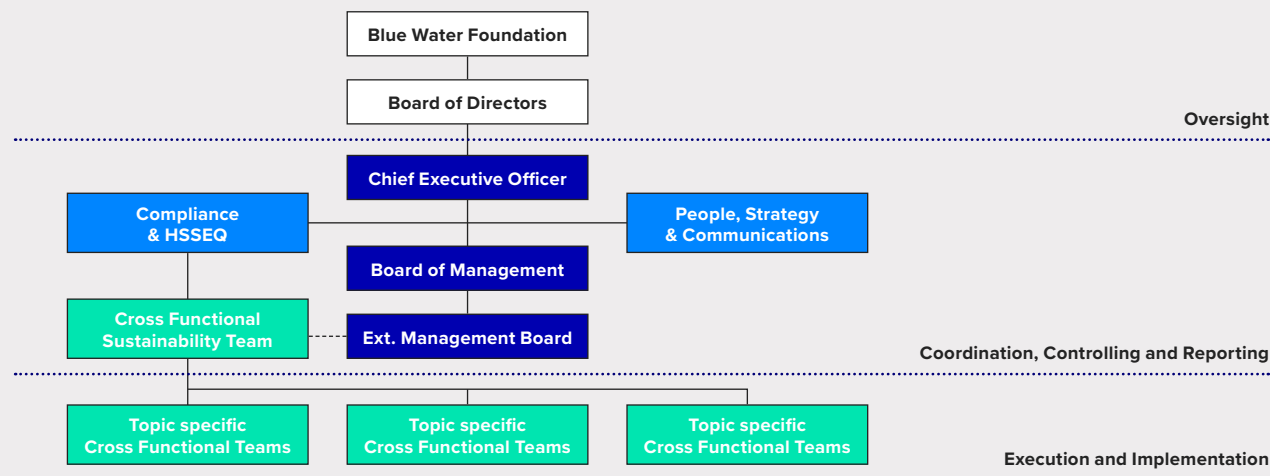
Organising sustainability

Our approach to sustainability is cross-functional and integrated, reflecting our commitment to embed sustainable business practices throughout all aspects of our operations.

To ensure alignment and integration, we have established a cross functional sustainability team, reporting directly to Extended Management Board, represented by the Chief Compliance Officer. This team works closely with local management and business units as well as Group Functions to drive sustainability initiatives and embed practices into our daily operations. The team is also responsible for inviting stakeholders to our yearly recurring double-materiality assessment as part of our overall strategy process.

We have established cross-functional working groups to collaborate on topic-level key initiatives and are continuously growing the capacity of the existing organisation to successfully deliver on our commitments.

Organisation



“

When it comes to supporting our sustainability work at the topic level, our experience suggests that a modular organisational design — rather than one central sustainability organisation — works best.

Søren Nørgaard Thomsen
CEO, Blue Water Shipping

We always work with the client in focus

In Blue Water, we know that close relationships with our clients make a difference, and our clients and their needs are always our primary focus.

Building mutual trust and personal relations are important to the way we work, and it is a natural part of the Blue Water culture.

It is important that we understand our clients' needs to find solutions that are meaningful seen from their end of the table. Therefore, our customers can always expect personal

service and a regular contact person within Blue Water making it easier to collaborate and work together to find the best solutions.

Overall customer satisfaction 2022



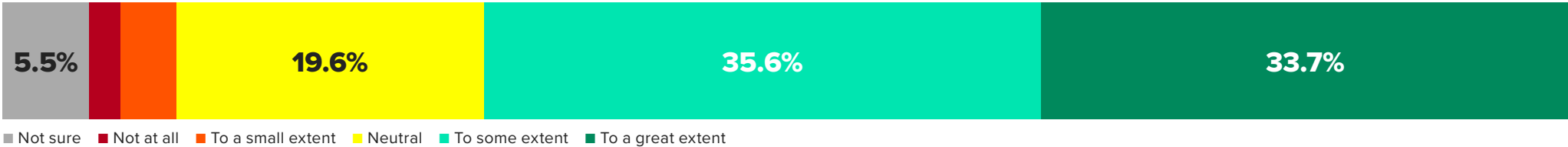
Additionally, we depend on our customers' demand for more sustainable solutions. The demand for greener solutions puts us in a

stronger position to develop and implement more sustainable solutions into the global supply chains that we are a part of.

69.3% of our customers believe that they to some or to a great extent find it important that we offer these solutions, meaning that

the majority of our customers has basis for the readiness it takes to improve the sustainability of their transport and logistics.

Importance of Blue Water offering more sustainable transport and logistics solutions



“
I would endorse Blue Water's services without hesitation.

“
I very much appreciate the staff, the personalised service and the timely response when there is an issue.

“
Blue Water has always been a trustful partner.

“
Blue Water understands how our team is thinking and solutions come ahead of the problem.

Sustainability highlights

Essential achievements and ambitions shaping our sustainability journey

2020

- › Entering load optimisation partnership with SpaceInvader
- › Record year of delivering Wind Logistics including eight wind farms in Australia
- › Providing transports and logistics critical to health and society during Covid-19

2021

- › Joining the CO₂ storage Project Greensand
- › Entering joint venture Blue Water Danwind offering turnkey service for wind turbine installations
- › New rail service for fresh fish transport in collaboration with CargoNet and Nor-log, shortening delivery time and reducing CO₂ emissions during transport

2022

- › Forming a cross functional sustainability team in Blue Water
- › Full carbon account for scope 1, 2 and 3 for year 2021 for the entire Blue Water Group in line with the Greenhouse Gas Protocol
- › Implementing and initiating CO₂ Calculator with EcoTransIT World
- › Expanding Renewable Energy projects and offices
- › Project Greensand in action contributing with logistics solutions for Carbon Capture & Storage in the North Sea
- › Offering options for CO₂ offsetting on freight routes by means of fuel switch with verified external party
- › Internal sustainability webinar for all Blue Water employees and management
- › Launching our Blue Water Sustainability Ambassador Network
- › Implementing solar panels on our refrigerated terminal in Padborg to produce own electricity
- › Scrutinising options of electric charging points for cars on Blue Water-owned locations
- › Implementing Supplier Relationship Management system to manage HSSEQ requirements and standards of worldwide suppliers

2023 so far

- › Developing and committing to an emissions reduction target that builds on international scientific consensus based on the required decarbonisation trajectory of our sector
- › Preparing for future EU reporting regulatory requirements and frameworks
- › Activating our Blue Water Sustainability Ambassador Network
- › Strengthening our internal training and development to further anchor our sustainability efforts across the company
- › Carrying out transport and logistics to Carbon Capture & Storage with Project Greensand, as well as developing Greenport Scandinavia to conduct CCS along with related climate partners
- › Continued focus on zero Lost Time Incidents through Dare2Care initiative

Understanding the challenges around us in a complex world



The environmental aspect of ESG considers a company's impact on the natural world, including issues such as greenhouse gas emissions, resource consumption and waste management.



The social aspect evaluates a company's relationships with its employees, customers and the communities in which it operates, including issues such as labour practices, human rights and community engagement.



The governance aspect looks at a company's leadership, risk management, control systems and overall business practices, including issues such as board diversity and transparency.

Responsibility is deeply rooted in our DNA and cores values, and since the beginning of the Blue Water history, we have acknowledged that our responsibility reaches beyond our business. The basic moral force driving our way of doing business is the aim to create a positive impact - on each other, our partners, our society and the planet. We believe that responsibility efforts are what sustains our company in the long term, and that is why responsibility and sustainability are interlinked in Blue Water.

While the world around us is changing, complexity is increasing. Businesses around the world face new requirements and demands to minimise negative impact and increase positive contributions focusing on sustainability matters such as environmental, social and governance factors.

In Blue Water, we are continuously working to understand our environmental and societal impact as well as the challenges around us to ensure that our business conduct and operations

are steered towards relevant material issues and an economy that benefits life on the planet. This is not a straightforward process, especially since not all the challenges nor the solutions are within our direct control. But we will lean into these challenges though collaboration, partnerships, innovative thinking and inclusive decision-making.

As we move forward in searching for, integrating and acting on solutions for positive impact, we aspire to be transparent, inviting and honest. Because we know that the environmental and social challenges that our company face are industry and sector wide, meaning so are the solutions.

Fortunately, we have more opportunities than ever to work with employees, customers, governments, NGOs and other corporations – locally and globally - to drive real and needed change and proactively build a better future, ensuring environmental, social and economic sustainability.

ESG as a business framework

Environmental, Social and Governance (ESG) refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business. These three factors are often used to evaluate the performance and potential return of a company, as well as the potential risks and opportunities it may face.

The concept of ESG has gained increasing attention in recent years as more and more investors and companies seek to incorporate sustainability and social responsibility into their decision-making processes.

In addition to helping assess risks and identifying opportunities, the consideration of ESG factors should also lead to positive societal and environmental impacts. Companies that prioritise ESG considerations may be more likely to adopt sustainable business practices, leading to reduced environmental impacts and improved social outcomes.

Overall, the integration of ESG considerations into investment and business decision-making has potential to drive positive change to a more sustainable and equitable future.

Prioritising material topics in our strategy

The sustainability agenda is in every way dynamic. It requires an equal focus on consistency along with agility and flexibility to act on current and future risks and opportunities for society and environment as well as for our business. Therefore, we have a continued focus on learning from and adapting to the complex world around, enhancing positive impact and minimising negative impact while setting ambitious targets for the future ahead.

As a global company operating across different countries and markets each reflecting a variety of societies and cultures, we find it essential to formalise how we work with sustainability and how we manage risks and opportunities to our performance on this agenda.



Setting a clear and actionable direction for how we work with sustainability requires an assessment with input from a broad range of stakeholders to capture and determine what material topics we should work strategically with to drive positive change and prevent any negative or harmful impact to the world around us.

Søren Nørgaard Thomsen
CEO, Blue Water Shipping

Our actions towards conducting business responsibly must therefore not only be derived from our core values, guiding principles and moral obligations, but indeed also from what our stakeholders expect from us. In other words, we focus on two views on sustainability - inside-out and outside-in. And we know that these perspectives are complementary. Formalising how we work with sustainability is an ongoing focus in Blue Water and will be an essential part of our strategy in the coming years.

The launch pad for our materiality assessments

In the period of 2022-2023, we have practiced and initiated the process of conducting an overall and formalised materiality assessment. In this process, we have gathered and evaluated input from internal as well as external stakeholders. We included topics on sustainability in our yearly customer survey to get perspectives from our customers on our role as a logistics provider in this matter. In addition, we obtained input from customers and partners as part of normal business interaction e.g., daily customer engagement, collaborative conversations and bilateral meetings.

We also conducted workshops with internal stakeholders to discuss how we define and understand sustainability topics in and around Blue Water. These included workshops for our cross-functional Sustainability Team as well as for two groups of trainees.

As broader point of reference and discussion for our materiality assessment and the scope of topics identified, we have benchmarked against relevant standards and frameworks to ensure a proper outside-in perspective on our company. It has been important for us that our material topics align with ESG frameworks to ensure a holistic and broad perspective on sustainability covering both environmental, social and governance topics. These frameworks include UN Sustainable Development Goals, UN Global Compact, Sustainability Accounting Standards Board (SASB) and Greenhouse Gas Protocol (GHGP).

Material topics identified

In the process of practising the conduction of a formal materiality assessment, we have identified a list of sustainability topics that can be considered material to Blue Water. Some of these are already well-established in our company and way of doing business, however, these will be formalised further as part of our strategic work with sustainability. Other topics are more immature in our business and will therefore need to be integrated with formal procedures, governance and data systems – hence, these will be a central part of our sustainability strategy in the years to come.

The material topics identified in the period 2022-2023 are presented below. In addition, it is shown how the topics link to the ESG framework and to the UN Sustainable Development Goals.

In the following sections of this report, we will describe how we work with each of the material topics identified, including a description of where our business is today, and where we are headed in the years to come.

Our purpose: Together we create solutions



SDGs

Carbon account for scope 1, 2 and 3
Climate impact from our value chain
Renewable energy

Employee health and safety
Diversity, equality and inclusion
Cross-functional execution

Responsible sourcing and procurement
Ethics and business conduct
Governance, risk management and control systems
Ownership and values

Material topics

Non-financial risks and opportunities inherent to our day-to-day activities focusing on ESG

ENVIRONMENT

SOCIAL

GOVERNANCE

Framework

Our values: The Blue Water Way



We play
as a team



The colour of
service is Blue



We keep
our promises



We believe in strong
and long-lasting relations



Our responsibility
reaches beyond our business



We constantly
question status quo

Foundation

Environment

We and our industry are headed towards a greener future by creating solutions together



ENVIRONMENT

Achievements 2022

- › Full carbon account for scope 1, 2 and 3 (2021 and 2022)
- › New data collecting tool for scope 1 and 2 across Blue Water locations
- › Increasing the accuracy of carbon data for transportation (scope 3) with CO₂ Calculator combining activity-based and spend-based data
- › Adding greener transport solutions to our offerings including CO₂ reporting, fuel switch and carbon offsetting

Targets 2023

- › Developing a near-term target and longer-term commitment and reduction goals for net-zero
- › Implementing global waste management and segregation plan for all Blue Water locations
- › Continue making offerings for lower carbon footprint available to customers
- › Expanding our market offerings within renewable energy projects

We recognise that our sector of expertise plays a crucial role in solving the emission reduction challenges on a global scale. We are committed to minimising our own as well as our customers carbon footprint and contribute with transports solutions and technology that support this goal.

Carbon accounts for scope 1, 2 and 3

In Blue Water, we are committed to reducing our carbon footprint from our own company activities as well as from those of our value chain. We are working to set an ambitious emissions reduction target for 2030 from a 2022 base year that can guide our climate strategy and initiatives in the years ahead. We are oriented towards international and science-based targets - allowing us to contribute to a decarbonisation of our industry with a global outlook.

This requires reliable and accurate high-quality data as a basis for us to make decisions and implement solutions that effectively support the green transition on a global scale both

short and long-term. Not least, it also requires full transparency about tools, methodology and standards used to calculate our carbon accounts for our operations across our value chain.

In this report, we present two carbon accounts. One for 2021 and one for 2022. The reason for this, is a revisit of our 2021 carbon accounts to enhance the quality and amount of data included in the accounts. This includes validating our scope 1 and 2 GHG emissions and fully mapping our scope 3 GHG emissions from our value chain. In addition, we will present our newest carbon account for 2022 in detail.





More accurate carbon accounts for 2021

In 2022, we have been focused on mapping and verifying our carbon emissions based on solid data and recognised standards. In other words, laying the foundation that enables us to understand where we are coming from to measure and report our efforts to lower our carbon footprint going forward. For the year 2021, we have verified our GHG emissions from scope 1 and 2 as well as fully mapped and calculated our scope 3 GHG emissions from our entire value chain.

Full carbon account for 2021 and 2022

- › Total GHG emissions in 2021 was 868,070 tonnes of CO₂
- › Total GHG emissions in 2022 was 949,822 tonnes CO₂
- › Scope 3 accounts for more than 99.5% of our total GHG emissions

Emissions in 2021 and 2022 divided into scopes (tCO₂e)

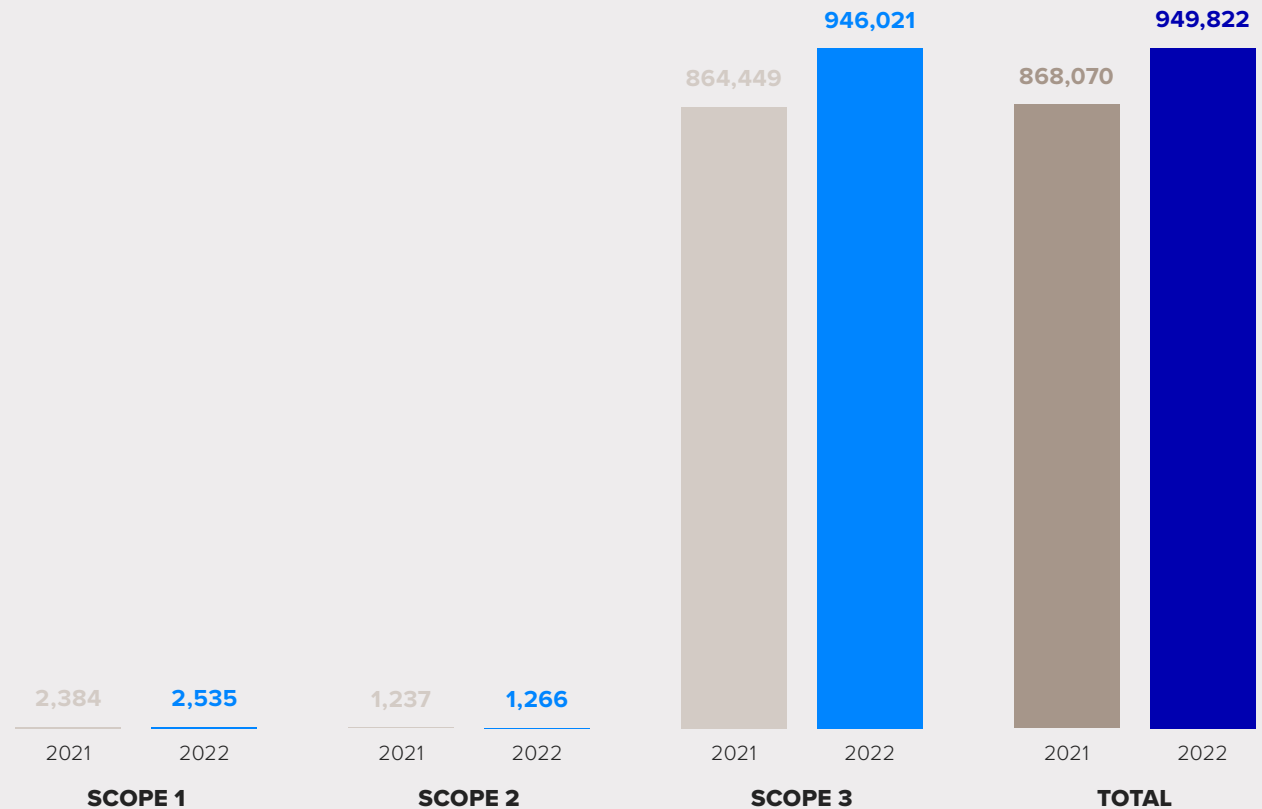


Figure 1.1



New data collecting tool for scope 1 and 2

In 2022, we have developed a data collecting tool for scope 1 and 2 data collection across our locations worldwide. The goal has been to ensure that all operating offices use the same tooling, methodology and templates. The data collecting tool consists of a questionnaire sent to all Blue Water offices and warehouses. The questionnaire addresses consumption data for heat, water, electricity and fuel for company owned vehicles. In the cases of company owned buildings, consumption data is collected directly from the provider, and in case of rented buildings we collect data from the landlord.

When all data have been collected, the consumption across all offices and warehouses is calculated in accordance with the GHGP. With the use of our new data collecting tool, we have increased the level of detail of our scope 1 and 2 carbon accounts across locations and warehouses to ensure a better data quality.

Thus, for scope 1 and 2 improved data has been obtained for 2022 compared with the data used in 2021. This means scope 1 and 2 emissions for 2022 is much more precise than in 2021. Total scope 1 and 2 emissions have increased from 2021 to 2022. The difference is due to a higher data quality and several office openings.

Mapping scope 3 emissions

An absolute majority share of our GHG emissions come from our scope 3. This is a part of our value chain that we do not control directly, since it counts for carbon footprint generated by customer and market activity within global transport and logistics services. However, we do have varying degrees of influence, and we are committed to helping our customers and the industry lowering the carbon footprint from global trade by means of greener logistics solutions.

In 2022, we have conducted our first ever mapping of scope 3 GHG emissions for both 2021 and 2022.

It shows that scope 3 accounts for 99.6% of our total emissions of 868,070 tonnes of CO₂ in 2021 and 949,822 tonnes CO₂ in 2022. An increase of 9% from 2021 to 2022. This increase is a result of Blue Water's general business growth on a global scale.

However, direct comparison of CO₂ emissions from scope 3 in 2021 and 2022 should be done carefully, as the method used in both years is subject to uncertainties. The same method is applied in both years, but emissions are mainly calculated based on spend-based data, which makes the results prone to the effect of inflation and higher transportation costs in general in the industry due to the fluctuating freight rates. As evidence, our own expenses for transportation increased by 28% between 2021 and 2022.

It is expected that we in 2023 will see the effect of implementation of detailed CO₂ emissions on all transportations offered to customers, which will improve the emissions data significantly. Most of our scope 3 emissions in 2022 come from transport by sea followed by air, road and rail transportation.

CO₂ Calculator increases the accuracy

In 2022, we have been in a process of fully implementing our new CO₂ calculator EcoTransIT World on all modes of transports. EcoTransIT World calculates and measures precise GHG emissions on individual transport services and is built upon a large amount of data from pre-carriage, main transport and on-carriage as well several differentiated values based on truck Euronorm, space utilisation and more.

We believe this tool delivers some of the most precise calculations available in the industry today.

To map our scope 3 GHG emissions for 2021 and 2022, we used EcoTransIT World data (activity-based data) for as large a proportion of our customer base as possible as an alternative to spend-based data (i.e., the financial value of sold transport and logistics services multiplied by the emission factor).

- ▶ We manually processed the transportation for our largest customers through EcoTransIT World to gain activity based GHG emissions. This counted for 11.3% of all transportation revenue for the financial year 2021
- ▶ We replaced the activity based GHG emissions from EcoTransIT World with the corresponding emissions from spend-based data for the customers in question
- ▶ The new activity-based emission factors from EcoTransIT World (kg CO₂/DKK) were applied to all transportation – except rail transportation where no EcoTransIT World calculation was available for 2022. For rail transportation the emission factor from Exiobase was used.

By using data from EcoTransIT World, we have been able to map our scope 3 emissions more accurate than if only using spend-based data. In addition, EcoTransIT World is a valuable tool for our customers when it comes to environmental reporting.

Waste Management and Segregation

Waste management is an essential component of our business operations, and we are committed to implementing best-in-town practices to minimise our environmental impact. In this paragraph, we will discuss our waste management data and initiatives, highlighting our efforts to achieve a more sustainable future.

Currently, we have data in this report for our Danish locations and we can report on initiatives from Denmark, however, our ambitions moving forward are to work with our regional

Figure 2.1

Largest emissions in Scope 3 divided into categories (tCO₂e)

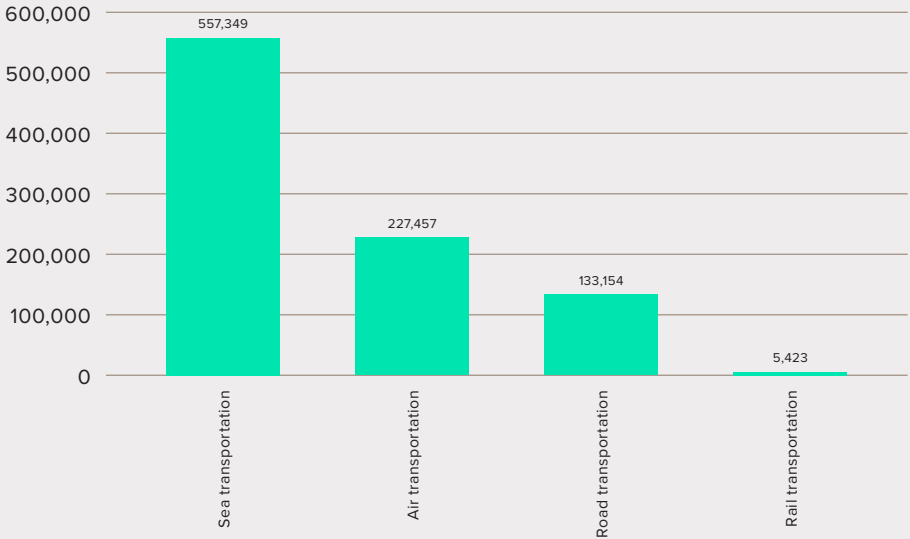
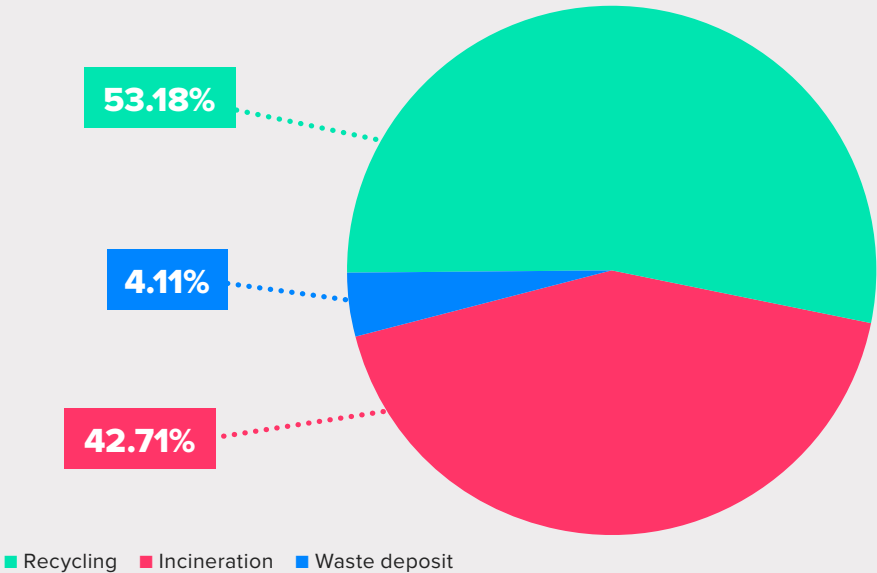


Figure 2.2

Waste Management in Denmark



teams and local ambassadors on a global approach to Waste Management. This will be part of efforts to report on waste management as part of Corporate Sustainability Reporting Directive (CSRD) and our ambition is to do this with global data.

As part of our ambitions moving forward we expect our global waste management programme to include, not limited to:

1. Source Reduction: reducing the amount of waste generated at our locations by using less material, designing processes for minimum waste.
2. Segregation, Recycling and Composting: reducing the amount of waste sent to landfill, conserves natural resources, and reduces emissions.
3. Waste Minimisation: reducing the use of single-use plastics, encouraging reusable containers, and promoting responsible consumption.
4. Landfill Diversion: Landfill diversion for disposing of waste,

such as through waste-to-energy technologies, anaerobic digestion, or other alternative treatments.

5. Training and Outreach: promote awareness and encourage best practices in waste management through our ambassador programme.

Developing long-term targets and road map

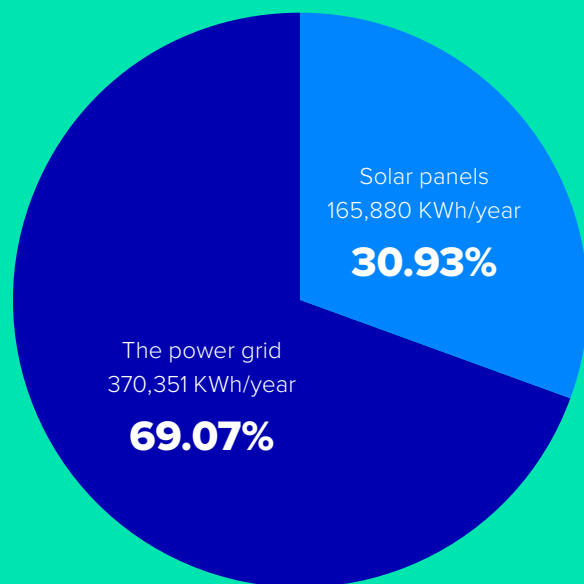
In 2023, we will develop and commit to an emission reduction target that will guide our climate actions on short, medium and long term. This also include aligning our climate initiatives across the organisation, some of which are already in action and some that will be implemented and anchored as part of our climate strategy.

While we continue to improve the internal process for collecting data that provides a relative overview of our emissions and their origins, we focus on acting where we have a direct

impact and control. While our scope 3 emissions and environmental impact from our value chain are highly dependent on data from several sources, we have another degree of influence and direct control in scope 1 and 2. Among other things we are focusing on reducing energy consumption, increasing efficiency and seeking to implement renewable sources such as solar panels to reduce our dependence on fossil fuels.

When it comes to the installation of solar panels as renewable energy sources for own energy consumption, our strategy is that “if possible, we will do it”. Some of our locations are company-owned whereas some others are leased locations, where we will engage in dialogue with landlord about the possibilities for installing solar panels.

CASE



Solar panels on refrigerated terminal in Padborg

In 2022, we installed solar panels on the roof of our storage facilities in Padborg, Denmark. A total of 642 so-called PV modules (solar panels) were established with a total PV generator output of 247,17 kWh. The solar panels are estimated to deliver 165,880 kWh/year to our warehouse, thereby covering 30% of the total electricity consumption at the location. It is estimated that the solar panels have the potential to reduce our carbon emissions by 105,297 kg/year, thereby contributing to reducing Blue Water’s total carbon footprint in scope 2.

Going forward, the ambition is to establish more solar panels on own buildings to be more self-sufficient on energy consumption from a renewable source in the future and to reduce our dependence on fossil fuels such as oil and gas. While solar panels have a positive effect on our emissions from energy consumption, they are also more cost-effective in an energy consumption perspective, and they contribute to improving air quality in urban areas as they do not emit harmful emissions.

Climate impact from our value chain

Helping the industry move into a greener future

More than 99% of our carbon footprint is generated by the part of the value chain that we carry out for our customers (scope 3). Lowering our emissions from scope 3 is a challenge as we do not control this part of our value chain directly. However, we do play a key role in helping our customers to lower their carbon footprint where possible, while still meeting the continuous demand for global trade. Therefore, it is a key priority for us to be able to deliver greener transport services and logistics solutions.

The shipping industry is a large and growing source of greenhouse gas emissions, which now counts for almost 3% of global emissions caused by human activities. Fortunately, we are beginning to see wider adaptation of low-carbon technologies such as electrification and alternative fuels. Yet, while market actors, industry bodies, experts, scientists, regulators and governments across the world are working on scaling up long-range solutions and infrastructure to meet the market demand while decarbonising the transport and logistics sector, our industry still depend on fossil fuels.

We believe that partnerships, collaborations and system-level solutions are strong drivers to succeed in decarbonisation the shipping industry. And while new technology and alternative fuel types are still being developed and tested on a global scale, we continue to search for and implement the solutions available today, so we can take action to become better tomorrow.

Today, we offer a set of transport solutions designed to reduce CO₂ emissions for our customers' transport and logistics services. These include supply chain and load optimisation focusing on efficiency, utilisation of load compartment and climate smart solutions with lower CO₂ impact.

CO₂ calculator EcoTransIT World

In 2022, we went live with our CO₂ calculator and the collaboration with our trusted partner EcoTransIT World that provides the most widely used software worldwide for automatic calculations of energy consumption, carbon emissions, air pollutants and external costs. EcoTransIT World enables a complete calculation of transport chains across all modes of single or combined transport (truck, seaborne vessel, airplane, train, inland waterway) including transshipments/warehousing.

Every 24 hours, we exchange data with EcoTransIT World and receive a calculation of the environmental impact of the individual transport, including the carbon footprint.

During 2023, we will include the carbon footprint on our invoices for the corresponding transport service. In addition, we will provide a full CO₂ report quarterly or yearly depending on our customers' need, enabling each of our customers to measure their supply chain emissions with a comprehensive overview of reliable and accurate data shown on a visual dashboard.

Since more than 99% of Blue Water's carbon footprint is generated by the part of the value chain that we share with our customers, the CO₂ calculator is not only a valuable tool for our customers' environmental reporting; it also enables us to report on activity-based data instead of spend-based data in our own carbon accounts.

In Blue Water, we are committed to taking on the responsibility for a cleaner and greener transport and logistics industry in a purpose-driven way; together we create solutions. We want to play an active role in motivating, helping and guiding our customers and partners towards a lower carbon footprint while still responding to their needs and the market dynamics.



The calculator gives our customers valuable insights into their carbon footprint from transportation services provided by us. It can form the basis for a discussion about available reduction and compensation options for CO₂ emissions reduction. In addition, our customers can include the data in their annual reporting on environmental performance.

Dan Nissen

COO Transport & Logistics, Blue Water Shipping

Fuel switch by GoodShipping

Since 2022, Blue Water has offered a way for our customers to substitute fossil fuels from their transport with more sustainable alternatives through fuel switch happening in another supply chain. The fuel switch can be applied for all modes of transport.

The solution is offered through a leading global supplier with in the field, GoodShipping, that execute the actual fuel switch corresponding to the amount of CO₂ the customer wants to reduce. The volume of more sustainable biofuel reducing the emissions from the customers transport service is fuelled into a preselected vessel or truck that would have normally run on fossil fuel. GoodShipping uses the Mass Balance principle by substituting fossil fuels at the most efficient place and time in the sector. In short, GoodShipping executes fuel switches and replace fossil fuels with more sustainable alternatives such as biofuels in collaboration with transport companies all around the world.

When our customers order a fuel switch to reduce the emissions from their transport, GoodShipping provides a verified certificate based on industry standards and verified by independent auditors, thus proving the customers' purchase of alternative and greener fuels.

Brokered carbon offsets

In 2022, we added transactional offsets to our transport and logistics offerings. Transactional offsets mean that Blue Water functions as broker, who mediates between the customers looking to offset their carbon emissions and an organisation that is proposing a carbon mitigation project. The organisation offering these projects is Gold Standard, a voluntary carbon offset programme focused on progressing the United Nation's Sustainable Development Goals (SDGs) and ensuring that projects benefit their neighbouring communities. Projects include planting trees, building solar and wind farms, waste management as well as fair trade projects in developing countries.

This means that our customers can compensate for a specific amount of CO₂ emissions from their supply chain by purchasing environmental projects provided by Gold Standard. The CO₂ emissions from the customer's transport is calculated by Blue Water by means of EcoTransIT World data, whereafter Gold Standard on behalf of the customer invests in climate projects corresponding to the amount of CO₂ the customer wishes to reduce.

Gold Standard provides our customers with a verified certificate to prove the carbon credit purchase. For projects to be certified by Gold Standard, they must meet strict criteria for sustainability, human rights and social responsibility to ensure that the projects have a positive effect on both the environment and the local community. Gold Standard is recognised and used by companies, governments and organisations worldwide.

The dilemmas of carbon offsetting

In Blue Water, we see carbon offsetting as the least preferred method to achieve a carbon emission target with reference to the steps of options in the carbon mitigation hierarchy.

However, for some industries - including the transport and logistics industry and the so-called hard-to-abate sectors

Classification of activities

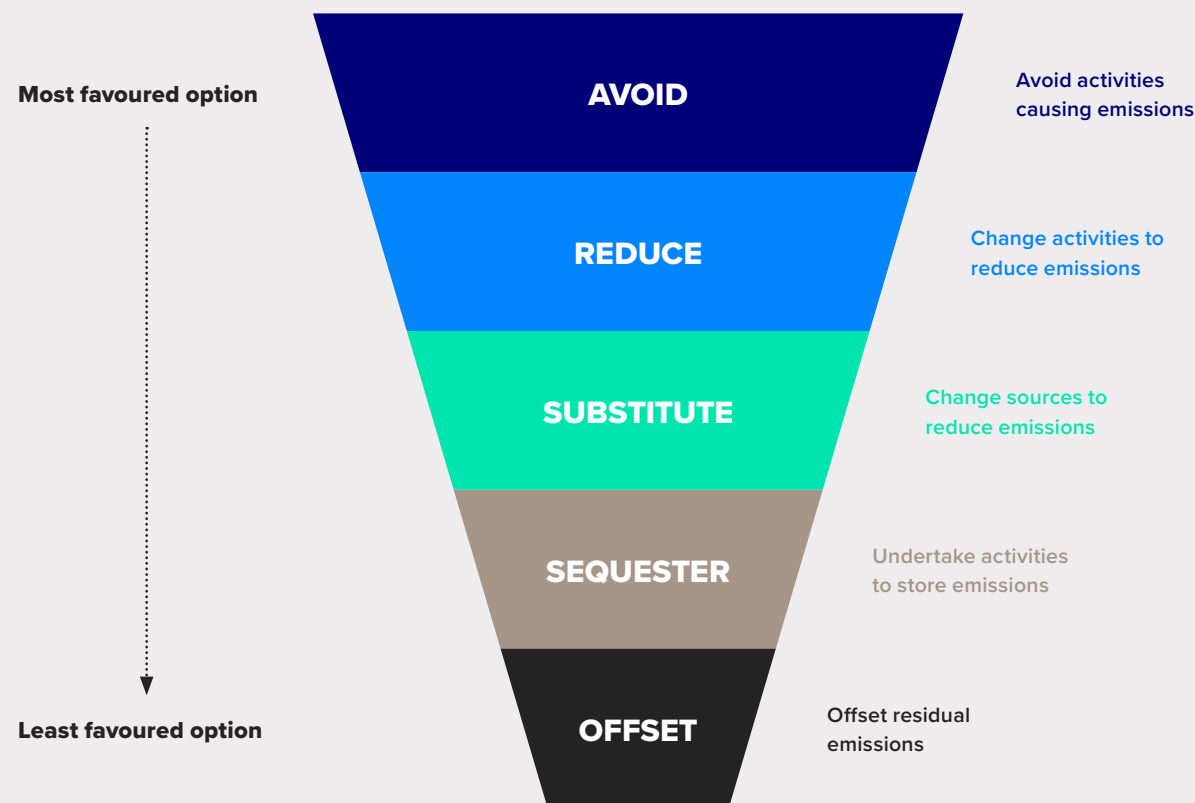


Figure 3.1

such as aviation, shipping and oil and gas - the solutions for reducing carbon emissions are still in their early days or not even fully developed yet. Therefore, carbon offsets and carbon credits can offer a way to reduce carbon emissions for our customers where the alternative was no emissions reduction at all.

When offering carbon offsets as a broker, it is imperative for us to be aware of the accounting and verification methodol-

ogies behind the offsetting schemes. This requires transparency, control mechanisms and proper third-party verification to ensure the quality and reliability of the projects and the organisations behind them - and to make sure that double counting is avoided i.e. that offsets are not counted towards more than one organisation's GHG target.

Pioneering project on Carbon Capture and Storage



With a group of partners, Blue Water has taken a big step towards realising a project with great climate potential - Carbon Capture and Storage. The project is called Greensand, and the initial aim is to capture up to 100,000 tonnes of biogenic CO₂ annually from biogas plants in North Denmark starting in 2024/25.

The CO₂ will be transported to the Port of Hirtshals. From here, it will be shipped to the Siri area in the North Sea, where it will be stored in empty oil fields in Project Greensand.

"As transport and logistics experts we are super excited to be part of developing a new industry. We want to contribute to the green transition, which is why we participate in various projects focusing on climate and energy transition", says Thomas Bek, COO Energy, Ports & Projects, Blue Water.

Blue Water's role in the project covers the core competence: to create logistics solutions. In the Greensand project, we have acquired a large number of IMO certified ISO-containers to transport the liquid CO₂, chartered the

vessel for the assignment, delivered a transport frame to the containers and tested this. The frame is designed and calculated by our own technical engineering department.

The long-term ambition is to significantly increase the amount of CO₂ to be received for shipping and storage. To that end, the partnership will investigate the possibilities of establishing the necessary infrastructure in the form of e.g., pipelines for transporting CO₂ from other parts of Denmark and Europe to Port of Hirtshals

Social

We are a people's business



SOCIAL

Achievements 2022

- › Promoting Dare to Care campaign globally: "We have the conversation - The conversations we dare to have could save a life"
- › Employee Engagement Survey conducted with a score of 80% outperforming target with 3%

Targets 2023

- › Lost Time Incident Frequency: 1.2
- › Employee Net Promoter Score: 55

DARE❤️**CARE**

Our global safety slogan is "Dare to Care" because we involve and encourage employees to care, consult and actively participate and because the "The conversations we dare to have could save a life"

Dare to Care

In 2019, the board of directors mandated the board of management to work towards a target of zero Lost Time Incidents from 2024 and continuously forward. As a response to this mandate the board of management delegated the responsibility to the Chief Compliance Officer.

As a result of this delegation, the Blue Water Safety Journey was developed and initiated.

As part of the Blue Water Safety Journey the campaign Dare to Care was created and implementation is still ongoing. This has delivered progress such as increase in reporting and decrease in Lost Time Incidents.





How we lead a culture of safety in Blue Water

Below, is an example of how we create and sustain a safety that places a high level of importance on safety beliefs, values and attitudes, living our purpose of Together We Create Solutions.

A case study of our global campaign executed locally in Oceania by our local Manager HSSEQ

- 01** We agreed that most incidents, injuries and negative consequences are caused (or were contributed to) by poor communication. Hence, if we were to encourage robust conversations in all areas of our business (i.e., locally, regionally and globally) we could effectively promote and maintain a living safety culture where we lead by example and demonstrate industry leading safety discussions and behaviours. We agreed that we had to effectively turn our statement “Dare to Care” into a ‘call to action’, which is why we added “We have the conversation – The conversations we dare to have could save a life”.
- 02** To improve team-buy-in around the world, we offer a monthly reward to our “Goal Zero Heroes” who demonstrate exceptional safety performance via actions, conversations or behaviours. The reward is given based on our monthly “Dare to Care” meetings where we discuss the incidents, observations and learnings across our organisation.
This initiative immediately and significantly improved the quality of the monthly submissions while promoting healthy team competition on safety across all sites and borders. The initial and immediate success of this initiative at a local level has promoted ‘Having the conversation’ with our regional and global teams who are keen to follow suit.
- 03** Additionally, we participated in the Australian “R U OK?” campaign which took place in October. The Campaign aims to raise awareness about the importance of mental health and well-being and encourages people to have conversations about mental health and support one another. The campaign is run by the Lifeline Australia, a non-profit organisation that provides crisis support and suicide prevention services. During “R U OK?” month, Lifeline Australia promoted the campaign through various events and activities, including online resources and materials, community events, and partnerships with organisations and businesses. The goal of the campaign is to create a culture where mental health is a normal part of every conversation.
If you feel like something’s not quite the same with someone you know – there’s something going on in their life or you notice a change in what they’re doing or saying – trust that gut instinct and take the time to ask them “Are you OK?”. We can all make a difference in the lives of those who might be struggling by having regular, meaningful conversations about life’s ups and downs.
- 04** Our sharing and learning across the organisation are keys to succeed in promoting safety beliefs, values and attitudes. Thus, Blue Water is proactively helping to raise the safety benchmark in all our areas of influence and operations. Our journey of improvement is working.

“

This great achievement will without doubt prevent incidents in the future, as we strengthen our ability to predict any dangerous situations and talk these situations through before they occur.

Søren Messmann

Head of Operations and HSSEQ at the Port Service Division, Blue Water Shipping



If you feel like something's not quite the same with someone you know – there's something going on in their life or you notice a change in what they're doing or saying – trust that gut instinct and take the time to ask them “Are you OK?”.

We can all make a difference in the lives of those who might be struggling by having regular, meaningful conversations about life's ups and downs.

Number of accidents

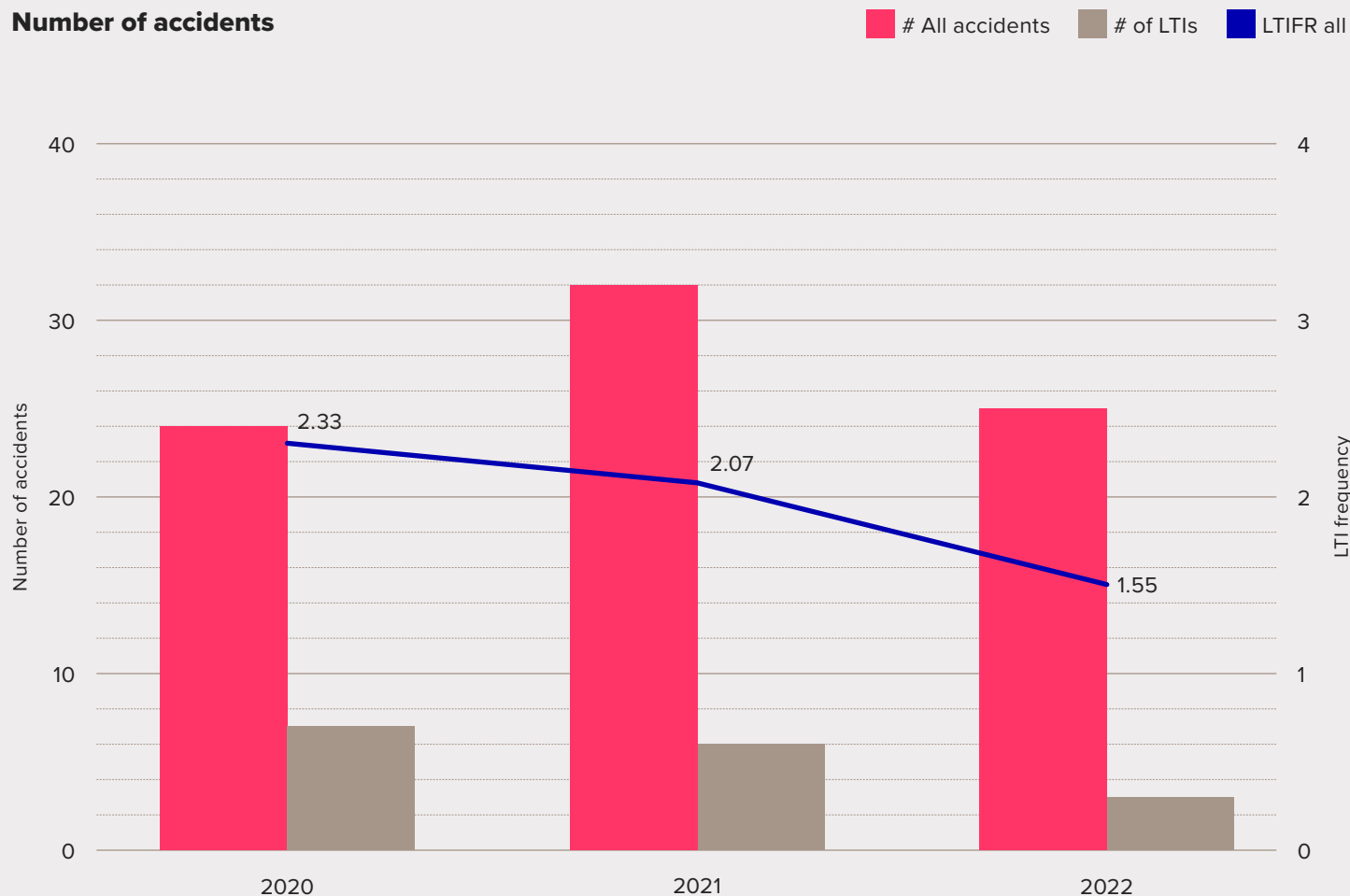


Figure 4.1

Our safety figures on Lost Time Incidents show a decrease in number of accidents per one million working hours.

Our target in 2022 was a frequency of 1.5 and by reaching 1.55 we decreased the number of accidents by 1 accident in 2022 compared to 2021.

The figure also shows a decrease of 22% of all registered accidents. The investigation of numbers shows an increase in registrations of “no absence” accidents by 42% compared to 2021.

All root causes have been analysed, mitigating actions have been established and

implemented accordingly. All actions will be followed up upon and monitored.

Number of working hours in 2021 were 2,897,828 and 3,374,921 in 2022, being an increase of contributing working hours of 16%.

Employee engagement

We want every employee to take part in the positive development of our culture as well as our business. Therefore, every employee is encouraged to give feedback, ask questions, raise concerns and make suggestions to how we can improve our actions every day in our company.

One way to make our employees feel that their opinions and voices are being heard is by means of our yearly Employee Engagement Survey. It allows management better insight into how we can improve systems and processes to increase our employees' levels of job satisfaction.

For 2022, we targeted an employee net promoter score at 77. At the end of 2022, we have reached an engagement score at 80. We are very pleased with the rise of 3 points, particularly as the Blue Water workforce has grown during 2022, which increases the number of respondents. Target for 2023 is 78.

We are proud of this result that places us in the upper quartile when using Ennova's Global Employee & Leadership Index as benchmark based on a weighing of our geographical presence. We acknowledge the fact that 2022 was a year with unusual circumstances due to industry volatility and post Covid-19 factors.

Diversity, equality and inclusion

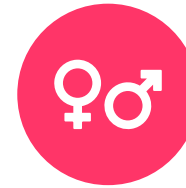
In Blue Water, we believe that diverse perspectives brought forward in equitable settings in all our teams will ensure innovative solutions and create solidity in situations of complex decision making, addressing the challenges of a growing global organisation.

Our fundamental beliefs expressed in our Diversity and Inclusion policy are:

- Attracting and retaining highly skilled talent with unique functional capabilities will support our ability to create better solutions for our customers and stay competitive in our markets
- A globally diverse workforce will support our ambition of building a company that can deliver strong business solutions for customers all around the world
- An inclusive culture where each employee's uniqueness is recognised and accepted is a pre-condition for thriving and being able to perform at one's best
- No employee should feel discriminated due to gender, race, colour, religion, political belief, sexual orientation, national origin, social origin, age or disability

Diversity

In Blue Water, we have set forth focus areas to define the meaning of diversity to our organisation:



Gender distribution

We want the distribution in our leadership to be a fair representation of the distribution in our entire workforce. We will therefore through training, recruitment and succession planning, work with the balance between genders and address any unconscious bias that is a barrier to balance.



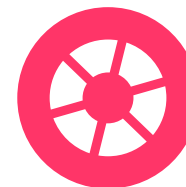
Age distribution

As a company built on values such as care, passion, and relations, we support lifelong careers and aim to offer development opportunities and flexibility for the different stages of an employee's life. This way we can secure that we continually build knowledge and foster collaboration across our organisation.



Cultural distribution

As we grow our business globally the cultural distribution becomes more and more important to us. Bringing in different cultures and different nationalities increases our understanding of the global market and helps increase our commercial creativity. To attract the right global talents, we will support mobility across borders, cross-functional career opportunities and internal career mobility.



Multifunctional competencies

We want to attract employees with strong and deep functional competencies that can lift our internal knowledge base and help create stronger solutions for our customers. Blue Water has always been recognised in the market for strong functional competencies, and we will nurse and develop that through training and development activities, e.g., in our in-house Academy.

Gender: Targets and definitions

Board

The highest governance body of the company.

Number of Board members: 7

Current gender distribution: 5/2 (M/F)

Share, under-represented gender: 29%

Target: 30%

Actions

Nomination committee will ensure focus on gender balance when recruiting for future Board positions.

Other Management levels

We define this as all E-level positions, which essentially is EMB and main references into EMB.

Number of E-level positions: 27

Current gender distribution: 24/3 (M/F)

Share, under-represented gender: 11%

Target: 20%

Actions

Specific focus in upcoming organisational review on female talent and succession. Introduction of mandatory female candidates on shortlist in all external searches.



Data-driven decision-making for diversity

For the year 2023 and going forward, we will increase insights into diversity and inclusion at all levels of our organisation.

This includes collecting and structuring the data necessary to understand how we are performing within these areas today to make decisions and set targets for improvements. Initiatives include specific focus in upcoming organisational review on international talent and succession and an increased focus on recruiting international candidates for senior roles (not only limited to office manager roles).

A celebration of diversity and togetherness

In September 2022, we celebrated Blue Water's 50th anniversary. After several years of Covid-19, we could finally gather colleagues, business partners, customers and other friends of Blue Water with a line-up containing several initiatives for celebration.

On September 1st – exactly 50 years after Blue Water opened its doors for the very first time – a great celebration was held in the city where it all started, Esbjerg. This included kids'

entertainment for the city's childcare centres in the morning, a football show match and open-air concerts for 10,000 attendees. Also, a reception was hosted for 1,000 customers and suppliers, being the largest reception ever held in Esbjerg.

Subsequently, 1,400 out of the 2,000 employees were gathered in Denmark for teamwork activities, socialising across nationalities, business units and level/rank. This was followed by a banquet with entertainment, live music, and a gigantic dancefloor. A day and night we will never forget. The true value of Blue Water's sense of togetherness became prominent.

Choosing a gift with lower environmental impact

Planning of the jubilee involved many tasks, one of them being to decide the right gifts for the 2,000 employees of great diversity.

At the celebration all employees received a customised Grünbag Carry Computerbag along with other goodies. The fully recycled bags from Grünbag are made from surplus material from tarpaulin production.

Community engagement

In Blue Water we want to make a difference for the people and societies around us. Our mantra is to be “Best in town”. We acknowledge that this also means being best for and with the town. Therefore, we put a great effort in local involvement where we do business to contribute with capabilities, programmes and activities that positively impact people and communities.

Our local programmes include a variety of initiatives, and we focus on continuing to support local communities on a global scale with our presence in Esbjerg as our lighthouse and “the good example” on how to be Best in Town while proactively making a positive difference for people and communities in the town.

Donating 250,000 Danish kroner to a sports club

On Blue Water’s 50-year jubilee, a fundraising for Lykkeliga was initiated instead of reception gifts. The sports club Lykkeliga is a volunteer project teaching handball and giving happiness to children with disabilities. Rikke Nielsen, founder of Lykkeliga and former professional handball player, established the team in 2017 when she could not find a suitable club for her daughter born with Downs syndrome. After only a few weeks, 40 players had joined. Today, the community has 1,200 players on 79 teams all around Denmark, the Faroes and Greenland.

“

Kurt and Blue Water have shown interest in the development of Lykkeliga during recent years. This financial support means the world to our association with 450 volunteers working hard to give happiness to children with disabilities.

Rikke Nielsen - Founder of Lykkeliga

Cross-functional execution

Cross-functional execution is what happens when people from different teams or functions in an organisation join forces to work on a common goal or project. Execution across teams and functions requires alignment, collaboration and a common understanding of company goals. Therefore, we focus on creating a culture, where we employees come together to acquire new perspectives, continuously learning from one another and expanding their broad knowledge.

And we believe that cross-functional execution also spurs increased employee engagement and motivation through diversity.

We believe that cross-functional execution also paves the way for innovative ideas and solutions that can help us improve our business in many ways, including when it comes to tackle complex challenges on the sustainability agenda.

Sustainable transformation requires new solutions, a change of habits and above all collaboration. But first and foremost, it requires cross-functional involvement and engagement from our employees. The key to flourish that is a platform for participation so that every interested employee can take part in shaping the way forward in Blue Water.

Creating a sustainable movement and mindset

Without dedicated, talented and curious people on board our sustainability journey, none of our ambitions on this agenda would be possible. That is one of the reasons why health, safety and wellbeing for our employees are top priorities in Blue Water. We believe this builds the ground for development, inclusion, diversity and better decision-making.

Now and in the future, we will have a strategic focus on training and upskilling our employees ensuring that they

are fully onboarded our sustainability journey and have the knowledge, opportunities and platforms to participate actively in making a positive change in our company as well as with and for our customers.

One of our initiatives in 2022 included the launch of an internal knowledge hub accessible to every Blue Water employee. The knowledge hub focuses on sustainability, environmental and social impact.

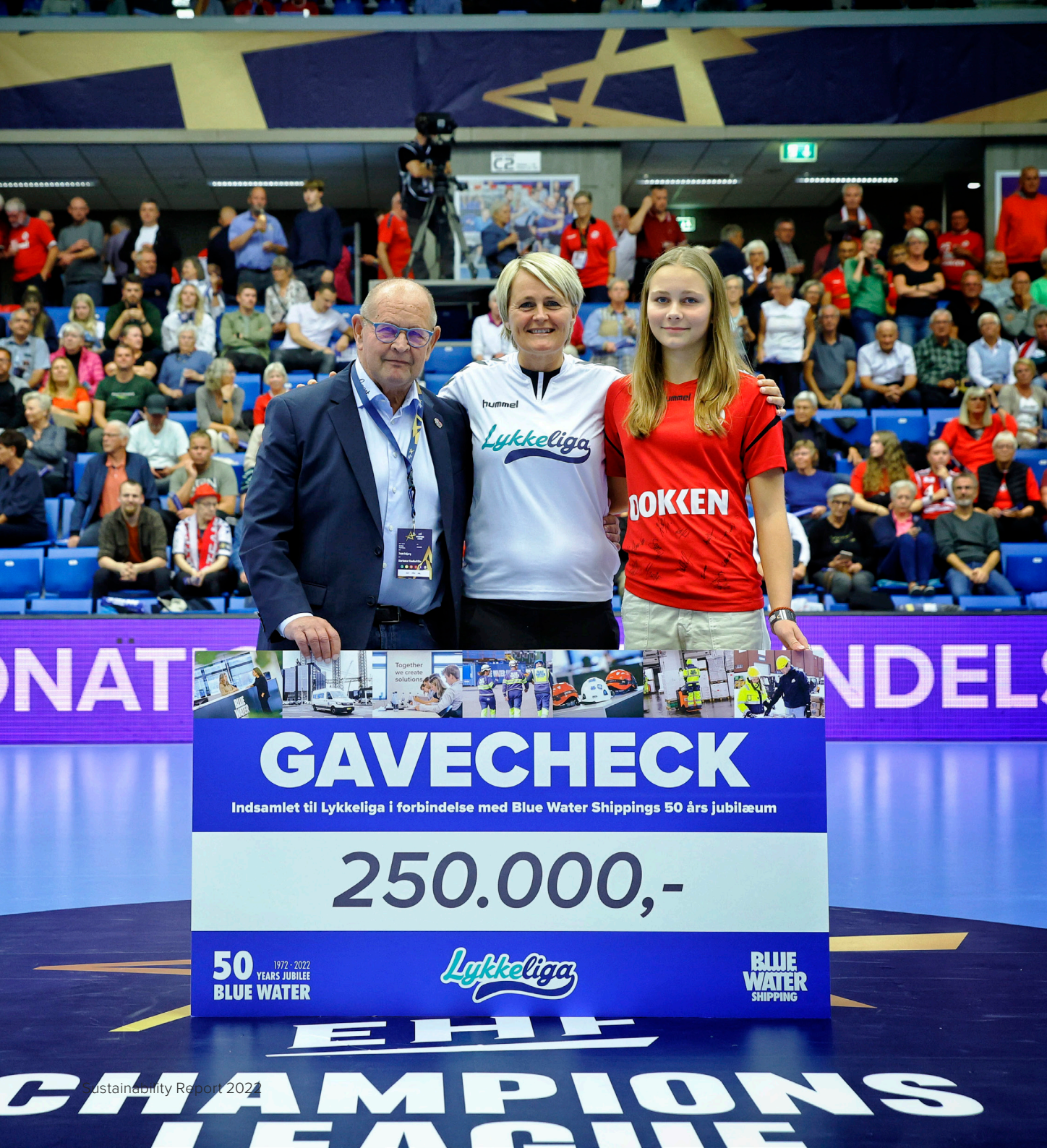
Sustainability Ambassador Network

In 2022, we launched our very own network of sustainability ambassadors in Blue Water. We call this our Sustainability Ambassador Network. An initiative with the purpose of decentralising the sustainability agenda across divisions, teams and employees globally to foster distributed decision-making. The idea has been to establish a platform for inspiration, knowledge-sharing and impact that motivates sustainable actions in every corner of our company. Additionally, the network allows for bottom-up communication providing our management with essential and relevant perspectives on sustainability from across our organisation.

In January 2023, we hosted our first network meeting for a group of volunteer ambassadors in Blue Water. The meeting gave us useful insights into the perspectives of our employees and teams across the organisation. In 2023, the plan is to expand the network further across our company counting even more employees to engage in the useful platform for meaningful and cross-functional dialogue about sustainability.

In-house expertise driving greener solutions

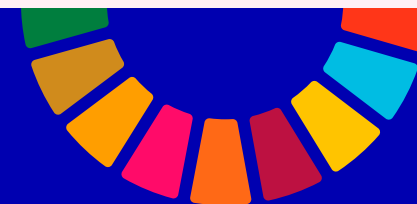
It is important that our employees are empowered to make a positive change and act on the sustainability agenda. Besides engagement and the will to contribute and learn among our employees, it is also imperative that we ensure that our organisation is equipped with the right level of knowledge and expertise. Therefore, we focus on efforts that strengthen our in-house expertise and advisory capabilities in Blue Water.



This is for example essential to build the expertise and knowledge that enable us to provide e.g., climate-specific advice to customers while still responding to their needs and market dynamics.

Roadshows for local action

Late 2022 and into the early part of 2023, we have organised and hosted roadshows in Denmark starting with the offices in Odense, Billund, Aalborg, Greve, Taulov and Esbjerg. Main headlines for these events are to secure anchoring knowledge about the reasons and ambitions behind the path towards a sustainable Blue Water, enabling employees on all levels to communicate the right knowledge advice to customers. Remaining offices in Denmark will be introduced in the spring followed by the global network in the Autumn 2023.



Creating a sustainable movement and mindset

To encourage a company-wide sustainability culture, we invest in nurturing and developing knowledge and skills of our number assets – our employees. We want everyone in Blue Water to feel empowered to work towards and contribute to our shared vision of sustainability.

We already feel the curiosity and eagerness to contribute to our sustainability agenda and to participate in driving change and positive impact forward. We will continue to nourish this engagement, since it is key to real impact, engagement and learning across our company.



Blue Water Academy

In 2021, we opened our Blue Water Academy offering quality education and training at all levels of the organisation. The Academy is frequented by employees from all over the world to strengthen the working relations across borders and business units as well as ensuring a high level of expertise crosswise of Blue Water focusing on a variety of areas from leadership to customer care.



An international trainee programme

Blue Water offers its own two-year trainee programme of transport and logistics. The programme forms a great way to start an international career, providing high-level courses and professional opportunities. In 2022, our first international trainee programme was initiated. More than 70 trainees met from countries from all over the world including Guyana, Singapore, USA and Brazil. The education consists of mix of physical lectures at the Academy at the headquarter in Denmark combined with online lectures.

The international trainee programme is split into two parts:

- Year 1:** Working and getting training in the domestic office of the trainee
- Year 2:** Working and getting training in one of Blue Water's offices outside of the home country of the trainee

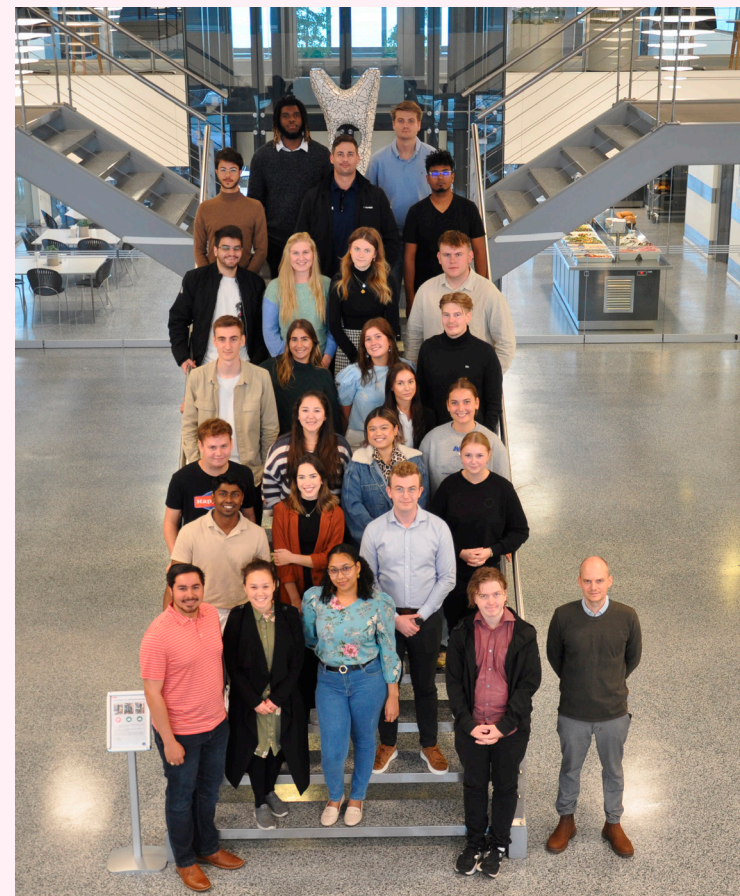


Being in a job that enables me to learn new things is a great privilege. The teachers are excellent and incredibly approachable. It is amazing that we can hold in-class sessions in another country. Given that we live in a technologically advanced society, holding classroom sessions online would have been far more cost-effective for the organisation, so I'm incredibly appreciative. Not only did I get to meet new people, but I also got to learn about their culture - both in their home country and at work.

Khemraj D. Samaroo - International trainee from Guyana

It's incredible to have meet people from all over the world and learn about their different cultures, and what they do in their day-to-day office duties. I'm hoping to use my knowledge to advance myself within Blue Water while meeting new people and making new friends. I look forward to seeing the outcome of my studies.

Dawn Gamell - International trainee from Guyana



Since international borders have reopened after Covid-19, it is once again possible to travel around the world. That has made it possible for Blue Water in 2022 to conduct several training and education programmes for our employees worldwide uniting our teams across the world in the efforts of learning:

- > **Leading for growth** is one of our management focused trainings conducted for all Blue Water managers in 2022
- > Programme expansion and dissemination of **sustainability** as classroom teaching and as a webinar, focusing on e.g., **Code of Conduct** and **Management of Dangerous Goods**
- > **HSSEQ and Compliance** teams training in Australia, Greenland and the USA

Governance

We act with integrity to make effective decisions for the greater good



GOVERNANCE

Achievements 2022

- › Continued centralisation of our compliance documentation in one centralised Supplier Relationship Management system
- › Implementing new standards into our ethical guidelines and Code of Conduct
- › Launching our new Compliance Portal
- › Expanding our resources with a quality manager and a quality coordinator responsible for our Global Management System (GMS)

Targets 2023

- › Integrating our standards and performance evaluation further into our supply chain to ensure a centralised third party risk management approach
- › Strengthening our framework for data processing and cyber security
- › Increasing the ease of use of our GMS and conducting training for all levels of users in our organisation
- › Preparing for future reporting requirements e.g., CSRD (Corporate Sustainability Reporting Directive) and NIS2 (Network and Information Security)

Responsible sourcing and procurement

Responsible sourcing is the incorporation of ethical, sustainable and socially conscious principles into sourcing, procurement and overall supply chain management practices. Focusing on responsible sourcing helps ensure that business between us and our suppliers is conducted in a manner that does not negatively impact society or the environment. Hence, this is material topic for Blue Water.

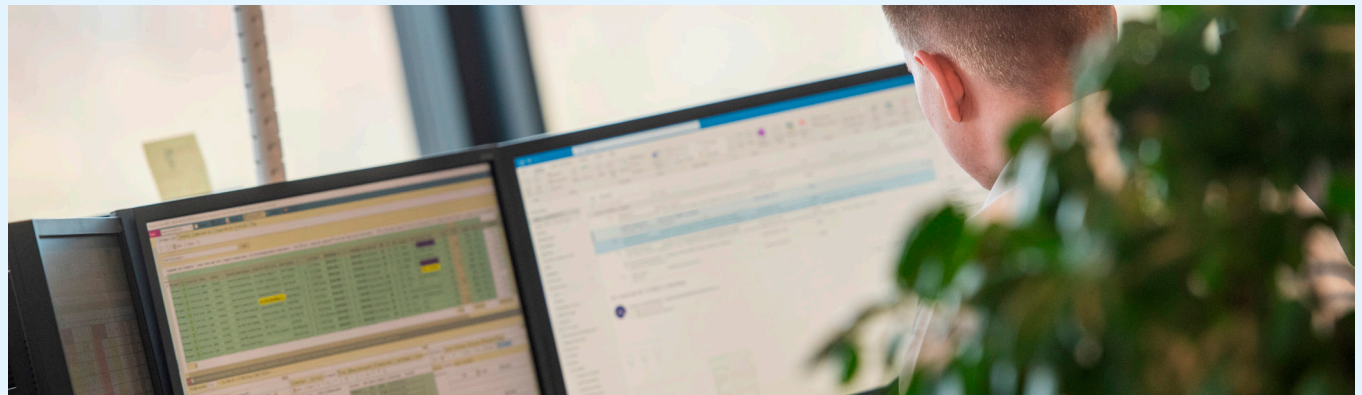
Increasingly complex and globalised supply chains mean that sourcing risks, such as unsafe working conditions, labour exploitation or environmental pollution can go undetected. Therefore, we have a crucial role to play to leverage responsible sourcing activities in our supplier focus to identify and correct any non-compliant practices but also to go a step further encouraging suppliers to embed social security measures and limit environmental impacts, since we care for reliable and devoted suppliers believing and we believe that our industry has a joint obligation.

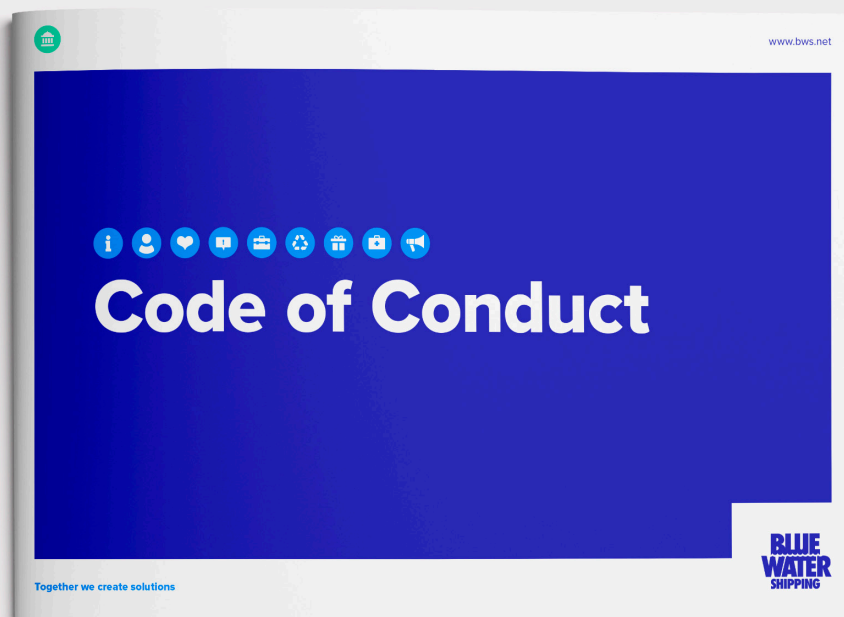
Supplier Relationship Management system

Blue Water relies heavily on the performance of our suppliers and agents. Ensuring that they act with integrity and continually deliver in accordance with requirements and agreements are of utmost importance for us to meet customer expectations and maintain our reputation as a responsible business.

In 2022, we expanded our ongoing work with Supplier Management by centralising compliance documentation in one centralised Supplier Relationship Management (SRM) system. The system is fundamental for us to ensure that selection and performance evaluation of suppliers to Blue Water is managed according to our internal requirements and standards when it comes to Quality, Environment, Health, Safety, Security and Compliance. This also includes supplier engagement and auditing.

In 2023, we will continue to integrate our standards and performance evaluation further into our supply chain to ensure a centralised risk management approach to screening, assessing approving and monitoring third parties in our supply chain.





Our Code of Conduct

Our Code of Conduct supports us in being uniform in our business approach and thereby ensuring that we maintain Blue Water's reputation as a company of high integrity and credibility. Since we issued our first Code of Conduct, we have been implementing new standards into our ethical guidelines, and we are continuously adjusting our Code of Conduct to follow global patterns of responsible behaviour.

In 2022, we have increased focus on strengthening our compliance programmes and business ethics by means of several initiatives. We have reviewed our Code of Conduct with

amendments concerning e.g., modern slavery and human trafficking. In 2022, we have also followed up on our company commitments with regards to money laundering, competition compliance and data ethics.

Also, we have had focus on zero tolerance approaches towards bribery and corruption, including understanding the internal and external dynamics of our business conducts to mitigate such risks.

[Download Code of Conduct](#)

Ethics and business conduct

Being a trustworthy supplier of transport and logistics takes more than providing deliveries on time. It also means taking a stand towards some of the challenges we face or may face in our global society. In Blue Water, we live our values, and we care for the world we are part of. Whether it regards people, the environment or market dynamics, we want our employees, our clients, partners and the broader society to know that we act with integrity and credibility – and that we keep our promises.

Human and labour rights

In Blue Water we comply with all relevant human and labour rights, and we set high standards to act with integrity when it comes about our own workforce as well as workers in our value chain. We comply with relevant human and labour rights as set out in the UN Universal Declaration of Human rights and the Fundamental Conventions of the International Labour Organisation (ILO).

Our Ethics Line

Any employee, customer or business partner, who for ethical reasons decides to uncover or inform about unacceptable conditions or direct illegality at Blue Water that he/she knows about or somehow has been involved in, is encouraged to report directly to the Ethics Line without fear of retaliation or similar.

We expect all our employees to act within the framework of the law and encourage them to act if they encounter any deviations.

Our whistle-blower programme serves to:

- uncover and control unethical and illegal conduct and practice within the Blue Water organisation
- ensure that all employees observe the current legislation and operate within the company's moral and ethical framework

Data Ethics in Blue Water

At Blue Water, we process large amounts of data for and about customers and employees daily. Thus, we have a great responsibility in ensuring data ethics and security to protect sensitive information, comply with regulations, maintain customer trust, protect business assets and respect ethical considerations.

We have implemented a variety of measures for data security and ethics such as:

- Risk management to identify and evaluate the potential risks to sensitive data and help determine which security measures are needed
- Access controls to help prevent unauthorised access and data breaches
- Firewalls to help prevent unauthorised access to our network by monitoring and controlling incoming and outgoing network traffic.

In addition, we regularly update software and back up data to protect against known security vulnerabilities and ensure that data can be recovered in the event of a data loss or disaster.

Our employees are essential to ensuring that data privacy and cyber security are always maintained. To make sure that our general workforce has a profound understanding and awareness of data privacy, we focus on education and training to equip every employee with the right knowledge and skills to make data protection a default behaviour and help minimise the risk of data breaches.

In 2023, we will strengthen the framework for data processing even further to secure the confidentiality, integrity and availability enabling us to be a trustworthy partner processing our customers' and employees' data in accordance with any applicable laws and regulations.

Such efforts are supported by the next phase of the implementation of our SRM system with the global process of holding all our suppliers accountable for living up to our Supplier Code of Conduct.

CASE

Information Security Campaign: “Be Alert”



In early 2021, Blue Water launched the Be Alert information security and data privacy awareness campaign. The purpose of the initiative is to:

- Ensure staff awareness
- Secure the organisation's critical information assets
- Mature a risk aware business culture
- Compliance with current legislation

The core activity of the Be Alert campaign is employees completing e-learning trainings within areas such as phishing, physical security and personal data processing. All employees are obligated to pass the test included in each session.

We continue to cooperate with a trusted partner in delivering content to the Be Alert e-learning training courses. Global implementation of the e-learning training is launched out of the internal Learning Management System (LMS).

Our policies and policy implementation

Our policy	The policy in short	Example(s) of policy implementation
Global Environmental Policy Download here	The policy describes our efforts to continuously reducing environmental impact based on defined environmental targets and upholding our certification in accordance with ISO 14001.	<ul style="list-style-type: none"> › Certified ISO 14001:2015 Management System at the offices in Esbjerg, Oslo, Nantes, Brest, Houston, Aberdeen, Baku, Rio de Janeiro, Singapore, Brisbane, Perth and Port of Brisbane › Global Environmental targets
Global Quality Policy Download here	The policy describes how we want to ensure customer satisfaction through quality and service, which are essential parts of our daily efforts to deliver the best solutions for our clients.	<ul style="list-style-type: none"> › Certified ISO 9001:2015 Management System at the offices in Esbjerg, Oslo, Nantes, Brest, Houston, Aberdeen, Baku, Rio de Janeiro, Singapore, Brisbane, Perth and Port of Brisbane › Global annual customer satisfaction survey › Global Quality targets
Global Health & Safety Policy Download here	The policy describes how we work to involve and encourage employees to care, consult and actively participate in health and safety initiatives and procedures to uphold a safe and healthy working environment for the protection and well-being of our employees.	<ul style="list-style-type: none"> › Certified ISO 45001:2018 Management System at the offices in Esbjerg, Oslo, Nantes, Brest, Houston, Aberdeen, Baku, Rio de Janeiro, Singapore, Brisbane, Perth and Port of Brisbane › Global Health and Safety targets › Implementation of the HSSEQ Reporting System to record and handle all incidents, accidents, non-conformities, observations, suggestion for improvements and near-misses at our workplace and take all practicable steps to prevent these events from happening again, including ongoing Root Cause Analysis and implementation of lessons learned
Global Tax Policy Download here	By adhering to transparent and trustworthy business practices, we aim to contribute to countering corruption and ensuring a fair and level playing field. The policy describes our responsible approach to tax legislation that enables us to comply with tax legislation in the various jurisdictions in which we operate globally.	<ul style="list-style-type: none"> › The Groups Global Tax Policy is aligned with the values which is described in Blue Water's Code of Conduct. › We have committed to accurate financial reporting which also includes the company's tax. › The Country-by-Country report (CbCr) gives transparency to how much taxes are paid and to whom. › The CbC reporting is mandatory and to be filed to Tax Authorities for MNE's who consolidated revenue exceeds 750m EUR, thus also Blue Water. › From the first financial year starting on or after June 22, 2024, the CbC
Global Privacy Policy Visit our website	This policy describes how Blue Water processes personal data, including collect, use, store and retain personal data while acknowledging legal requirements, business needs and customer/employee's expectations within expectation of privacy.	<ul style="list-style-type: none"> › Global implementation of e-learning in Data Privacy Awareness Training › Classroom trainings for Group IT and Group People & Culture, including other staff groups. › Global management review of data privacy initiatives yearly. › Audits of data processors and data sub-processors <ul style="list-style-type: none"> • Meeting regulatory requirements through, but not only, securing the processing of personal data with data processing agreements with Blue Water business partners.



Governance, risk management and control

Blue Water is dedicated to delivering compliance programmes that reflect key sustainability initiatives and measures. Therefore, our compliance programmes reflect the acknowledgment of the 17 SDGs seeking to balance our legal obligations, customer expectations and business requirements.

In addition, we focus on Business Ethics supported by the compliance initiatives enabling our employees to operate in an ever-changing environment creating value for customers and stakeholders.

In 2022, we implemented our new Compliance Portal

Here, every employee, customer or business partner can:

- › read about our Code of Conduct and business ethics
- › report violations to our Code of Conduct through our whistle-blower programme, Ethics Line
- › report on breaches of personal data security.

As part of our amending initiatives to strengthen our business ethics and level of compliance, we have made sure that every compliance programme as a minimum consists of:

- › Policies and instructions, ensuring regulations and guidance on each compliance area
- › Training and information targeted relevant employees, customers and other stakeholders in question
- › Assurance and controls, ensuring appropriate measures are put in to place to meet liability and credibility concerns

In 2023, we will continue to work proactively with Risk Management to mitigate risks to our company. We will have a continued focus on, but not limited to, Competition Compliance, Anti-corruption, Modern Slavery and Data Security ensuring that appropriate measures are put in to place to meet liability and credibility expectations through the alignment with the Blue Water culture and visions.



Our goal is to increasingly integrate sustainability topics into our decision-making processes, as well as to foster dialogue with key stakeholders across our industry about the risks and opportunities we face locally and globally when it comes to sustainable development.

New Global Management System

Our GMS was rolled out in Q3 2021. In 2022, we expanded our resources with a quality manager and a quality coordinator who are responsible for maintenance and development of the system.

Focus areas in 2022 were validation of documents, metadata and removal of obsolete contents. Implementation of the new Blue Water visual identity has further initiated a review of all documents in GMS.

In 2023, we will focus on easing the use of the GMS and conduct training for all levels of users in our organisation. An awareness campaign for GMS is planned for 2023.

Business Unit directors are responsible for identifying and

mapping risks and opportunities relevant for her/his unit. In addition, Business Unit directors continuously update the identified risks and make action plans for risk mitigation initiatives, according to the Risk Management Process.

The mapping of risks and opportunities is based on inputs from all business units covering the entire organisation and all areas of business such as health, safety, environment, compliance and finance. If we experience new demands or concerns from employees, customers, partners, suppliers and/or other stakeholders, these are assessed and documented in the Risk Management process.

Risk Management on Board and Management level

The risks and action plans are presented to and discussed with Management at quarterly business unit meetings com-

plemented by a quarterly Risk Review. Thus, Management evaluates risks and opportunities and decides on future actions and KPIs on enterprise level.

The Board of Directors evaluates strategies and initiatives aimed at understanding and mitigating risks and opportunities defined in the Risk Management Process on an annual basis e.g., on Executive Board Meeting.

Audit Programme

An internal audit programme is a global scheme securing that we establish compliance with the Blue Water Global Management System (GMS) and the requirements in the International Standards ISO 9001:2015 Quality Management, ISO 14001:2015 Environmental Management and ISO 45001:2018 Occupational Health & Safety Management. The programme

runs for a three-year period, scheduled with the risk-based approach to focus on specific critical areas and to ensure that audits are covering all know aspects.

Apart from the planned audits, unplanned audits are performed on a risk-based basis. The outcomes from internal audit are used to share best practice and lessons learned.

Parts of the Audit programmes constitute internal financial controls, which are controlled within the finance department. The financial internal controls are performed to avoid errors and ensure the most correct financial statement, based on the seven audit assertions.

Most of the financial internal controls are based on the external audit requirements at year end, and the financial internal controls are performed on all our legal entities, but on a differentiated level customised to the individual company. The customised level is based on the level and type of activity in the company.

We see external audit performed at Blue Water as a great opportunity to learn. We have audits performed by regulators, third party or our customers.

Internal audit plan

A part of the internal audit plan is based on financial internal controls, which is conducted by the finance department. The financial internal controls are performed to avoid errors and ensure the most correct financial statement, based on the seven audit assertions.

Currently, most of the financial internal controls are based on the external audit requirements at year end.

The future will focus on continuous implementation of FIC in current and new legal entities. On strengthening current status and on further development of new FIC. The aim is to support Blue Water requirements for internal controls.

Documentation and reporting sustainability

In Blue Water, we are focused on improving our documentation and reporting on a wide range of sustainability topics, including environmental, social and governance parameters. Our goal is to be transparent about our performance beyond our bottom line as well as about our understanding and management of risks and opportunities related to a variety of short and long-term factors.

For the coming years, we will focus on emphasising the link between financial and non-financial performance of our company. Internally, our focus will be to streamline processes, strengthen decision-making and assess sustainability performance with respect to business strategies, policies and procedures. Externally, we will focus on helping our stakeholders to understand our performance and decision-making when it comes to sustainable development and responsibility in our company as well with respect to the activities in which we engage.

To strengthen our integrated reporting, we will for the 2023 align our sustainability reporting by using the framework set forth in the Global Reporting Initiative (GRI).

Preparing for future reporting requirements

Currently, we are preparing to meet future regulatory requirements on sustainability. As a result, our sustainability reports will also change in both scope and content in the years to come, ensuring stronger alignment to international reporting frameworks and standards.

Looking forward, we will evaluate our material topics and our roles in the markets even more formalised and on an ongoing basis, including getting feedback and input from a broader range of relevant stakeholders across our company as well as from external parties and experts.

From the financial year 2025, new reporting requirements will be introduced for larger companies throughout the member

states of the EU. The new reporting requirement, the Corporate Sustainability Reporting Directive (CSRD) and the underlying reporting standards, European Sustainability Reporting Standards (ESRS), will apply to Blue Water. Therefore, we are deeply focused on preparing for the new reporting frameworks and scope for sustainability reporting, and throughout 2023 we will begin the processes of establishing proper reporting capacity and principles to adhere to future regulation standards.

Essentially, we will prepare the conducting of a double materiality assessment examining sustainability matters that are simultaneously 1) financially material in influencing our business value and outlook for our company, and 2) material to people, planet and the market in the world around us. A focus that is directly linked to our company vision and strategy for sustainability and responsibility.

NIS2 (Network and Information Security)

NIS2 is an EU directive, set out by the European council to create a uniform approach to cyber security and data protection. The main objective is to strengthen the efforts at the organisations, which deliver essential and/or important services to the community.

This means that by end of Q3 in 2024, there will be a list of compliance requirements to such types of organisations. Blue Water has been identified as a company being a part of critical infrastructure. In consequence, we will have to act according to the NIS2 directive, and later national and/or local legislation.

Blue Water has identified that security risk management should be improved and has therefore in Q4, 2022 received third party advice and guidance to create clarity and mutual understanding of the direction to go. We will commence our security mapping and assessments in Q1, 2023.

Ownership and values

We embrace our strong Blue Water DNA and take pride in making our purpose and values mean something

The Blue Water Foundation was established in 2007 with the objective of promoting responsible ownership and governance of Blue Water. To accomplish this, the company structure was devised by placing 75% of the ownership in the foundation, while 25% was retained by the Skov Family Holding. This arrangement has ensured that the company's culture and core values are preserved for future generations, and it promotes a long-term perspective.

As the new chairman of the board, Anne Skov has set her sights on further developing the foundation's support for Blue Water while staying true to the company's values.

In 2022, the foundation added an additional member to its board when Kathrine Kirk Muff joined, bringing in additional competencies.

"I feel a great responsibility to secure my family's involvement in Blue Water", says Anne Skov. "The Foundation will continue to safeguard our company by setting a long-term direction with a focus on being a great workplace. And by supporting the communities that we are a part of. This way, Blue Water will remain a unique company for the next many years".

One of the Foundation signature projects will be the implementation of the Blue Water Games for all colleagues around the world. For the first time being held in 2023, the global initiative is an annual event supporting Blue Water as a unique workplace. Also, it will be a way for all Blue Water colleagues to vote for a charity project financially supported by the Foundation.

"One of the strengths of the foundation ownership and family ownership is that we can work along a long-range plan. We must of course be competent and efficient, but all actions must be made with respect for the fundamental values, and this means a lot to our clients and employees", says Søren Nørgaard Thomsen.

Link to foundation Board:

<https://www.bws.net/about/foundation>

Link to press release:

<https://www.bws.net/media/news/the-skov-family-strengthen-their-role-in-blue-water>



Anne and Kurt Skov at Blue Water's headquarters in Esbjerg, Denmark

Carbon accounting principles

Carbon accounting using Greenhouse Gas Protocol

The most widely used international standard for greenhouse gas emissions accounting throughout the value chain is the Greenhouse Gas Protocol (GHGP). The protocol provides a comprehensive global standard for measuring, reporting and managing greenhouse gas emissions. Hence, it represents a consistent way of calculating the overall carbon footprint of a company and all its activities and operations. In Blue Water, this enables us to better understand and gain an overview of the activities driving our carbon footprint, meaning that we can set an ambitious reduction target and measure and manage our performance to lower our emissions every year.

Three scopes and types of emissions

It follows from the GHGP that the carbon accounting must include greenhouse gas emissions associated with three different areas to give a complete picture of a company's carbon footprint. These are referred to as scopes:

- Scope 1:** Direct emissions from company-owned and controlled resources. In other words, emissions are released into the atmosphere as a direct result of a set of activities at a firm level (e.g., fuels for company owned vehicles or company-owned heating sources).
- Scope 2:** Indirect emissions from the generation of purchased energy from a utility provider. In other words, all GHG emissions released in the atmosphere, from the consumption of purchased electricity, steam, heat and cooling.
- Scope 3:** Indirect emissions that occur in the company's value chain, including both upstream and downstream emissions. In other words, emissions are linked to the company's operations, including those generated by suppliers and distributors by employees' business travel and by the usage of services or products sold.



Scope 1 and 2 emissions

With the use of our new data collecting tool, we have increased the level of detail of our scope 1 and 2 carbon accounts across locations and warehouses to ensure a better data quality. This has been done as part of a validation process of 2021 data as well as data collection for 2022.

- › Scope 1 and 2 GHG emissions are based on actual consumption data from all Blue Water locations worldwide
- › GHG emissions from electricity consumptions are based on the location-based method
- › Due to the complexity of obtaining emission factors for the local district heating network worldwide, GHG emissions from district heating are based on the Danish average emission factor for district heating for all locations
- › With regards to electricity consumption at Blue Water offices outside of Denmark, country-specific emission factors have been used by means of the location-based method.
- › For Danish locations, data for electricity consumption in both 2021 and 2022 are based on national average carbon emission factors for the year 2021. Since these are published in April each year, the official 2021 average emission factors have been used for both 2021 and 2022 electricity consumption in Denmark. It is assessed by third-party that this accounting method is valid.
- › For some locations, it has been necessary to estimate energy consumption, since some of our offices are shared with others in a larger building. Hence, where this has been the case, we have used the energy consumption/m2 for a similar building multiplied by the amount of m2 in the office in question.



Carbon accounting principles

Location-based method

The location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). In Denmark, the location-based method is referred to as the Environmental Declaration, which in 2021 was calculated by Energinet to: 0,136 kg CO₂/kWh

The environmental declaration denotes the actual delivered electricity and is calculated based on aggregated and average statistical information within a geographically defined area and a given period, typically a year.

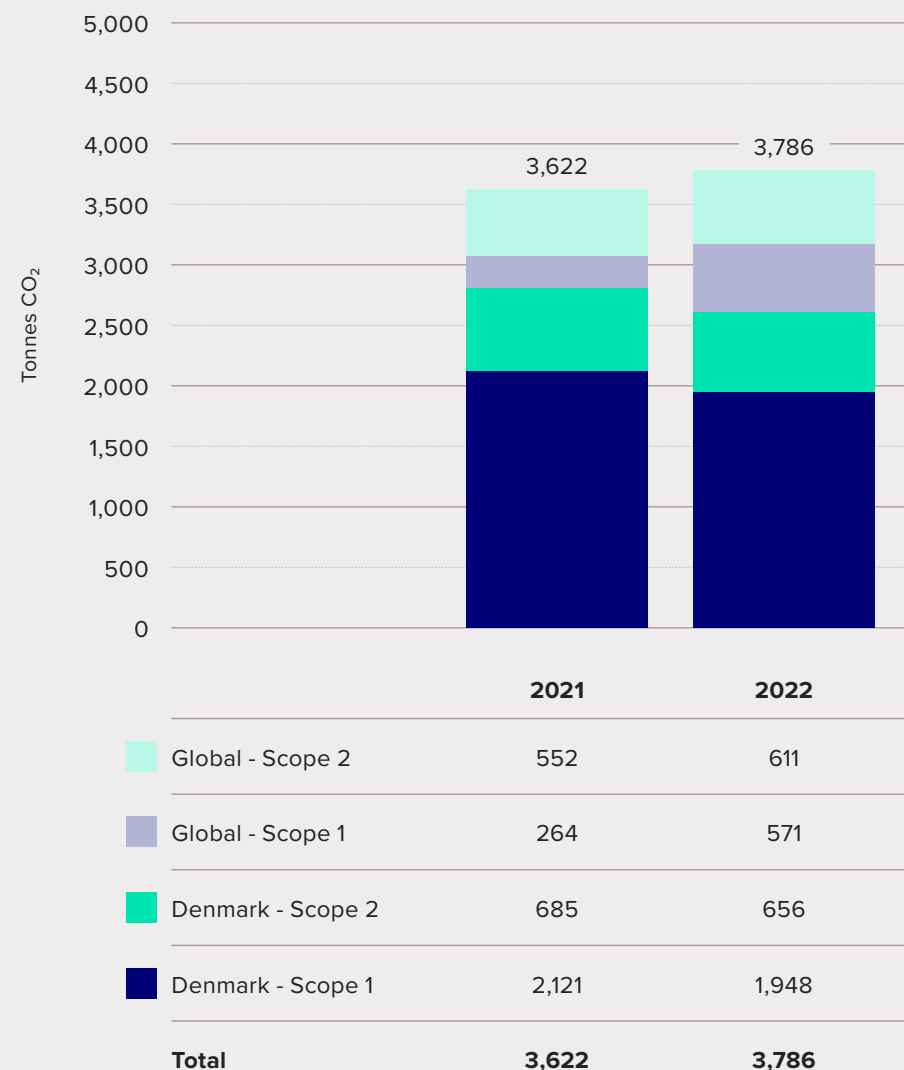
Mapping scope 3 emissions

- › Scope 3 GHG emissions are calculated based on a combination of activity-based and spend-based data
- › All scope 3 GHG emissions are based on data from our accounting system
- › Scope 3 GHG emissions are divided into Business Units – except from emissions from transportation and employee travel

To map our scope 3 GHG emissions for 2021, we used EcoTransIT World data (activity-based data) for as large a proportion of our customer base as possible as an alternative to spend-based data (i.e., the financial value of sold transport and logistics services multiplied by the emission factor for this category):

- › We manually processed the transportation for our largest customers through EcoTransIT World to gain activity based GHG emissions. This counted for 11.3% of all transportation revenue for the financial year 2021
- › We replaced the activity based GHG emissions from EcoTransIT World with the corresponding emissions from spend-based data for the customers in question
- › The new activity-based emission factors from EcoTransIT World (kg CO₂/DKK) were applied to all transportation – except rail transportation where no EcoTransIT World calculation was available for 2022. For rail transportation the emission factor from Exi-obase was used.

Scope 1 and 2 emissions - Location-based



Carbon accounting principles

Below, the emission factors from Exiobase¹ are shown and a calculated emission factor based on actual EcoTransIT World calculations and spend-based data.

	Emission factor (Exiobase)	Emission factor (calculated) 2021	Emission factor (calculated) 2022	Difference between Exiobase data and calculated emissions factors used in 2022
	Kg CO ₂ /DKK	Kg CO ₂ /DKK	Kg CO ₂ /DKK	%
Road	0,066	0,100	0,069	+4%
Air	0,169	0,361	0,293	+42%
Rail	0,113	-	-	-
Sea	0,526	0,163	0,169	-211%

The emission factors deviate up to 211% between Exiobase emission factors and the calculated emission factors in 2022. This is because since spend-based data is often very generic, emphasising the fact that spend-based emissions factors are considered a second-best option compared to activity-based measurements.

However, using activity-based emissions factors combined with spend-based emission factors provides a great first approximation of our company scope 3 carbon footprint from transportation, while we onboard more customers on our EcoTransIT World calculator, thus converting spend-based data to activity-based in the coming years.

As seen, there is a difference between the calculated emission factors in 2021 and 2022. Calculated emission factors are following the same methodology, but it is not possible from the data to tell if the difference is subject to changes in the CO₂-efficiency of the modes of trans-

portation or increased costs for transportation. Our own expenses for transportation increased by 28% between 2021 and 2022.

Emissions factor from Exiobase




EXIOBASE is a global, detailed Multi-Regional Environmentally Extended Supply-Use Table (MR-SUT) and Input-Output Table (MR-IOT). It is developed by harmonising and detailing supply-use tables for a large number of countries, estimating emissions and resource extractions by industry. Subsequently the country supply-use tables are linked via trade creating an MR-SUT and producing a MR-IOTs from this. The MR-IOT can be used for the analysis of the environmental impacts associated with the final consumption of product groups.

EXIOBASE is developed by a consortium of several research institutes in projects financed by the European research framework programmes.

Scope 3 categories included in our accounting following GHG categories

No.	CHG Category	Incl.	Data source
1	Purchased goods and services	X	Accounting system
2	Capital goods	X	Accounting system
3	Fuel and energy related activities	X	Obtained from each location
4	Upstream transportation and distribution		
5	Waste generated in operations		
6	Business travel	X	Accounting system
7	Employee commuting		
8	Upstream leased assets		
9	Downstream transportation and distribution (for customers)	X	Accounting system and Eco Transit
10	Processing of sold products		
11	Use of sold products		
12	End-of-life treatment of sold products		
13	Downstream leased assets		
14	Franchises		
15	Investments		

ESG Key figures overview

KPI	Metrics	2022	2021
ENVIRONMENT			
CO ₂ scope 1 (Location-based)	Tonnes	2,519	2,385
CO ₂ scope 2 (Location-based)	Tonnes	1,267	1,237
CO ₂ scope 3 (Location-based)	Tonnes	946,021	864,449
Electricity consumption	MWh	6,770	6,426
Natural gas consumption	m3	13,497	12,545
District heating consumption	MWh	1,342	1,678
Heating oil	MWh	16	2
Fuel consumption	m3	920	886
Water consumption	m3	13,363	14,798
SOCIAL			
Fulltime workforce	FTE	1,813	1,568
Gender diversity, management	% (female)	11	11
Total Recordable Incidents, first aid cases, medical cases and lost time incidents	Incidents	15	21
Lost Time Injury Frequency Rate (LTIFR)	LTIF	1.55	2.07
Employee Net Promoter Score	Index (%)	80	77
GOVERNANCE			
Gender diversity, board	%	29	29
Internal on-site audits	Total	55	33
Number of employee training on business conduct (including cyber security, code of conduct, global security and sanctions)	Numbers	9	10

Management statement regarding this report

Today, our Board of Directors and Management Board has evaluated and approved this Sustainability Report and the underlying reporting and accounting practices. We believe that this report presents the sustainability results, initiatives

and commitments for the Blue Water Group in a fair, transparent and balanced way. This applies to both our environmental performance, our efforts within social responsibility as well as our governance structures, controls and processes.

As evidence, we approve the ESG performance data in the Sustainability Report for the reporting period 1 January – 31 December 2022.

Esbjerg, 21 March 2023

Board of Directors:

Kurt Skov (Chairman)
Jørgen Wisborg (Deputy Chairman)
Jørgen Meyer (Deputy Chairman)
Anne Skov
Niels Kaalund
Merete Søby

Management Board:

Søren Nørgaard Thomsen (CEO)
Flemming Busch (CFO)
Dan Nissen (COO - Transport & Logistics)
Thomas Bek (COO - Energy, Ports & Projects)