

Lamprell

times

SUMMER 2020



Winning photograph of
Lamprell through the Lens
photography competition.
*'The finest steel has to
go through the hottest
tapestry' by Liju Thomas.*



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MESSAGE FROM THE CEO'S DESK



Feature article: Living our values
 Our Asset Management and Maintenance teams talk to us about what safety means to them.



Feature article: The winds of change
 Learn more about the changing energy landscape and Lamprell's experience in renewables.



Feature article: The Interview
 General Counsel and Company Secretary, Alex Ridout shares his insights.



2020 has turned out to be a year no one would have anticipated. We're navigating the impact of a global health and economic crisis as well as the ongoing challenges faced by the oil & gas industry.

Against this backdrop, we maintain focus on the health and wellbeing of employees, whilst delivering on our strategic growth objectives and preserving our net cash position and liquidity. And we've secured new work. That is testimony to the hard work and dedication of everyone.

Early in Q1, we received a formal contract award from IMI for the fabrication and delivery of two jackup drilling units >> 8. In May, Sharjah National Oil Corporation awarded us a contract to undertake a medium-sized EPIC project in the UAE >> 7, and in June we received a contract from Seaway 7 for the provision of 30 jackets for the Seagreen project >> 6.

While these new contract awards are positive outcomes for us, we certainly have not escaped the effects of the prolonged industry downturn and the global health crisis. We implemented several self-help measures aimed at 1) achieving a significant reduction in the group overhead, 2) improving operational efficiencies and 3) helping to manage the financial effects of COVID-19 on the business. In H1, we decided to consolidate our operations within one yard temporarily. As such, the Jebel Ali facility has been mothballed, and we have taken the decision to close the Sharjah yard upon completion of the Moray East project. Our facility in Hamriyah remains our largest, and we are expanding there. These actions allow for the group to gradually grow fabrication volumes while significantly improving efficiency and reducing our cost base.

At the time of writing, we have delivered 38 out of a total of 48 jacket foundations for the Moray East project. The remaining jackets are due for delivery in H2. Earlier in May we celebrated the steel cutting ceremony for the IMI rigs project, and our rig refurbishment teams remain busy >> 8.

We continue to maintain the impetus of our digitalisation journey. Our partnership continues apace with local partner, Injazat, an industry recognised market leader in the region for digital transformation, innovation and managed services. This is complemented by our more recent collaboration with Akselos, a market leader in digital twin solutions >> 5. Our activities in this space have the potential to be game-changers.

I want to commend all Lamprell's stakeholders on their endeavours in supporting our safety performance. As of 31 July, our year to date recordable incident rate is 0.14, and our 12-month rolling rate is 0.16. Our focus remains on ensuring we all stay safe, delivering our projects on schedule and continuing to bid new work.

Rest assured, together we will face the challenges and share the successes.

Christopher McDonald
 Chief Executive Officer

Note: Many of the photographs featured in this edition pre-date restrictive measures associated with COVID-19.

COLLABORATING TO DIGITALISE THE ENERGY SECTOR

Over the last couple of years, Lamprell's digitalisation transformation strategy, which is being led by COO Hani El Kurd, has been taking shape, and progress on multiple fronts has been achieved. We've gone live with our internally developed and newly digitised quality management platform, lessons learned and work pack project management systems. And while digitising these processes, we have identified 'industry frictions', and used further lessons learned along the way to enhance these digital solutions.

In our yards, there has been a focus on automation to support efficiency. We have deployed prototype mobile robotic welders, implemented facial recognition to capture attendance and time allocation in place, developed advanced NDT techniques, and we continue to test new and more advanced welding robots. Digital and technology is the future, and our goal is to diversify our revenue streams and use these new solutions to bring more value to the industry and all our stakeholders. 12 November 2019 marked an important day in Lamprell's history. During ADIPEC, we announced our partnership with Injazat (a wholly-owned Mubadala Investment Company), a market leader in digital transformation, to create and market innovative solutions focused on the renewables and oil & gas markets. Lamprell and Injazat are working on a portfolio of technology-enabled digital ventures that will create new value for their target customers, primarily in the MENA region.

At the launch ceremony, Lamprell CEO Christopher McDonald said: "This is a pivotal milestone in our history. The world is changing. It's critical that we stay ahead of the curve and push the boundaries from conventional thinking to ensure the



Injazat CEO Khaled Al Melhi and Lamprell CEO Christopher McDonald after announcing their partnership to create digital solutions focused on the renewables and oil & gas markets

group is positioned well for the future. Working with a digital-enabler like Injazat is providing us new capabilities and channels to expand and take to market our offering, and that will underpin the future sustainability of the business."

Injazat is an industry recognised market leader in the region for digital transformation, innovation, information technology, data centre and managed services with a broad services portfolio covering the infrastructure, application, cyber defence and cloud domains. Injazat draws on its local expertise and presence combined with several global technology partnership networks to develop market-leading solutions and services.

In addition, at the start of 2020 Lamprell and Akselos, a market leader in digital twin technology, signed an exclusive MoU which allows Lamprell to provide its customers with a unique product offering that combines Akselos' high-fidelity finite element solutions with Lamprell's



Lamprell COO Hani El Kurd and Akselos CEO Thomas Leurent following the signing of an exclusive MoU to provide clients with innovative solutions

EPCI capabilities and innovative digital solutions in the asset integrity space. This will cater for clients predominantly in the MENA region as well as Lamprell-managed projects worldwide. Christopher continues: "This partnership represents yet another exciting step in our digital journey. Asset integrity is critical to the energy industry and what we can offer with Akselos through their digital twin capability will provide a level of predictability that is state-of-the-art. This collaboration complements our partnership with Injazat."

Thomas Leurent, Chief Executive Officer for Akselos, said: "Lamprell's deep expertise in offshore industries and its commitment to accelerating the energy transition makes the company an ideal partner for Akselos. They are digitally forward-thinking and have a clear vision for what we can achieve together, as well as the value this partnership can bring to the energy sector. Our patented technology is based on a mathematical breakthrough that has led to near real-time simulations of limitless scale – something far more sophisticated than a conventional digital twin."

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Digital and technology is the future, and our goal is to diversify our revenue streams and use these new solutions to bring more value to the industry and all our stakeholders.

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WEBINAR ALERT: LAMPRELL CO-HOSTS WEBINAR ON DIGITAL TWINS

In H1 Lamprell's Chief Operating Officer, Hani El Kurd, and Lamprell's Vice President - Engineering and HSESQ, Sabih Laham, co-hosted a webinar with Akselos' Senior Vice President John Bell focusing on smart design and fabrication with digital twins for the offshore wind sector. The webinar covered the collaboration between Lamprell and Akselos to fully optimise the end to end design process of each of the components in a wind turbine through constructible designs and structural digital twins. "We aim to achieve a reduction in capex through iterative designs, improved future design and optimised operations through risk-based inspection when the turbines and foundations are operational," commented Hani. To find out more, watch the webinar: [Offshore Wind: Smart Design and Fabrication with Digital Twins](#)



LAMPRELL SELECTED TO BUILD JACKETS FOR SEAGREEN OFFSHORE WINDFARM PROJECT

At the end of H1 Lamprell received a new contract award from Seaway 7, the renewables business unit of Subsea 7, for the procurement, fabrication and delivery of 30 wind turbine generator sub-structures, including the jackets, transition pieces and suction caissons.

Lamprell will deliver the jackets to Seaway 7 at our deep water quayside in Hamriyah after which they will transport the jackets for onward installation in the North Sea. The project, which is to be executed on a lump-sum basis, is expected to complete in the second half of 2021. Christopher McDonald, Lamprell's CEO, said: "We are delighted to have been selected to be part of the major Seagreen offshore windfarm project. Having worked on similar projects in the renewables segment, our

workforce is skilled and experienced to execute the project with a focus on the key drivers of safety, high quality and profitability. We see substantial growth opportunities in the renewables sector, which is a core strategic focus for Lamprell, and we are excited to work with Seaway 7 on this project in the months to come." Subsea 7 is the lead engineering, procurement, construction and installation contractor on the Seagreen offshore wind farm.



...our workforce is skilled and experienced to execute the project with a focus on the key drivers of safety, high quality and profitability.



Hamriyah yard, jackets for offshore renewables project



MAHANI GAS FIELD EPIC AWARD

In May Lamprell, through its site services business, was selected by SNOC to undertake a medium-sized EPIC project associated with the recently discovered Mahani gas and condensate field in Sharjah, UAE. Scheduled for completion in early 2021, Lamprell's scope of work is specific to the Mahani extended well

test project. It includes hook-up and installation at the well, existing systems upgrade, associated tie-ins and a new 25km export pipeline. Discovery of the onshore Mahani field was announced by SNOC and its partner Eni in January 2020. Commenting on the award, Chief Executive Officer Christopher McDonald said: "SNOC is an important client for us,

and through delivering to consistently high and competitive standards, we are very proud of the track record we've developed with them. Mahani is a strategic gas discovery. We are looking forward to being associated with it, delivering this project safely and on time."

BOARD SEES DIGITAL DEVELOPMENTS

Following two days of meetings held in Dubai earlier in the year and before we all felt the impact of the COVID-19 restrictions, Lamprell's Board of Directors participated in a tour of the Hamriyah office and yard where they got to see first hand some of the improvement initiatives that are being rolled out across the facility. The state-of-the-art facial recognition technology which has been implemented across

our yards is improving the way we manage our business including our people, processes, materials and more importantly, safety and security. A walk through the Moray East project site and a visit to the warehouse where the welding robots were in action allowed the Board to personally witness the yard optimisation efforts that will drive significant efficiencies within Lamprell's production.



Members from Lamprell's Board of Directors visit the Hamriyah facility.

DOUBLE RIG CONTRACT SECURED

Lamprell was delighted to receive a formal award for the fabrication and delivery of two jackup drilling units at the beginning of the year from its joint venture partner IMI. The rigs, whose design will be based on the Super 116E, will be built collaboratively between IMI and Lamprell. A vast majority of the work will be performed at Lamprell's UAE facilities with final commissioning works taking place in Saudi Arabia. Lamprell's share of project value amounts to circa USD 350 million and the work is expected to be completed in just over two years for the first rig, with the second rig being delivered a few months later.



IMI CEO Fathi Al Saleem and Lamprell CEO Christopher McDonald at the contract signing for IMI rigs 1 and 2

LAND RIG DIVISION DELIVERS CTD TOWER

Lamprell won a contract to build a coiled tubing drilling (CTD) tower for client Halliburton, which was successfully delivered in H1 and is being used for coiled tubing drilling as well as traditional well-servicing purposes.



Lamprell's land rig team successfully delivered a project to client Halliburton

REFURB TEAM REMAINS ACTIVE

Lamprell's rig refurbishment division remains active with a total of 15 jackup rigs spread across our yards at the time of writing. Of the 15, five came in for refurbishment works during H1, one of those has already departed with another four scheduled for departure in August and September. A further nine jackup rigs are cold stacked, and two are warm stacked with three scheduled to start minor refurb activities in Q3. Lamprell is thrilled that three of the rigs that are undergoing refurbishment activities came from one new client. The division's bid pipeline is strong, and the team hopes to convert some awards throughout H2.

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Lamprell's Hamriyah facility - rig projects



THE INTERVIEW

ALEX RIDOUT

General Counsel and Company Secretary

Wanting to get to grips with the ins and outs of his role at Lamprell and what keeps him up at night, Lamprelltimes sat down with **Alex Ridout**, the **Group's General Counsel and Company Secretary**. Alex, who also happens to be one of the longest standing members of Lamprell's management team, is a UK-qualified solicitor, having completed his training at a London law firm. He joined Lamprell in November 2012 and has spent nearly 20 years of his career working in senior management roles in the energy industry for listed companies including Dragon Oil and Baker Hughes.

LT: Describe your current role.

Alex: Like many employees at Lamprell, I "wear many hats" – legal, company secretarial, managerial, compliance, etc. It is very common for my roles to have cross-over elements – for example, if Lamprell is going to make a market announcement, I have to think about the messaging to ensure that it aligns with the Company's strategy but I also have to think about whether there are legal implications of what we are saying. If you had to draw a line between my two roles, I would say that a Company Secretary aims to ensure the smooth and effective governance of the group and especially the Board whereas a General Counsel works as part of the management team to advise on and help to mitigate legal and contractual risks. Different aspects of each role can be more or less demanding at any given time. In the build-up to and during each round of Board meetings, there is a lot to organise and complete, so there are peaks and troughs in activity in the Company Secretary role. However, as a lawyer, I work constantly with many other departments in connection with

ongoing matters, whether operations/ projects, bidding or disputes. Every time one of those matters heats up, particularly around negotiations, it can be all-consuming, and it is therefore crucial to manage your time effectively so that other ongoing matters are not forgotten.

LT: What led you to a career in-house?

Alex: The main reason that I moved to a career inhouse was due to the desire to get involved throughout project lifecycles. As a lawyer in a law firm, you are only involved in a very small part of a legal matter whereas working in a company like Lamprell, you get to participate in and help with a project from the beginning to the very end. That is rewarding as I have the opportunity to influence and improve the end product.

In addition, when working in a law firm you spend most of your time with other lawyers; whereas at Lamprell I get to interact with people from every walk of life and that is a learning experience, hopefully making me better at my role.



Alex Ridout
General Counsel and Company Secretary

LT: Do you ever have to refer to external counsel, and for what?

Alex: Absolutely. As a 'General' Counsel, I work all types of legal matters, a kind of "jack-of-all-trades" – I specialise in commercial or contractual matters, but if the company needs detailed advice on other areas of law, I go to specialist lawyers to get that advice. For example, if we wanted to sue someone in the UAE, I am not a

UAE lawyer and do not have an in-depth knowledge of how the UAE court system works. Therefore, I hire a UAE law firm on behalf of Lamprell to advise and assist us with that kind of project. The same principle goes for many other types of law.

LT: Respecting confidentiality, what's the most challenging situation you have faced in your current position?

Alex: Without doubt, negotiation and conclusion of Lamprell's joint venture with Saudi Aramco and other leading international companies for the IMI maritime yard in 2017 ranks as a highlight of my career, and also as one of the most demanding projects. This was a process that lasted nearly 18 months and involved a number of challenges that we had to overcome, not least the regulatory requirements given Lamprell's status as a London-listed company. I had a key role all the way from inception through to completion, and you learn a lot about your own capabilities and how joint ventures should operate from a deal of this size and complexity.

LT: How does your function contribute to the company's strategy?

Alex: While the Legal department is small compared to all the other functions, I like to think that we punch above our weight and add significant value to the implementation of the company's strategy. Managing legal risk comes in a variety of ways, whether through the negotiation of contracts, advising the Board and management on legal matters or approaching an issue from a different viewpoint.

LT: If not a legal career, what do you think you would have done?

Alex: At a very young age, probably around eight or nine, I knew that I wanted to be in the army or be a lawyer. Then I started watching a TV show involving Perry Mason, a criminal defence lawyer, and decided that I was going to be a lawyer. Ironically, I have only seen the inside of a criminal defence court about two or three times in my whole career!

FIVE IN FIVE

- 1. **Ski holiday or beach holiday?**
Ski holiday; I get bored on the beach.
- 2. **Game of Thrones or Homeland?**
I am a massive GoT fan – read all the books and seen all TV seasons several times over.
- 3. **New clothes or new phone?**
Neither. I hate shopping!
- 4. **Save or spend?**
Save. And my wife spends...©
- 5. **TV or book?**
Why not both?

WHISTLE WHILE YOU WORK: REPORTING MALPRACTICE AT LAMPRELL

One of Lamprell's core values is Integrity: 'We conduct our business honestly, with professional integrity, fairly and transparently, and we are open and ethical in our day-to-day dealings with all stakeholders'.

At Lamprell, we are committed to ensuring our employees have the support they need when it comes to living our values.

Whistleblowing is our first line of defence against fraud and mismanagement, that's why at Lamprell we encourage you to report anything which may be regarded as illegal, unsafe or unethical, no matter how small.

Whistleblowing is one of Lamprell's most effective tools to combat wrongdoing. The Association of Certified Fraud Examiners found that employee reports are by far the most common initial detection method concerning company fraud, with 46% of all cases being detected by a tip-off ¹.

DO YOU KNOW HOW TO WHISTLEBLOW?

Any Lamprell employee or third party can safely whistleblow in a number of ways. Here's your step by step guide:

Option 1: Line manager

If you have any concerns about breaches or non-compliance, you should report these to your line manager or a senior member of staff directly. Any information you provide will be handled confidentially.

Option 2: Alternative Lamprell contacts

If you feel uncomfortable discussing the matter with your direct supervisor, or if he/she is the subject of the complaint, feel free to contact either of the below parties:

Alex Ridout
General Counsel and Company Secretary
E-mail: aridout@lamprell.com
Tel: +971 6 528 2323

Kaye Krause-Whiteing
Vice President – Human Resources and Corporate Services
E-mail: kkrausewhiteing@lamprell.com
Tel: +971 6 528 2323

Option 3: Whistleblowing hotline

Lamprell has engaged the services of a company called Expolink, an independent external third party which specialises in providing whistleblowing services. Any person providing information through the Expolink channels can remain 100% anonymous if they so choose. The Expolink hotline can be accessed as follows:

- 1. Telephone: **8000 44 138 73** – this service is free from within the UAE;
- 2. E-mail: **lamprell@expolink.co.uk**;
- 3. Through the Expolink website at **www.expolink.co.uk/lamprell**

These channels are available 24 hours a day, seven days a week.

Option 4: Reports against Chief Officer or Director

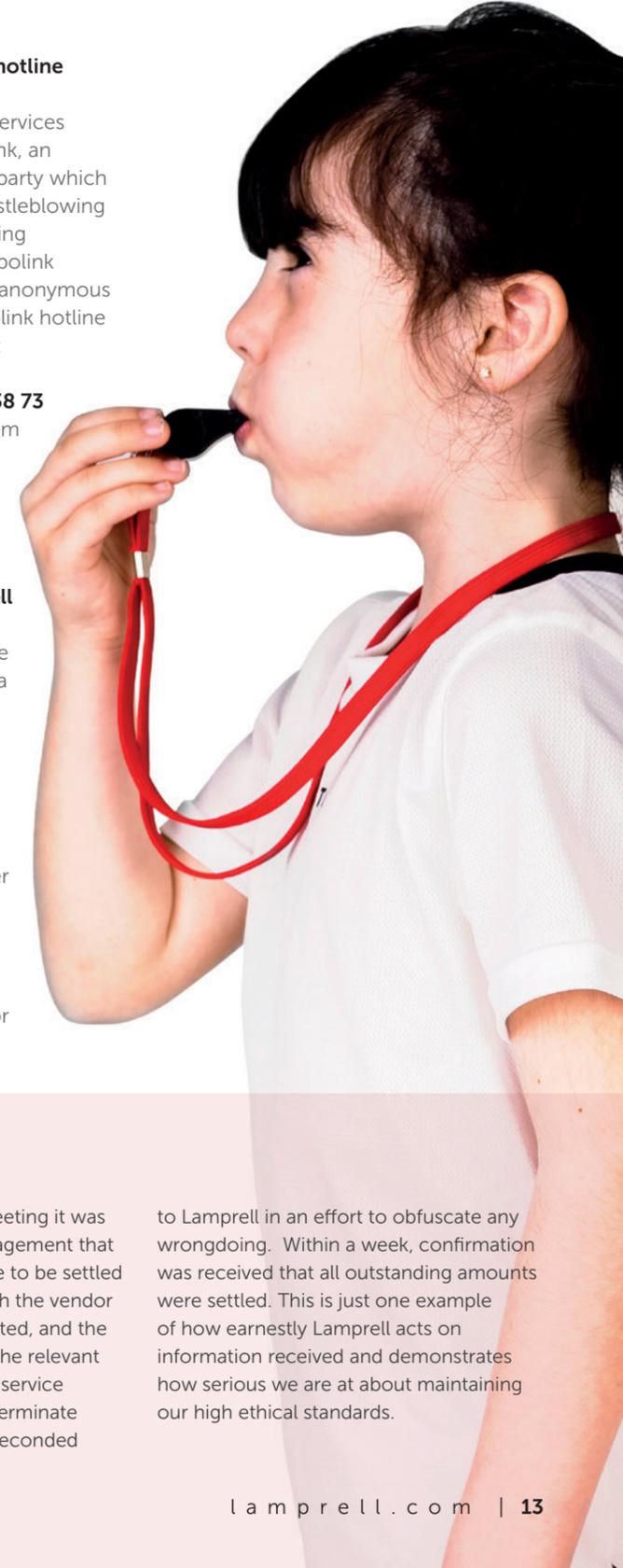
Where an accusation is made against a Chief Officer or any Company Director, the Company Secretary will refer the matter to the Chairman of the Board or a Senior Independent Director for direction.

CASE STUDY

During a routine audit of a third-party services provider to Lamprell, a number of its personnel came forward to disclose that their salaries were not being paid on time and, on average, two months overdue. Furthermore, deferred amounts which were paid were not only late but also reduced. A meeting was conducted with the contractor to deal

with this issue. During the meeting it was made clear by Lamprell management that all outstanding amounts were to be settled within one week, failing which the vendor agreement would be terminated, and the service provider reported to the relevant authorities. Furthermore, the service provider was warned not to terminate or intimidate any personnel seconded

to Lamprell in an effort to obfuscate any wrongdoing. Within a week, confirmation was received that all outstanding amounts were settled. This is just one example of how earnestly Lamprell acts on information received and demonstrates how serious we are at about maintaining our high ethical standards.





Hamriyah yard -
current renewables
project

THE WINDS OF CHANGE

While **offshore wind** is perhaps still considered the 'baby' of the energy industry, it's undoubtedly **the darling of the industry today.**

Backtrack to 1991 and Europe's first offshore wind farm was inaugurated at Vindeby off the Danish coast. Fast forward to the present day, and the latest statistics¹ indicate that in 2018, Europe installed 2.6 GW of new offshore wind energy capacity. In addition, €10.3bn of investments were made for 4.2 GW of additional capacity, the total capacity grew by 18% to 18.5 GW, and 15 new offshore wind farms were completed with the UK and Germany responsible for 85% of the installations.

In 2018 the average size of an offshore turbine was 6.8 MW, 15% up from 2017, and the largest turbine in the world, a V164-8.8 MW, was connected in the UK. Also in the UK, the world's biggest wind farm, the Walney 3 extension, 657 MW was inaugurated.¹

The winds of change are indeed upon us, and this is evident by the actions taken by some of the biggest names in the oil & gas industry to reflect their energy interests better. Norway's Statoil is now known as Equinor, Finland's Neste Oil removed the word 'oil' from

its name, France's GDF (Gaz de France) Suez changed its name to Engie. While these revamps have been part of their strategy to diversify and focus more on the renewables and offshore wind sector, they also underpin a more sustainable direction of travel.

With new UN and government regulations, and many climate activists speaking out, the world is taking notice. Sustainable living and renewable energy are part of our life, and businesses have to be involved in that narrative.

Why so popular? Renewable energy can positively help mitigate the impacts of climate change. Wind and solar power emit next to no greenhouse gases and can help reverse the effects.

With six wind turbine installation vessels and more than 130 jackets in its renewables portfolio today including a recent new project award, Lamprell is very much forging ahead in this arena.

As the new Seagreen renewables project begins following the formal award in June to fabricate 30 jackets, the Moray East renewables project has entered its final stretch. The coming weeks ahead will be critical in successfully closing out Moray East safely. The new award from

Seagreen during these unprecedented times is testimony to the significant team effort from everyone involved in the pursuit. And particularly the business development and bid team.

Lamprelltimes talks to two people who are at the centre of these two projects,

EPC(I) Project Manager Sachith Jagannath who is managing the Moray East contract and Business Development Manager Steve Smith, who played a pivotal role in securing the recent Seagreen award.

LT: Can you explain what part of the wind turbine Lamprell is fabricating for Moray East?

Sachith: We are fabricating the jackets which act as the base of the wind turbine and are fixed to the seabed.

LT: What is the difference between the 45 jackets and three substations that were awarded for the Moray East project?

Sachith: Forty-five of the jackets are wind turbine generator structures (WTG), while three of them are offshore substation platforms (OSP). On the WTG jackets, we have transition pieces, and this supports the wind turbine while the OSP's have a framework deck structure which is used to support the substation platform.



Sachith Jagannath
EPC(I) Project Manager

LT: How is progress on the project?

Sachith: Considering the circumstances we have had to deal with in 2020, including some disruption in our yards due to COVID-19, progress has been excellent. Five out of six loadouts, consisting of 38 jackets, have already been completed at our deepwater quayside in Hamriyah. They sail away to our client's marshalling yard and then onto their offshore location off the north-eastern coast of Scotland. The final batch of 10 will be delivered in H2, 2020.

LT: How do wind turbines work to create energy?

Sachith: Once installed, the turbines take advantage of the force of the wind that is produced out at sea where it reaches a higher, more constant and stronger speed than the wind turbines we see on land. This is primarily due to the absence of any physical barriers. Wind turbines send energy to a power generator which in turn creates electricity. The electrical output of a wind turbine depends on its size and the wind's speed.²

Sources:

¹ <https://windeurope.org>

² <https://blog.arcadiapower.com/top-7-questions-youve-asked-google-renewable-energy/>

LT: What are the advantages of offshore wind energy?

Sachith: Offshore wind energy is renewable, non-polluting and unlimited. Wind turbines are easy to transport since they are moved offshore, so we don't have the same level of complexity associated with land transportation.

This is a considerable advantage and has also made it possible for offshore wind turbines to reach much larger unit capacities and sizes. There is also a visual and acoustic advantage, as when located offshore, you cannot see or hear the turbines in action. This also allows developers to build bigger wind farms.³

LT: How many homes will the Moray East field power?

Sachith: The wind farm is expected to provide cost-effective power for approximately 950,000 UK homes.⁴

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The wind farm is expected to provide cost-effective power for approximately 950,000 UK homes.
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Sources:

³ <https://www.iberdrola.com/environment/how-does-offshore-wind-energy-work>

⁴ <https://www.morayeast.com/news/first-jacket-installed>

Today, the future of the offshore wind industry couldn't be burning brighter. In the UK alone, four areas of seabed, which have the combined potential to bring 7GW of wind power, are being made available to the market. Over six million residential properties could potentially be powered by this capacity alone, and the estimated £20bn investment could help the UK reach its target of 30GW by 2030 in the offshore energy market.⁵

Lamprell's business development team is fully behind the renewables push and were delighted when, after extensive negotiations during the first few months of the COVID-19 pandemic, Lamprell was awarded a contract to fabricate and deliver 30 jackets for the Seagreen project by new client Seaway 7, the renewables business unit of Subsea 7. Activities are already in full swing, having placed the initial critical purchase orders. This award is a further demonstration of Lamprell's strategy bearing fruit.

The Seagreen offshore wind farm project is a 1,075MW project which is located 27km off the Angus Coast in the Firth of Forth, off the coast of Scotland and will be developed and operated by Seagreen Wind Energy Limited. Once constructed, the wind farm will be the largest in Scotland and phase one is forecast to provide low carbon energy for around one million homes.

Business Development Manager Steve Smith talks to Lamprelltimes about the bid pipeline and what the future may hold in Europe and internationally.

LT: How has Lamprell prepared itself to move into the renewables sector?

Steve: The company has taken several steps. Firstly, considerable investment in EPCI sector resources who know the business. We have improved manpower forecasting. We are paying close attention to and scrutinising benchmark data for bidding norms, and we are working very closely between our functional teams during bidding and handover. We have also spent capex on expanding and redesigning parts of our Hamriyah facility, and come up with new methods of assembly that differentiate us in both cost and schedule. These initiatives have paid off.

LT: Is renewables energy expanding globally?

Steve: Yes, the role of renewables in the global energy landscape will continue to gain prominence. The pipeline of projects in Europe, presently the largest wind farm market, is growing and large offshore wind farms are gradually spreading across the globe with the US market now also taking a more proactive step towards cleaner energy.⁶

LT: Where is Lamprell's renewables bid pipeline focused?

Steve: The opportunity pipeline is based largely on the European market, although we are pursuing prospects in other geographies that are committing to offshore wind such as the USA and the Far East. We are actively engaging with those potential clients.

LT: In what countries do you see the most renewable project related activity?

Steve: The UK leads the world in offshore wind⁶, and investment is expected to continue following the Round 3 CfD auction, which was held in May 2019. European projects typically carry specific in-country spending requirements which benefit local fabrication yards; however, we believe that the regional mass fabrication capacity will be significantly restrained by the large volume of work expected between 2020 and 2023. This is likely to lead to upward price pressure and/or projects being implemented over longer schedules.

LT: What other renewable opportunities are Lamprell pursuing outside of jacket-based projects?

Steve: Lamprell is selectively pursuing HVAC/DC substation projects where we can participate in an EPC(I)-type role, consistent with our strategic objective to move up the supply chain. We also



Steve Smith
Business Development Manager

continue to receive enquiries to construct wind transport installation vessels which are evaluated through our rigorous bid/no-bid process. Lastly we believe we have a cost effective offering for transition pieces that are typically part of a monopile based project and something we're looking at for future projects.

LT: What does the future hold?

Steve: Renewables remains a key component of Lamprell's growth strategy, and we are seeing increasing opportunities in the offshore wind space. In addition to Europe, there are emerging opportunities in the USA and Asia. Following Moray East, the recent Seagreen award and the continuing steady stream of high-quality project enquiries, including those for the serial production of component or sub-assemblies and floating wind structures, our view is that the market for Lamprell's products is both stable and expanding. We are also working on a number of exciting digital ventures which will bring more value to our clients >> 4.

Sources:

⁵ <https://www.independent.co.uk/environment/wind-power-crown-estate-royal-renewable-energy-offshore-auction-a9112416.html>

⁶ Renewables UK Offshore Wind Global Intelligence, June 2018



THE BIG PICTURE STEEL CUTTING CEREMONY

On 18 May, Lamprell, IMI and ARO Drilling celebrated the steel cutting ceremony for the first two jackup rigs which were awarded to Lamprell by IMI at the beginning of the year. Social distancing and mask wearing are just two of many safety precautions being undertaken at Lamprell's facilities to combat the spread of the COVID-19 virus.



BEHIND THE SCENES WITH...

DAVID ENDERS

Designation: **Group HSES Manager**
Year of joining: **2014**



- ❑ **I was born and raised in** Queensland, Australia. It was an amazing place to grow up because of the weather and lifestyle. My mates and I would always be at the beach or in the bush (Australian term for forest) camping, surfing and fishing.
- ❑ **Countries I've lived in include** Ireland, the UK and most recently the UAE. I've also travelled to 62 countries around the world, so I really enjoy visiting new places and experiencing new cultures.
- ❑ **My last unforgettable holiday was spent in** Sri Lanka – amazing and such a beautiful country! I stayed at this little boutique hotel and just chilled out by the pool and relaxed.
- ❑ **The best souvenir I've brought home is a** WW1 battlefield relic. An old Turkish tour guide who lived near the battlefield where Australians fought gave me a bullet casing and shrapnel fragment when my friends and I visited on the 90th anniversary of the battle.
- ❑ **The thing I've now got my eye on (to purchase) is** some new tennis gear – I play two to three times per week and like to think I'm Roger Federer (albeit without the sponsorships)!
- ❑ **The last music I listened to was** The Beatles.
- ❑ **Last night, my evening meal was spent with** my wife and babies. The kids are three and four years old and were born only a year and ten

days apart. So it's definitely been a few crazy, sleep-deprived years.

- ❑ **The last time I laughed so hard I cried was** I honestly can't remember. I laugh a lot – just not normally to the point of tears.
- ❑ **Given a chance, I would like to be a** time traveller for a day because it'd be interesting to check out different events in the history of humankind and the Earth.

❑ **My six dream dinner guests would be** anyone that didn't judge my cooking skills too harshly...or better yet brought some Thai food with them!

❑ **And what I'd say to any new employee joining Lamprell today is** be clear in your career objectives and work hard.

OUR RESPONSE TO COVID-19

The health and wellbeing of our employees is a key priority for us, and we have been taking numerous steps to safeguard all our stakeholders since the outbreak of the COVID-19 virus. We have a programme to screen and protect our workforce, clients and contractors on-site as a result of the pandemic. Most of our corporate and administration functions are working remotely wherever possible. While we follow all UAE guidelines, we have also taken further measures to protect our workforce. Robust safety systems and culture are core to our operational success and our ability to work with top tier clients, and our focus on maintaining high standards in this area remains intact.

What we expect from our stakeholders



Where we have them in place, walk across our **disinfection mats** to clean shoe soles



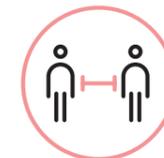
Where we have them in place, pass through our **disinfection tunnels** unless you have a health reason why you cannot



Obligation to let us know and **visit our on site medics** if showing any symptoms associated with COVID-19



If you have travelled outside of the UAE (business or vacation), mandatory completion of a **travel declaration form**



Maintain social distancing in all common/public areas including canteens



Wear masks in all common/public areas (not mandatory in sole occupancy offices)



Only invite visitors to our facilities **who are critical and required** to support onsite operations



Follow the instructions of our **social distancing champions**



Undertake daily **temperature checks**



Regular **hand washing/** hand sanitisation



Not coming into our offices if you **feel unwell**



Conduct **meetings remotely** using Teams/Zoom etc

What our stakeholders can expect from us

- Our total commitment to keeping you safe
- Security guards will take your temperature on entering the building
- Security guards will encourage you to use the disinfection tunnels
- Rigorous and regular cleaning regime with particular focus on ensuring high touch areas are regularly disinfected
- Regular disinfection and demisting across our offices
- Where there is a suspected case of COVID-19, our facilities management team will close off a particular area and undertake deep cleansing before anyone is able to re-enter
- Regular inspections to make sure our mitigation controls are being implemented thoroughly
- Regular communication on our COVID-19 response and listening to your concerns

SAFETY FIRST, SAFETY ALWAYS

LAMPRELL'S ASSET MANAGEMENT AND MAINTENANCE TEAMS LIVING OUR VALUES

Safety - We deliver world-class safety standards and leave nothing to chance, so everybody goes home safely.

LT: Can you explain what Lamprell's Asset Management and Maintenance teams are responsible for?

Group Operations Manager Martyn Taylor:

Our Asset Management and Maintenance teams are split into sub-departments according to their speciality. Our mechanical maintenance team takes care of our cranes, forklifts, vehicles and so forth while our electrical maintenance team takes care of the main power, generator power as well as power distribution to projects. Our mechatronics guys look after our welding equipment (including our welding robots), CNC machines and pipe profile cutting machines while the facilities maintenance team looks after the yard, workshops, buildings, main and site offices. Finally, our asset

management team is responsible for the physical count of equipment, capitalisation, mobilisation and demobilisation of equipment as well as providing logistics support to our project teams. Upfront and centre of everything we do is safety.

LT: What does safety mean to you?

Facilities & Maintenance Sr. Superintendent Ubaid Siddiqui:

During these times of COVID-19, being safety conscious is not only important; it is essential. Luckily I work for a wonderful organisation that has a very strong safety culture embedded within its roots and all of its employees. To me, safety means being alert, taking the time to recognise hazards and taking the steps necessary to protect yourself,

your fellow workers, family and friends. I think that everyone should be thinking about safety all the time, whether it is during a work shift, while driving, while travelling home on public transport, when at home or while on vacation. Safety means looking out for each other, and during these times, it means wearing that mask and practising social distancing as a minimum.

LT: How do you 'live' safety and demonstrate this in your day to day life?

Electrical maintenance Supervisor Jins K. Ittiachan:

I think about safety before I take on any task, particularly when I know what I am going to do could be potentially dangerous i.e. operating heavy machinery or

“
...Safety means looking out for each other, and during these times, it means wearing that mask and practising social distancing as a minimum.
”



equipment at work, lighting a gas burner at home, working with electricity, jump-starting a vehicle, etc. And now with the global pandemic at play, I think about safety all the time, along with everyone I work with at Lamprell. We are all consciously and consistently thinking about safety, and thanks to Lamprell's extensive COVID-19 communications campaign, we are thinking about how we can further prevent the virus from getting into our workplace and homes.

LT: How do you think Lamprell is doing in handling the COVID-19 pandemic?

Asset Management Superintendent Khurshid Ahmed:

I think Lamprell is doing an excellent job and has gone above and beyond even government guidelines. As is to be expected, we



Asset Management and Maintenance teams

had some COVID-19 cases within the company, and through swift action, including vigorous testing and contact tracing, robust quarantine protocols, top quality medical care and an extensive communications campaign, Lamprell managed to quickly flatten the curve within the organisation. At the time of writing, we have zero COVID-19 cases, an outstanding achievement with the number of workers we have in our yards who both work and live in close quarters. This result is proof of the strong safety culture that exists within Lamprell and the efforts of everyone

working on-site with us. Each week we get an update from our CEO, our HSES team distributes regular COVID-19 bulletins, and communications campaigns are run constantly. Our employees know that it is their social and moral obligation to follow the advice given by Lamprell.



Martyn Taylor
Group Operations Manager



Ubaid Siddiqui
Senior Maintenance Superintendent



Jins K. Ittiachan
Electrical Maintenance Supervisor



Khurshid Ahmed
Asset Management Superintendent

I WOULDN'T BE WITHOUT MY... VICTORINOX SWISS POCKET KNIFE

By Jovo Milos



One item which I have been carrying around with me daily for the past 15 years, which even NASA astronauts

carry as standard equipment, is my Victorinox Swiss pocket knife. The item is very dear to my heart as it was

a gift from my late father, a skilled, competent and loving man who had always provided me with support and encouragement, and who used it himself for over 35 years. In my family, giving a pocket knife to someone young instils a sense of duty in them and teaches them responsibility. It is seen as a sign of maturity. The Victorinox is a multi-functional tool and I find it very useful in everyday situations, from opening a package, peeling and cutting my daily apple, removing a splinter,

removing staples, sharpening pencils, tightening screws and adding a new hole to my belt. Every time I use this knife it evokes positive memories of the past, before the modern era when life was much simpler and people more practical and hands-on.



TIME CAPSULE BACK IN...



Lamprell commenced construction on the first two multi-purpose self elevating vessels following the signing of a contract with client Seajacks to fabricate and deliver two GustoMSC NG2500X liftboats.

Lamprell received a multiple contract award from client Scorpion Offshore to fabricate two LeTourneau Super 116E jackup drilling rigs.

Lamprell hosted the then 'voice of Formula One racing', English motorsport commentator and journalist Murray Walker. Murray joined us at a range of internal events where Lamprell's employees and clients had the opportunity to speak to the legend himself.

In conjunction with NGO Don Bosco, **Lamprell launched a technical training and development programme** for the underprivileged.

The Group saw the **launch of two of the three flash gas compression barges** for client SBM, this being the largest single project completed by Lamprell at the time.

Serena Williams beats Maria Sharapova at the Australian Open Women's Tennis and **Roger Federer successfully defends his title beating Fernando González** of Chile at the Australian Open Men's Tennis.

Smoking in England is banned in all public indoor spaces with the ban already in force in Wales, Scotland and Northern Ireland.

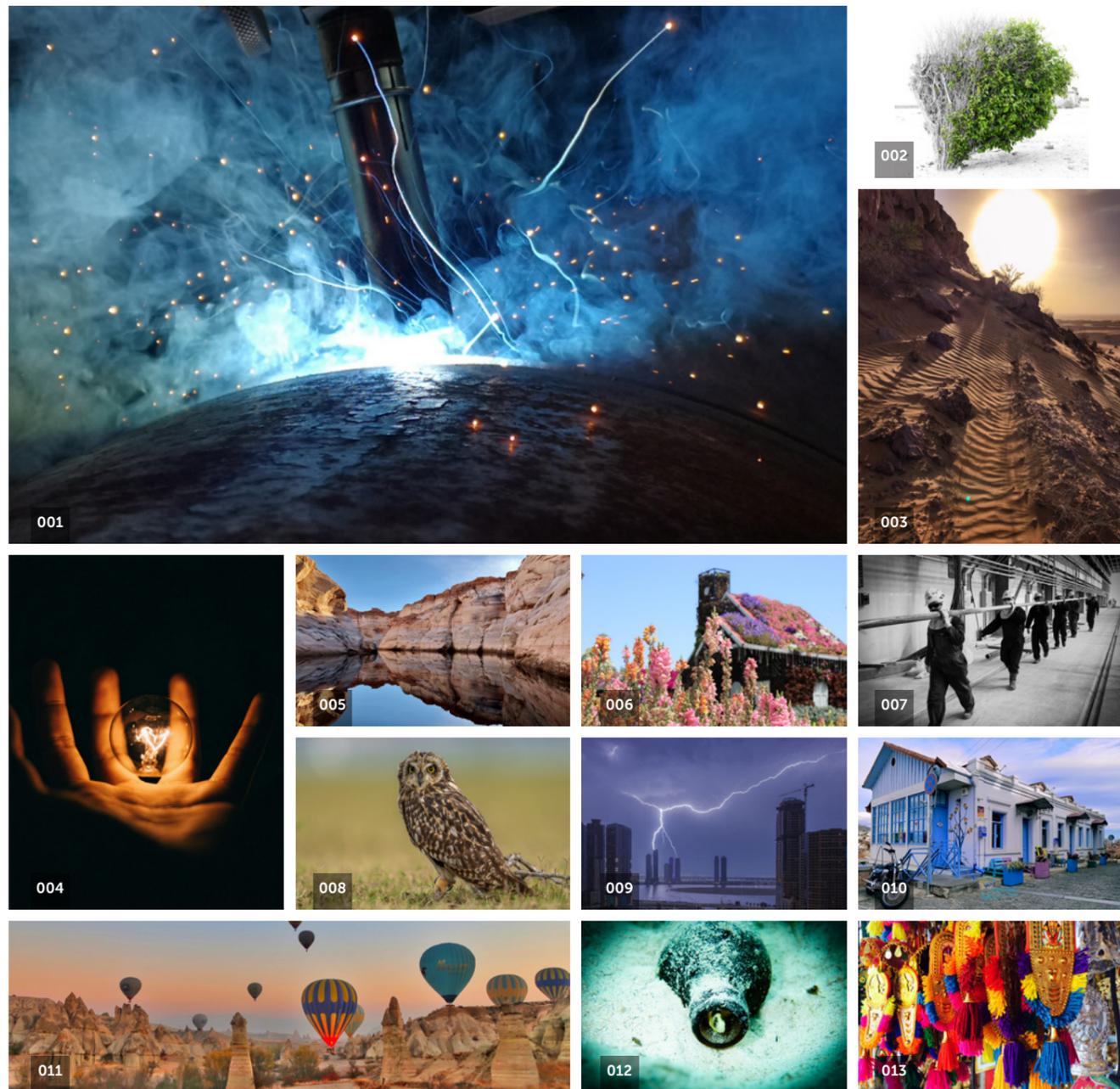
Apple Inc CEO Steve Jobs announces the **iPhone**.

South Africa wins the 2007 World Cup Rugby, beating England with a score of 15-6. The game was held in France at the Stade de France, Saint-Denis, Paris on Saturday, 20 October.

Famous Italian operatic tenor **Luciano Pavarotti passes away**.

LAMPRELL THROUGH THE LENS: WINNERS ANNOUNCED

Lamprell rolled out the second edition of its annual photography competition, Lamprell through the Lens, in 2020. Hundreds of entries were received, and the judges selected the top 50 photographs, pictured here. Employee voting took place at the end of July and the overall winner and top 12 were announced in August.



Our overall winner: 001 *The finest steel has to go through the hottest tapestry* by Liju Thomas

And our top 12 (in no particular order): 002 *The tree keep Spring's expectations* by Ali Anwar, 003 *Beauty of challenge* by Aleksandr Andriychenko, 004 *Hope - "In the midst of darkness, light persists."* – Mahatma Gandhi by Phabina Saifar, 005 *Mirror* by Joven Manalang, 006 *A day in the garden* by Akashkumar Patel, 007 *Teamwork* by Perseus Romano, 008 *Short eared owl* by Ramakrishnan Nandagopal, 009 *Thunder and lightning* by Valerian Svetlykh, 010 *Tbilisi Old Town, Georgia* by Prashanth Rao, 011 *The world is too big to stay in one place* by Reyjhie Gutierrez, 012 *The way it see it* by Adam Fenwick, 013 *Elephant caparison (nettipattom)* by Praveen Venugopal.

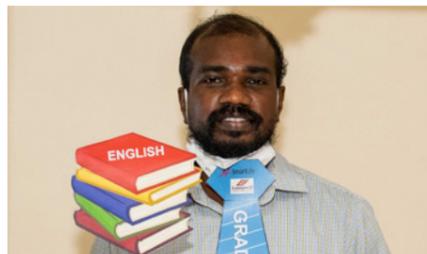
Our shortlisted entries: (in no particular order) 014 *Beautiful Switzerland* by Vineeth Thomas Raju, 015 *Khubai* by Kalied Ali Mohammed, 016 *Freedom* by Anish Anand, 017 *Butterfly on the flower* by Raghavendra Patkar, 018 *A lap for victory* by Sudarshan Shinde, 019 *Invest your energy into something that is going to contribute growth* by Sudarshan Shinde, 020 *Elephant bath time* by Martin Johnstone, 021 *United and diversified* by Zulfiqar Ali, 022 *Gorgeous Switzerland* by Vineeth Raju, 023 *Sunrise in desert* by Boopathi Natarajan, 024 *The word 'beautiful' doesn't do justice maybe 'Paradise' does...* by Jessica Ninama, 025 *We will bloom* by Gokuldas Thoomat, 026 *Dream big, fly high, and touch the sky!* by Reyjhie Gutierrez, 027 *Attitude* by Anas Babar, 028 *Gudauri mountains* by Prashanth Rao, 029 *Red evening* by Anas Babar, 030 *Colorful blossoming tulip flowers* by Abhilash Parappallath, 031 *Seashells* by Muhammad Adnan, 032 *Stay home, stay safe* by Benny Chemmannoor, 033 *Theos protects its creation* by Anoop Gopalakrishnan, 034 *Standing through the test of time* by Anish Anand, 035 *Ocean friends* by Jovo Milos, 036 *Beauty of a naked tree* by Jins Kalapurakal, 037 *All about that base* by Florence Il Inejosa, 038 *Heart of a champion* by Joven Manalang, 039 *View from Niagara waterfalls* by Jackson Mathew, 040 *Beautiful evening* by Talat Iqbal, 041 *Gleam of colours* by Riju George, 042 *Rays of hope* by Riju George, 043 *Promoting transparency* by Adam Fenwick, 044 *Umbrella* by Galo Calizo, 045 *Breathtaking view of Taal lake and volcano* by Jessica Ninama, 046 *Mars on the Earth* by Valerian Svetlykh, 047 *Dinner time* by Jovo Milos, 048 *Beautiful lizard* by Jins Kalapurakal, 049 *Camel ride* by Brijesh Sucheendran, 050 *Strong enough to live* by Aleksandr Andriychenko.

GRADUATING IN THE ART OF COMMUNICATION

Over 150 of Lamprell's yard employees participated in a SmartReading English language programme which was rolled out in 2019 and completed earlier this year. SmartReading creates a space where employees can attend weekly classes and improve their reading and writing skills. Upon successful completion of the course, participants graduated and received various prizes for their participation and achievements. A huge thank you go out to Smart Life Foundation and GEMS Education who provided their classrooms for this initiative.



Free English classes initiated by Lamprell with local NGO, Smart Life Foundation at GEMS school Dubai.



SmartLife graduation ceremonies held at Lamprell facilities in Hamriyah and Sharjah, in cooperation with Smart Life Foundation

“
...we are committed to maintaining our focus on the health and wellbeing of our employees.
 ”

A HEALTHY WORKFORCE IS A HAPPY ONE

As employees have been adjusting to working from home, our employee welfare team has been getting creative and working in partnership with Marsh to bring health awareness campaigns to employee's homes. Throughout H1 a series of health-related webinars have been organised. Tim Garrett from Corporate Wellness Dubai conducted a session on beating stress and building resilience. Dr Sarah Peeters from Unicare Medical Center gave a presentation on COVID-19, its transmission, risk groups, symptoms and prevention, and Dr Remy Shankar conducted a series of talks on health and nutrition. At Lamprell, we are committed to maintaining our focus on the health and wellbeing of our employees.

GLOSSARY

| | |
|---------|--|
| ADIPEC | Abu Dhabi International Exhibition & Conference |
| ARO | Saudi Aramco Rowan Offshore Drilling Company |
| Bn | Billion |
| CEO | Chief Executive Officer |
| CfD | Contract for Difference |
| CNC | Computer Numerical Control |
| COO | Chief Operating Officer |
| CTD | Coiled Tubing Drilling |
| EPC | Engineering, Procurement, Construction |
| EPCI | Engineering Procurement Construction and Installation |
| EPIC | Engineering, Procurement, Installation and Commissioning |
| GEMS | Global Education Management Systems |
| GW | Gigawatt |
| HSES | Health, Safety, Environment and Security |
| HSESO | Health, Safety, Environment, Security, Quality |
| HVAC/DC | Heating, Ventilation, Air Conditioning/Direct Current |
| IMI | International Maritime Industries |
| Km | Kilometres |
| LOI | Letter of Intent |
| MENA | Middle East North Africa |
| MoU | Memorandum of Understanding |
| MW | Megawatt |
| NASA | National Aeronautics and Space Administration |
| NDT | Non Destructive Testing |
| NGO | Non Government Organisation |
| OSP | Offshore Substation Platform |
| SNOC | Sharjah National Oil Corporation |
| UAE | United Arab Emirates |
| UK | United Kingdom |
| UN | United Nations |
| USA | United States of America |
| USD | United States Dollar |
| VP | Vice President |
| WTG | Wind Turbine Generator |
| WW1 | World War One |



Your feedback is important to us!

Lamprelltimes is produced by Lamprell's Corporate Communications team.

Any feedback, suggestions or queries should be emailed to:

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