



# Sustainability Report | 2023

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“ We have made significant strides in energy efficiency, waste reduction, and promoting a culture of safety and inclusivity within our workforce. ”

Ian Prescott, Chief Executive Officer - Lamprell

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**Our approach**

# A message to our Stakeholders

Dear Stakeholders,

I am proud to present Lamprell's 2023 Sustainability Report, highlighting our commitment to sustainable practices, responsible business operations, and achieving net zero by 2050. At Lamprell, sustainability is more than a goal; it is integral to our vision and daily operations.

Throughout 2023, we have continued to advance our sustainability agenda, focusing on reducing our environmental footprint, enhancing our social impact, and strengthening our governance practices. Our achievements reflect the hard work and dedication of our entire team, who are passionate about making a positive difference.

We have made significant strides in energy efficiency, waste reduction, and promoting a culture of safety and inclusivity within our workforce. Our initiatives extend beyond our operations, as we actively engage with our communities and contribute to the broader industry's sustainability goals.

As we move forward, we remain committed to transparency and accountability. This report provides a comprehensive overview of our efforts and progress, highlighting our pledge to create a sustainable future for generations to come.

Thank you for your continued support.

Sincerely,

**Ian Prescott**  
Chief Executive Officer  
Lamprell



## Memberships and certifications

Our commitment to sustainability forms part of our overall group strategy and encompasses ESG aspects of our activities, and our established Sustainability Committee oversees all related activities. Lamprell participates in multiple internationally recognised sustainability performance ratings systems, with strong scoring maintained across all platforms.



### Certifications

<b>ISO 45001:2018</b> Occupational Health and Safety Management System (OHSMS) ✓	<b>ISO 14001:2015</b> Environmental Management System (EMS) ✓	<b>ISO 9001:2015</b> Quality Management System (QMS) ✓	<b>ISO 27001</b> Information Security Management System (ISMS) ✓
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# Introduction: understanding Lamprell's role in the energy sector

Lamprell is a key player in the energy industry, specialising in the construction of large structures such as offshore platforms, wind turbine foundations, and other heavy industrial components. Our operations involve fabricating and moving these massive structures, which is inherently energy-intensive and risky to the health of our employees and contractors due to the scale and complexity of our work. As a result, the health, safety, and wellbeing of our employees and contractors, and energy efficiency are critical focus areas for us as we strive to reduce our carbon footprint while delivering world-class projects. By addressing the energy demands of our operations, we align our sustainability initiatives with the realities of our business.

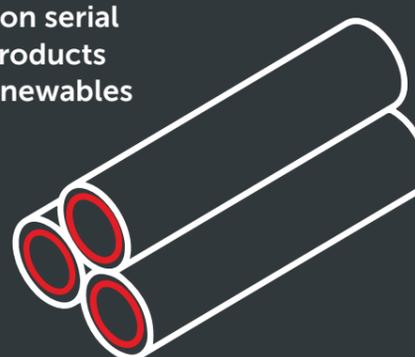
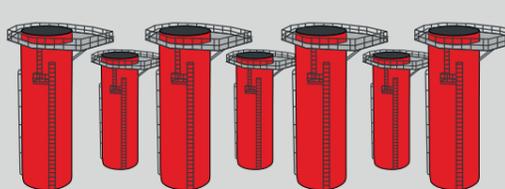
## Lamprell's purpose, vision and values

Delivering quality solutions safely for the energy sector to build a sustainable future.	<b>Purpose</b>	To be a global leader and partner of choice in providing efficient and innovative solutions to the energy sector while focusing on our commitment to the environment, our workforce and our stakeholders.	<b>Vision</b>
<b>Safety</b> We deliver world-class safety results and leave nothing to chance so everybody goes home safely	<b>Our values</b>	<b>Integrity</b> We conduct our business with honesty, integrity, and transparency, maintaining high ethical standards with all our stakeholders	<b>Our values</b>
<b>Sustainability</b> We strive to enhance our contribution to environmental protection and make a meaningful difference to society		<b>Teamwork</b> We work alongside our stakeholders and believe great teams can achieve incredible results	
<b>Accountability</b> We are accountable, and we deliver on our commitments		<b>Financial responsibility</b> We treat the Company's funds and assets like they are our own	

# At a glance: 2023 sustainability highlights

## Renewables project milestones

Commissioned new production line focusing on serial tubular products for the renewables market

In 2023, we successfully delivered the first batch of **62 transition pieces** to the UK for the Moray West offshore wind project, which was fully completed in 2024

**184** 

Signed a Reservation Agreement for the Norfolk Vanguard West project, comprising 184 wind turbine generator transition pieces for delivery to the UK

## Environment

**34%** reduction in scope 1 & 2 absolute greenhouse gas emissions compared with 2015 baseline



95% of waste is diverted from landfill

**20%** reduction in water consumption intensity compared to 2022



Sustainable fishing awareness initiative rolled out

6th annual UAE beach clean up completed 

Carbon Disclosure Project: **B-** achieved

## Social

**0.08** Total Recordable Incident Rate

**83%**  **86%**

Completed two employee engagement surveys with an 83% response rate, revealing that 86% of employees feel a sense of belonging and inclusion at Lamprell

4th edition of Lamprell's Got Talent completed 

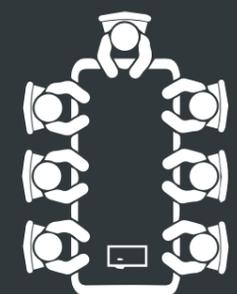
**14** employee health and wellness programmes delivered 

**5,488** employees screened for health fitness prior to start of work

**122,069** training hours completed 

Winner of ENOC 'Strategic Supplier HSE Support' category 

## Governance



Completed **three** Sustainability Committee meetings with the CEO, COO and a Board member in attendance

**1,417** suppliers acknowledged and committed to our Business Code of Conduct

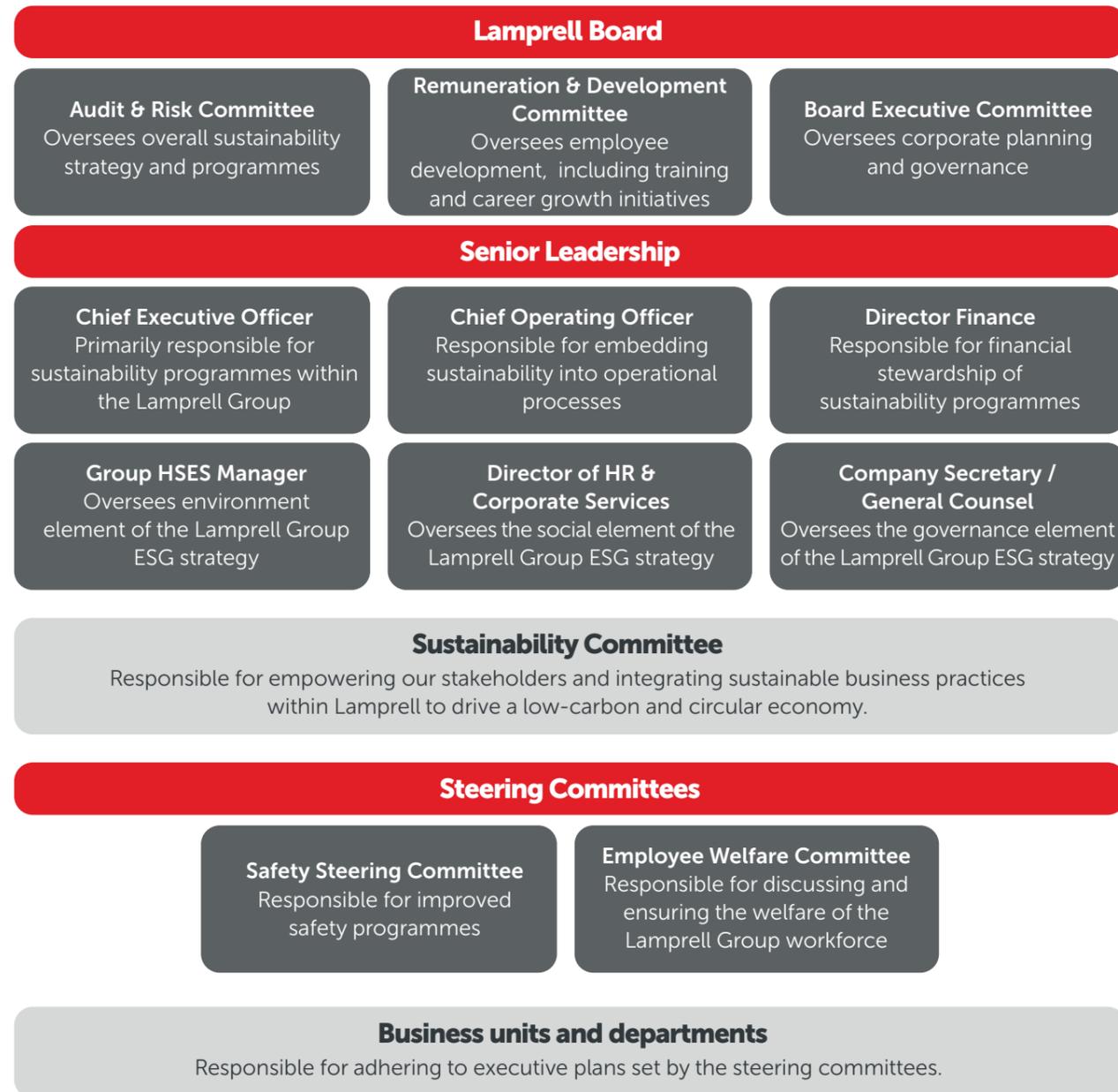
**ZERO** non-compliance instances regarding forced or child labour identified in Lamprell or our supplier operations

Achieved EcoVadis bronze medal status for our first submission 

Our approach

# Sustainability governance

Lamprell's Board is responsible for the Group's risk management processes, addressing risks and opportunities and overseeing Lamprell's strategic approach to sustainability. The Board also considers climate-related issues when reviewing and guiding on major strategic and investment decisions and is updated regularly on progress by the Sustainability Committee. The Sustainability Committee oversees the Group's day-to-day sustainability practices, including assessing and managing climate-related issues and reporting findings to the Chief Executive Officer. The Committee's goal is to improve the value of Lamprell by implementing initiatives that bring environmental, social and financial benefits to the organisation and its stakeholders.



# Materiality assessment and alignment with SDG's



Lamprell's Strategic Sustainability Management Plan demonstrates how sustainability aligns with our business strategy and establishes improvement targets for future performance. We have identified four sustainability pillars: Careers, Health, Environment, and Social. Each pillar is supported by performance metrics, enabling us to take focused actions and monitor progress toward our strategic goals and stakeholder expectations.

These sustainability pillars and metrics are supported by materiality assessments, which identify the ESG elements most impactful to both our organisation and our stakeholders. The 12 key ESG elements that Lamprell prioritises as critical to our sustainability journey are listed in the grey boxes opposite.

Appendix 1 outlines our alignment with ESG standards, frameworks, and the SDGs, highlighting the specific goals addressed in each section of this report.

**Environment**

- GHG Emissions & Energy
- Resource Consumption/ Circular Economy

**Social**

- Worker Safety & Health
- Human Rights
- Recruitment & Retention
- Labour Rights & Workers Welfare
- Emergency Preparedness
- Employee & Skills Development
- Diversity & Inclusion

**Governance**

- Anti-Bribery & Corruption
- Data Privacy & Security
- Sustainable Supply Chain

**Our approach**

# Sustainability stakeholders

At Lamprell, we are committed to fostering strong, constructive relationships through consistent stakeholder engagement to enhance the sustainability of our operations. As an international energy company with over 6,000 employees, we recognize the importance of considering the diverse interests of our stakeholders in our decision-making process.

Open and transparent communication lies at the heart of our business practices. We actively seek and value the diverse perspectives of our stakeholders, ensuring their needs are considered as we deliver on our strategic objectives.



Lamprell Chairman Dr Ghazi Osman addresses employees at a Town Hall meeting in 2023.

## Our Stakeholders

### Customers



### Shareholders



### Employees



### Business partners



### Communities



## Our engagement process

### Listen and learn

To deliver our strategy successfully and create value for our stakeholders, it is important to understand what matters to them. We understand what matters to them. We understand their needs through listening. Considering their insights and opinions enables robust and sustainable decision-making at both executive and Board levels.

### Plan and strategise

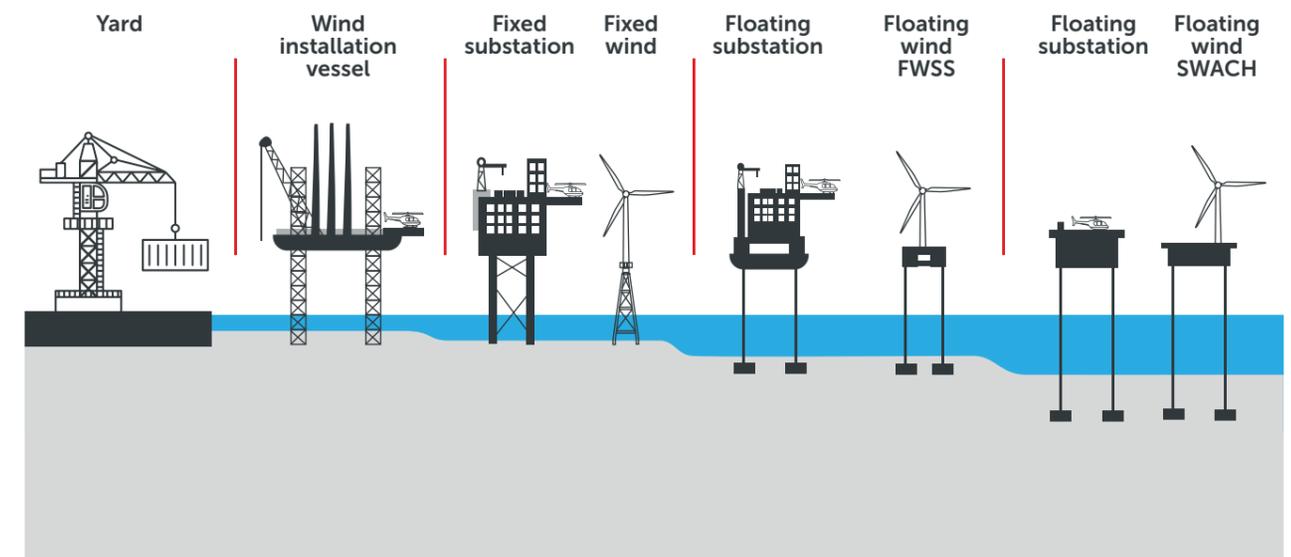
Knowing what our stakeholders want, what each of their fundamental drivers are, helps the Board and management team make better decisions for the Company. Once we understand the needs and wants of our stakeholders, we work within our internal teams to plan and strategise how, when and to what extent we can execute action plans.

### Execute and feedback

Lamprell is focused on driving long-term success by executing projects of all kinds in a way which aims to deliver sustainable, predictable, high-quality performance for the benefits of all our stakeholders. We provide feedback to them through daily interactions with clients and suppliers, regular engagement with our owners and extensive two-way communication with our workforce.

# Energy transition

## Offshore renewables value chain



In addition to reducing the environmental impact of our business operations, Lamprell has identified opportunities to take a proactive role in the global energy transition. This is consistent with the UAE and the wider region's growing involvement in renewable energy.

### Offshore wind

Lamprell's EPC capabilities in the oil & gas sector are compatible with the offshore wind sector, which is growing rapidly. Skills used on all projects are transferrable. Since 2007, we have delivered hundreds of wind turbine foundation substructures including jackets, transition pieces, suction buckets and piles, as well as six wind turbine installation vessels, to clients across Europe and the UK.

We are particularly focused on developing opportunities in Asia, America as well as increasing the number of offshore wind projects which the company has already successfully delivered to multiple clients.



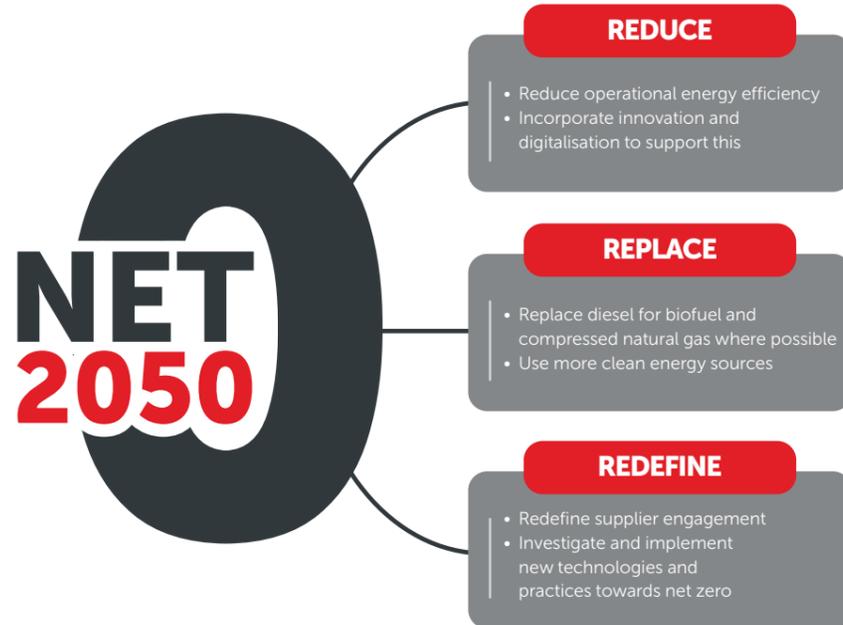
**We have delivered hundreds of wind turbine foundation structures and substructures to the renewables sector.**

Our approach

# Our commitment to net zero emissions by 2050

In 2021, Lamprell committed to achieving net zero emissions by 2050, and developed a strategic roadmap to guide us on our journey toward this ambitious goal. We are currently in the process of having our comprehensive net zero plan validated by the Science Based Targets initiative (SBTi), ensuring complete alignment with the COP Paris Agreement.

Lamprell will not only decarbonise its own operations but will also support our clients and guide our supply chain partners in achieving their respective decarbonisation goals and targets.



Our approach is anchored on 3R's:

**Reduce:** We aim to enhance operational energy efficiency by completing the second phase of our facility energy audit with a globally recognised energy systems efficiency company. Additionally, we will implement recommendations from our innovation and digital teams to improve operational performance further.

**Replace:** We will optimise rooftop space across all our facilities by deploying solar panels in compliance with local regulations specific to each municipality in which we operate. Where feasible, combustion equipment will be replaced with electric systems to eliminate the use of fossil fuels.

**Redefine:** We will develop and implement a Supplier Sustainability Management Plan that outlines how our suppliers and subcontractors will be managed in alignment with our goal of achieving net zero emissions by 2050.

Our progress to achieving net zero by 2050

Objective	Deadline	Progress 2023
Net zero of scope 1&2	2050	34% reduction from 2015 baseline year
Engage 100% of our Tier 1 and 2 suppliers	2030	65% of our suppliers have been engaged in sustainability initiatives through the completion of an Environmental Code of Conduct questionnaire

A journey of a thousand miles begins with a single step

The energy industry is responsible for 40% of global carbon emissions. It is our responsibility to reduce these and actively contribute to a sustainable future. Lamprell's GHG reporting journey started in 2013; however, in line with the science-based target, our baseline emissions towards net zero will begin from 2015 with a total of 56,682 tCO<sub>2</sub>e Scope 1 and 2 emissions.

Decarbonisation commencement

Transitioning to a net zero energy system is crucial for protecting human health, mitigating climate change and revitalising the economy. Lamprell is accelerating our decarbonisation plan to achieve our net zero target within the shortest period.

Our milestones

Halve our emissions by 2030 through maximising energy efficiency, switching to lower emissions fuel sources, implementing renewable energy options and retrofitting our buildings to a more sustainable design.

Decarbonisation intensification

We will invest in new technologies and improve the modus operandi of our business to meet our net zero plan.

Our milestones

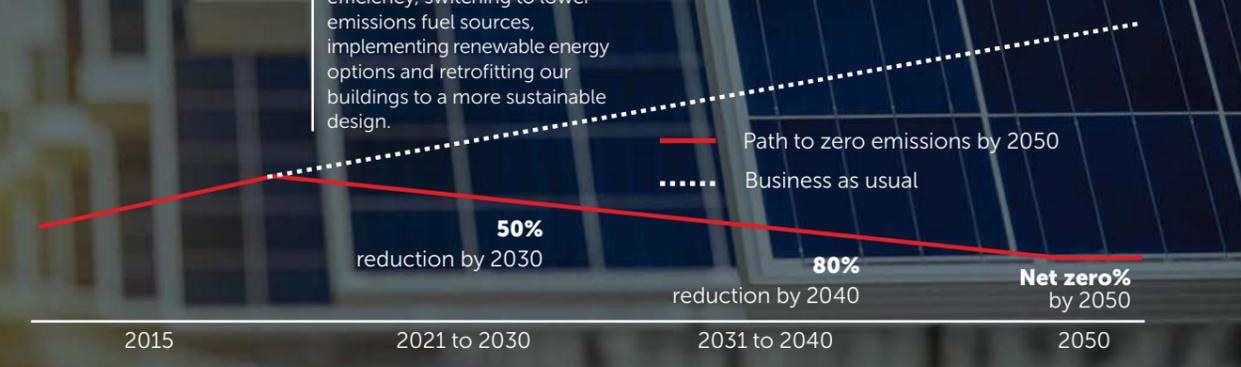
We have a target of 80% renewable electricity in all our sites by 2040 and want to implement new technologies to reduce embedded emissions.

Target achieved

Our commitment to net zero emissions is achieved while residual emissions are removed through certified natural carbon sink projects such as conservation initiatives for the world's tropical forests.

Our milestones

Source 100% of steel from sustainable-oriented suppliers by 2050 and 100% reduction of emissions from generators and mobile air compressors by 2050.



## Digitalisation and innovation

Lamprell is working with digital technologies that contribute towards enhancing sustainability in its operations. By integrating tools like Building Information Modelling (BIM) and Digital Twins, we are streamlining resource management and optimising the lifecycle of assets from design through decommissioning. BIM uses a detailed 3D model to plan construction projects efficiently. It ensures precise material use and optimal scheduling, reducing waste and preventing delays, making the construction process smoother and more cost-effective. Digital Twins are virtual models of physical assets that enable real-time analysis and scenario testing. This helps improve performance, extend lifespan, and lower maintenance costs by providing continuous feedback for timely adjustments. It optimises asset efficiency and reduces the environmental impact of the assets Lamprell fabricates.

Our use of advanced analytics contributes to energy optimisation and enhances the accuracy of our sustainability reporting. This, coupled with worker safety monitoring, helps us maintain high standards of efficiency and compliance. Modular construction further supports our sustainability goals by facilitating precise material tracking and reducing paper use through digital processes.

Through collaborative platforms and dashboards, we ensure real-time data sharing and provide clear visualisations of project performance and sustainability metrics. This approach not only strengthens decision-making but also improves project delivery and stakeholder engagement.

In essence, Lamprell's strategic adoption of digital solutions is driving significant advancements in environmental responsibility and operational efficiency, showcasing our commitment to sustainable development.

# Energy use and GHG emissions

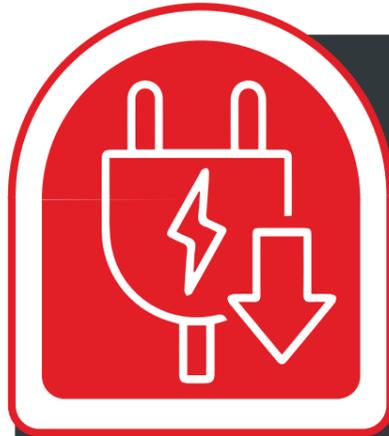


Lamprell's Hamriyah facility in the UAE.

**Energy is essential for the execution of our projects. Our fabrication facilities have been audited for energy usage and we have implemented energy conservation measures to improve energy efficiency. This has resulted in a 39% reduction of 70,475 mWh in energy consumption, compared to energy consumption of the baseline year in 2015.**

The second phase of the energy efficiency audit is planned for 2025, prior to the installation of onsite solar power in our operational facilities.

The increase in our diesel consumption since 2020 was as a result of the need to acquire new facilities to accommodate project demands. These new facilities are located in areas where grid electricity connection was not available and diesel generators were required. We are in discussions with the relevant authorities to facilitate the provision of grid electricity at the new facility while simultaneously working on a solar hybrid power solution as an interim measure.

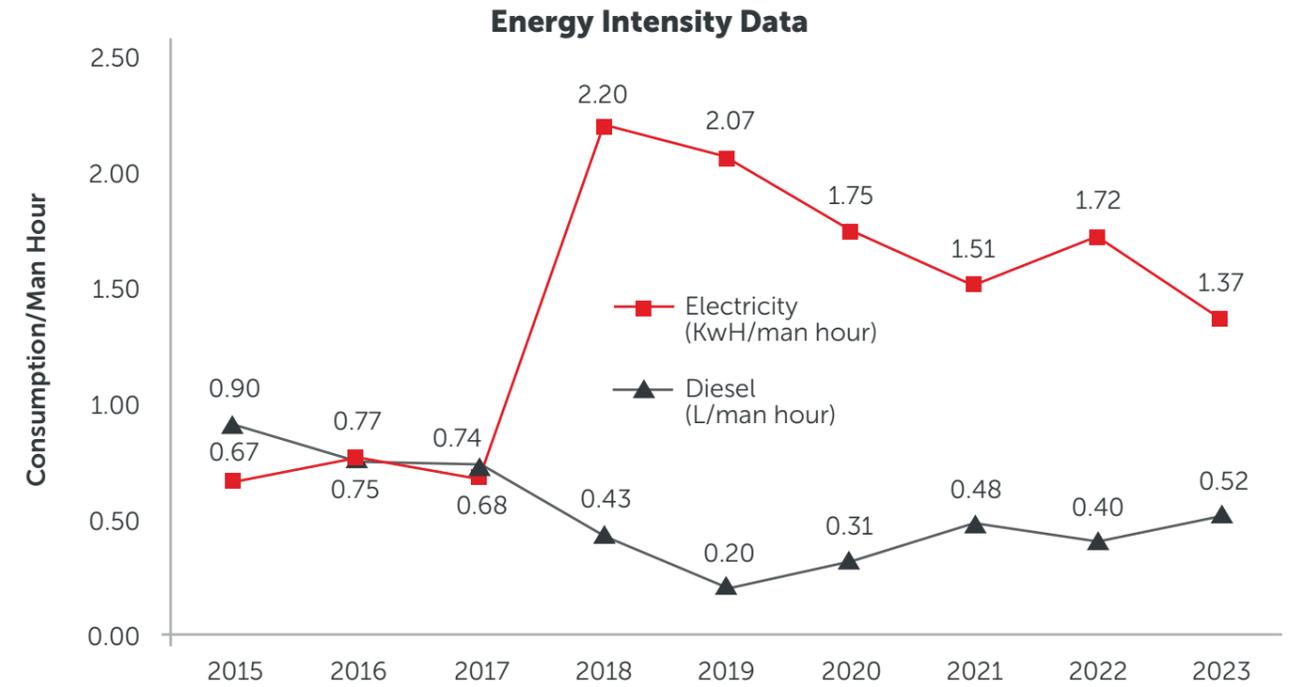


**39% reduction of 70,475 mWh in energy**

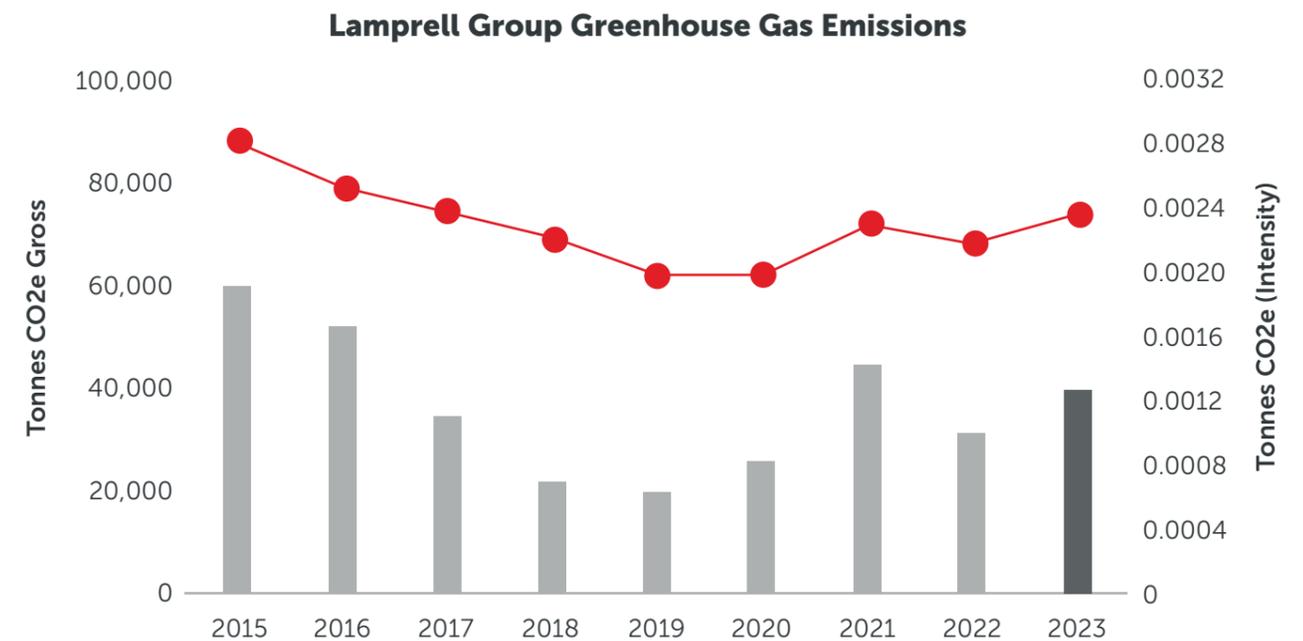
Lamprell uses the GHG Protocol to calculate our GHG emissions. The boundary of our computed emissions includes:

- Scope 1:** Direct emissions from sources owned or controlled by Lamprell. This includes plant and equipment, generators, vessels, vehicles, as well as consumption of refrigerants in our air conditioning systems.
- Scope 2:** Indirect emissions from consumption of purchased grid electricity and desalinated water.
- Scope 3:** In 2023, our Scope 3 emissions calculation continued to include elements such as waste treatment, business travel, and transmission emissions from grid-supplied electricity and water. Lamprell focused on extending our Scope 3 emissions data set, representing an important step towards enhancing our GHG monitoring and reporting capabilities.

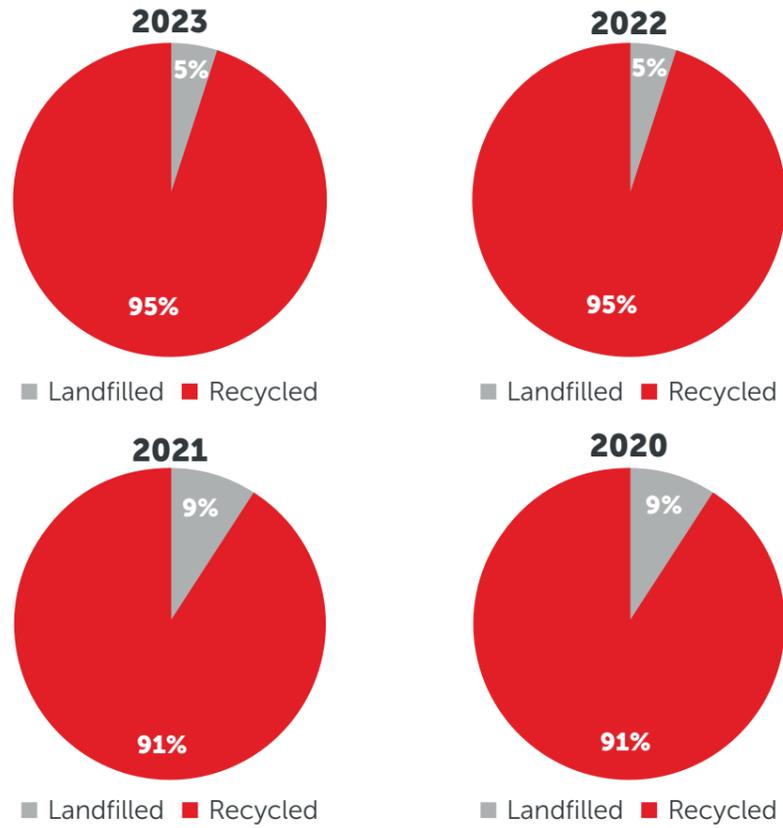
In 2023, our GHG emission intensity increased by 8% when compared to 2022 due to an increase in operational activity levels and the increased use of diesel at new operational facilities.



As a result of the continued implementation of multiple energy efficiency projects and the switch from diesel power source to grid electricity at our Hamriyah Freezone facility, in 2023 our GHG emission intensity reduced by 29% from the baseline year in 2015.



# Waste management

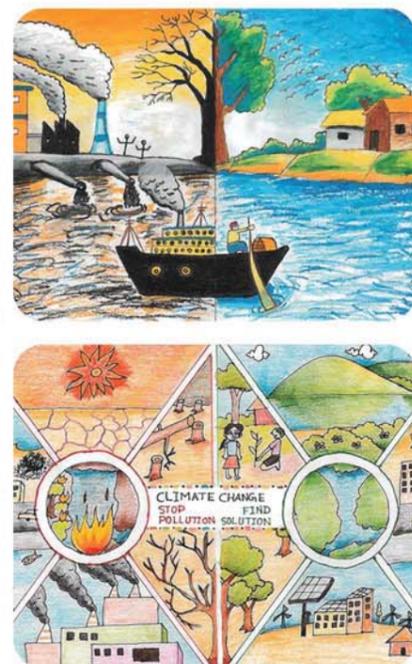
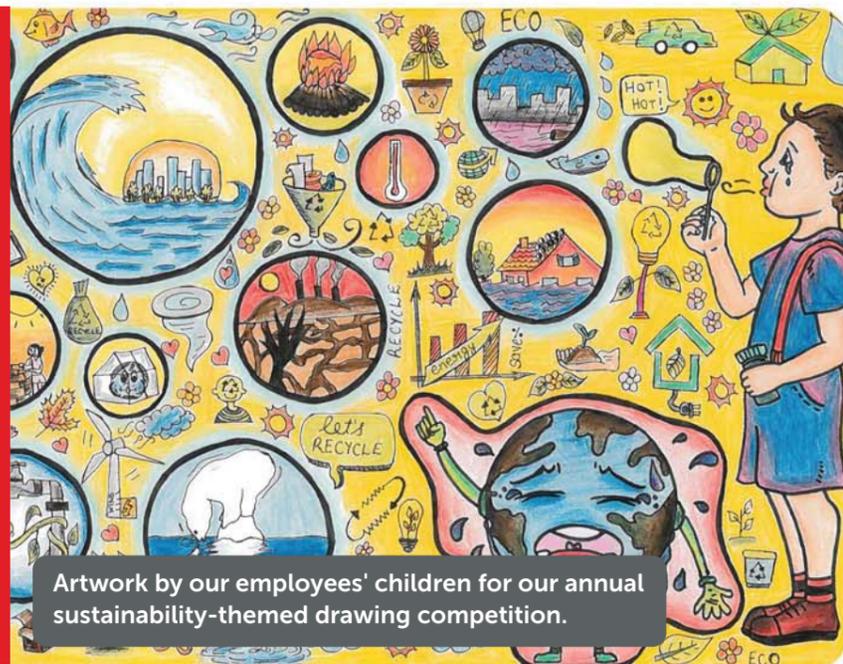


The ultimate goal of Lamprell is to divert 100% of its waste from the landfill. With the support of licensed waste management companies who collect and treat segregated waste streams, and through the education of our employees who have embraced waste minimization and re-use, we have been able to divert 95% of our waste annually from landfill.

The bulk of our hazardous waste is in the form of waste paint, empty paint cans, garnet and used oil. Our hazardous waste generation in 2023 reduced by 3% when compared to 2022.

Disposable cups are not used anymore within Lamprell premises as all employees are provided with re-usable mugs and water bottles.

Refer to our ESG performance data in the appendix of this document.



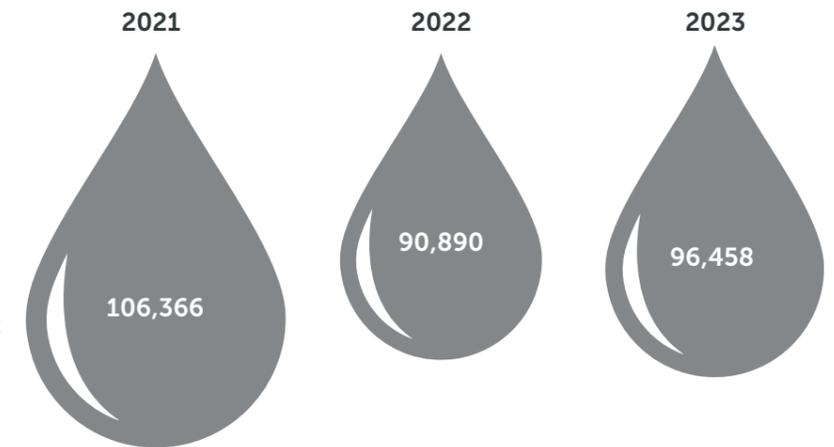
Artwork by our employees' children for our annual sustainability-themed drawing competition.

# Water management

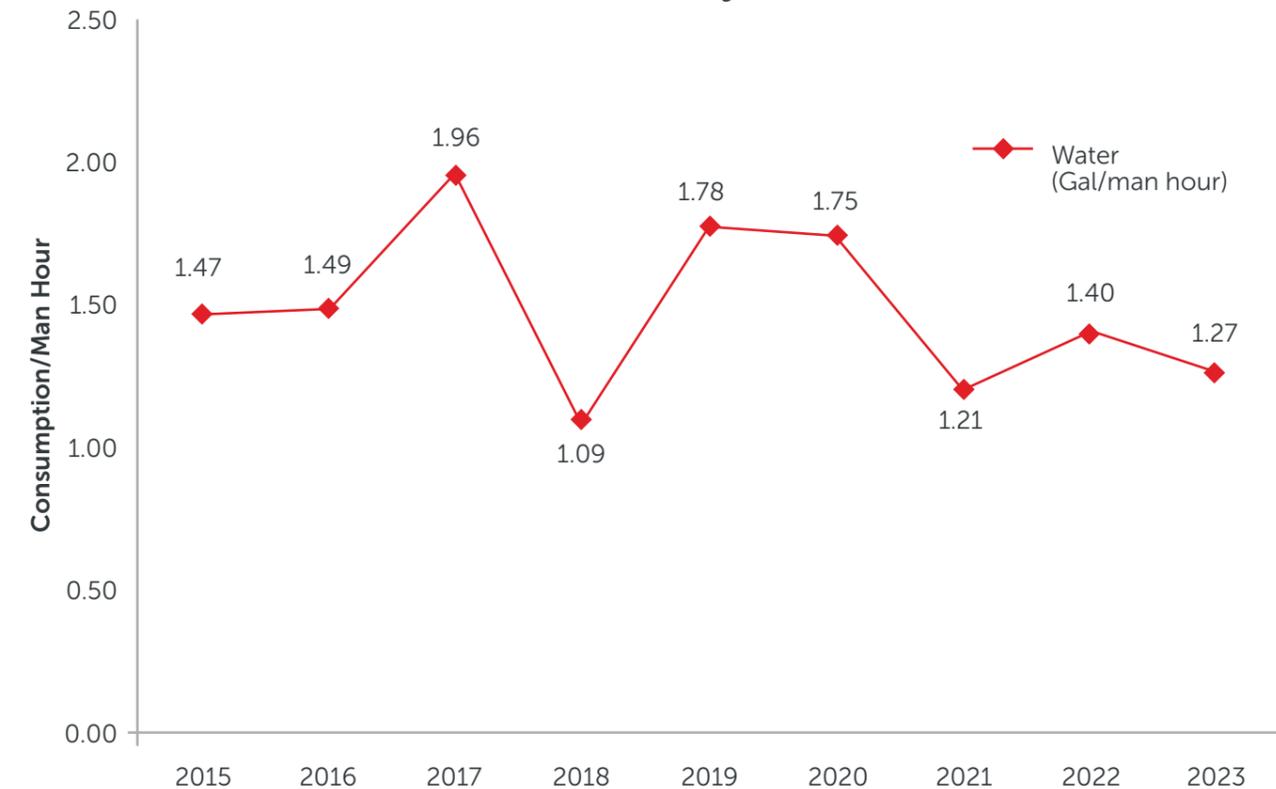
We successfully reduced water intensity usage by 20% in 2023 compared to the previous year. This reduction was achieved through water conservation and leak awareness campaigns, and the installation of water flow attenuators across different operational facilities. The intent is to continue installation of water flow attenuators across all operational facilities by the end of 2025.

Lamprell's core EPC activities do not consume significant quantities of water. The majority of the company's water usage occurs in office buildings, primarily for canteen operations and ablution facilities.

## Total Water Consumption (in m<sup>3</sup>)



## Water Intensity Data



# Biodiversity



CEO Ian Prescott addresses Lamprell volunteers at our annual beach cleanup.

Lamprell’s environmental stewardship programme is primarily focused on the communities in which we operate, and we are committed to protecting and enhancing local ecosystems through various initiatives. We regularly engage with our stakeholders to increase sustainability awareness and encourage adopting environmentally friendly best practices.

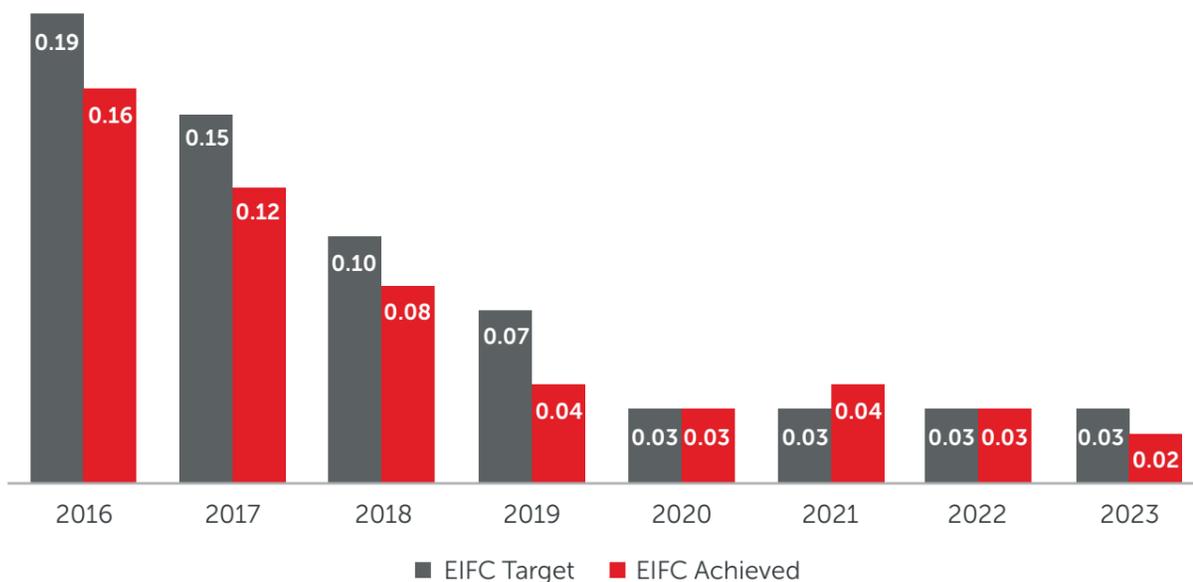
In 2023, Lamprell conducted its sixth annual ‘UAE Clean Coastline’ event as part of its sustainability month campaign with participants at the beach clean-up collecting over 500 kg of waste. Lamprell staff also cleaned the marine waterways near its Hamriyah facility throughout the year. These types of initiatives help remove waste that would otherwise have threatened local marine life and terrestrial biodiversity.

Lamprell also organised a sustainable fishing awareness programme in the Kingdom of Saudi Arabia to educate fishermen on local regulations and promote best practices within the industry to ensure strict compliance.

Industrial operations can impact biodiversity, particularly through environmental pollution. To mitigate this, we consistently implement best practices to prevent environmental incidents. These include using secondary containment systems in all material and equipment storage areas to control potential spills, conducting emissions containment tests for coating processes, and performing thorough environmental risk assessments.

As a result of these controls, Lamprell’s environmental incident rate has decreased significantly since record-keeping began.

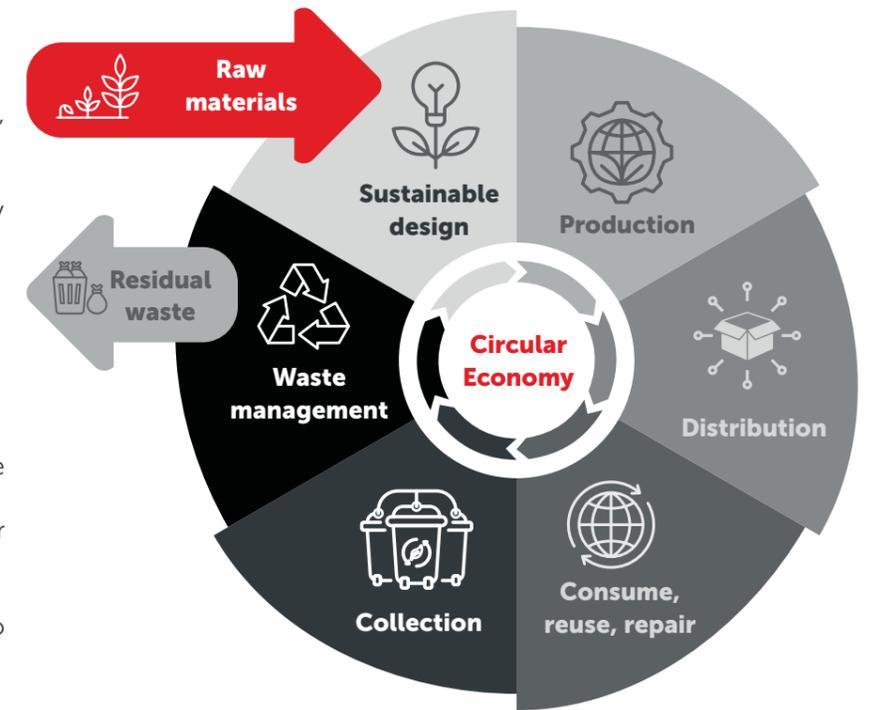
## Environmental Incident Rate



# Circular economy

Lamprell believes that transitioning to a circular economy will significantly reduce the energy sector’s impact on the environment, as well as our own GHG emissions. We are exploring ways to improve the application of circular economy principles in our business and to identify and integrate the risks and opportunities associated with a “rethink, refuse, reduce, reuse, recycle, repair” hierarchy.

Through partnerships with both clients and our supply chain, we are supporting circular economy solutions including conversion of our operational waste to energy and implementing water stewardship principles across our organisation to enhance the use of recycled water, where appropriate.



Our key priorities for 2023	Our key achievements in 2023	Focus for 2024
Reduce water intensity	20% decrease in water use intensity across our operations	Continue with the installation of additional water flow attenuators across our operations
Reduce electricity intensity	9% reduction in electricity intensity	Initiate phase 2 of the energy efficiency audit across our facilities
Reduce or at least maintain diesel consumption intensity	Diesel consumption intensity increased by 30% due to project execution in newly acquired facility without grid electricity	Explore onsite solar system and biodiesel options
Increase or at least maintain the 95% waste diversion rate	95% waste diversion rate maintained	Aim to increase the diversion rate to 97% by identifying additional waste streams that support circular economy goals
Protection of the environment by reducing the number of environmental incidents	The annual environmental incident frequency rate target was achieved	Maintain or improve the environmental incident rate through enhanced training, regular inspections, and the implementation of best protection practices

# Our CSR philosophy

We support and engage in not-for-profit activities in line with our Corporate Social Responsibility philosophy and develop and implement social involvement programmes either internally or through associated partnerships. We encourage volunteering from all our stakeholders in relevant programmes within the organisation and the community at large, which champions the ethos of corporate social responsibility and investment.

## Health, safety and wellbeing

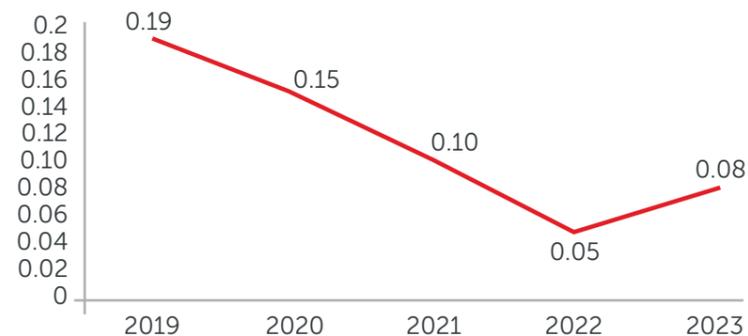
We promote a culture of safety through our 10 core 'Shields for Life' principles that protect every step of our operations.

- Marine operations
- Working at height and dropped objects
- Hot work activities
- Energy isolation and electrical equipment
- Plant, equipment and vehicle safety
- Permit to work
- Confined space
- Lifting and rigging operations
- Hazardous material
- Ground disturbance/excavations

2023 delivered another industry leading safety performance for Lamprell with a TRIR of 0.08 achieved across the business. By utilising robust risk management and safety planning processes, we identify and mitigate safety risks and ensure our projects' safe and successful execution. Lamprell's safety objectives are set annually and tracked through leading and lagging KPIs, which are reviewed by the Board monthly. Engagement with our clients and subcontractors is a fundamental element of Lamprell's safety management system. We regularly involve them in operational safety processes to ensure that everyone goes home safely.

In 2023, we completed 657 engagement sessions with subcontractors, highlighting best practices for health and safety management performance and understanding the basic principles of working with Lamprell as exemplified in our Code of Conduct. Employee wellness is at the forefront of how Lamprell operates and in 2023 we conducted 14 sessions on a range of health topics including heart and lung function, mental health awareness and stress management. All our employees are covered by health insurance, further supporting our commitment to their wellbeing.

### TRIR - Incident per 200,000 workhours



**14** wellness sessions were held in collaboration with our local partners, including the SmartLife Foundation and several healthcare providers.

# Employee and skills development

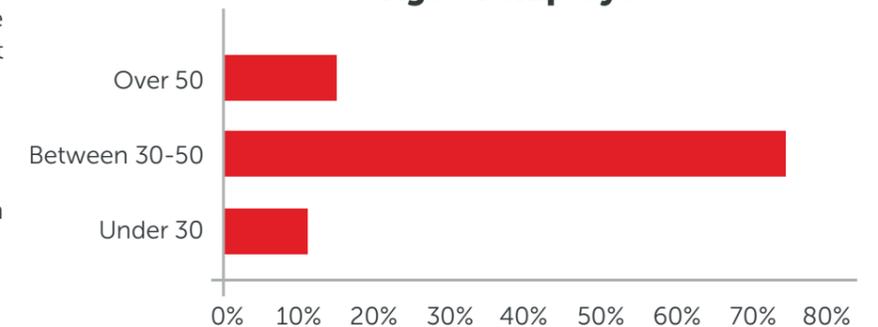


Our commitment to social investment is centred on education initiatives that enhance employees' skills and career progression. By focusing on training and skills development, we provide our workforce with valuable opportunities for advancement. Employees can access training and development through our Lamprell Assessment and Training Centre, and we also engage with external specialist providers when necessary.

## Diversity and inclusion

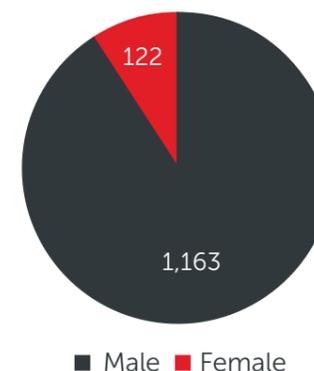
With over 40 different nationalities working for the organisation, we are proud of our approach to diversity at Lamprell. We have a Diversity and Inclusion Policy Statement in place to support our commitment. Everyone has fair and equitable access to opportunities starting with the hiring process and throughout the employment life cycle. The richness and variety that come through having such an international workforce differentiates us and make us stronger.

### Age of employees



Given the work Lamprell undertakes, most of our workforce are skilled tradespeople, many of whom are in the middle stage of their careers and fall into the 30-50 age bracket.

### Gender administrative employees



# Labour practices and human rights

We focus on areas where human rights are critical to how we work and where we see the highest risk for potential impact: labour rights and supply chains. Our approach applies to all our employees and contractors and is guided by our Human Rights Policy, which all employees receive training on.

We engage with our stakeholders to ensure the robust implementation of systems to prevent modern slavery and human trafficking and our approach to this critically important issue is outlined in our Modern Slavery and Human Trafficking Policy.

We maintain a zero-tolerance policy for forced and child labour across our organisation. Our Human Rights Policy aligns with local regulations to ensure that all employees meet legal age requirements and that no forced or compulsory labour is used. We audit our suppliers to ensure that the same standards are upheld throughout our operations, ensuring compliance across our entire supply chain.

## Local sourcing and value creation

Lamprell is committed to supporting the development of the UAE economy by enhancing our in-country value (ICV), currently at 85%. This percentage reflects the local suppliers and subcontractors we engaged in 2023. Our goal is to further increase ICV by creating more jobs within the local economy, building the capacity and skills of local industries, and achieving sustainable benefits such as reduced Scope 3 emissions, shorter delivery times, and lower transportation costs.

### ICV and foreign supplier engagement

Year	Suppliers approved		Suppliers engaged	
	UAE	Foreign	UAE	Foreign
2021	794	291	600	157
2022	1,111	463	575	132
2023	1,011	355	583	111

### ICV and foreign subcontractor engagement

Year	Subcontractors approved				Subcontractors engaged			
	UAE		Foreign		UAE		Foreign	
2021	230	84%	45	16%	203	85%	37	15%
2022	252	81%	60	19%	217	83%	43	17%
2023	298	80%	76	20%	235	86%	39	14%

### Supplier and subcontractor performance appraisals

Year	Supplier appraisals completed	Subcontractor appraisals completed
2021	288	97
2022	297	97
2023	293	117

## Community engagement

Lamprell is dedicated to making a positive impact in the communities where we operate. Alongside creating local employment opportunities and supporting local suppliers, we actively engage in charitable initiatives and community support programmes. Our involvement includes partnerships with charitable organisations and volunteer activities.



Additionally, we foster a sense of community within our workforce through employee sporting and social activities. In 2024, we plan to expand these efforts with more charity and community initiatives, reinforcing our commitment to social responsibility and employee wellbeing.

## Priorities, achievements and 2024 focus

Our key priorities for 2023	Our key achievements in 2023	Focus for 2024
Support our community	Continued employment support for individuals recruited through charitable organisations	Conduct at least 1 community volunteer event
Train and develop our employees	Provided an average of four days of training per employee	Maintain training rate for all employees and engage with specialist white collar development providers
Enhance employee safety and wellbeing	Achieved industry leading TRIR of 0.08 and conducted 14 wellness sessions	Maintain safety performance and proactive wellness programmes
Hold regular employee welfare committee meetings	Successfully held six employee welfare committee meetings, bringing together representatives from various disciplines with active participation from senior management	Maintain a strong focus on employee welfare while ensuring timely completion of all associated actions

# Business ethics, anti-bribery and code of conduct

With a robust values framework, Lamprell’s culture and purpose is built around mutual trust and respect amongst all our stakeholders. We never underestimate our responsibilities and take our commitment seriously, investing in our people, processes and products to ensure that we continue to live up to our values. We have zero tolerance for bribery, corruption and other forms of financial crime. We require those who deliver services to us or act on our behalf to abide by our Code of Conduct and meet the requirements of specific business ethics and compliance clauses in their contracts. Before awarding contracts and during project execution, we conduct risk-based third-party due diligence to assess risks, including related to ownership structure, anti-bribery and corruption, human rights and labour conditions. Through our ‘Speaking Up’ channels, we encourage everyone who works for us or alongside us to report anything they



consider to be unusual or contrary to our values or Code of Conduct. We will always investigate and follow through on all reports of unethical or dishonest practices, in accordance with our Speaking Up Policy.

# Sustainable supply chain management



The introduction of the proposal for a Corporate Sustainability Due Diligence Directive and the Carbon Border Adjustment Mechanism in 2023 has further reinvigorated the need for robust collaboration between contractors and suppliers to align on how to improve sustainability practices.

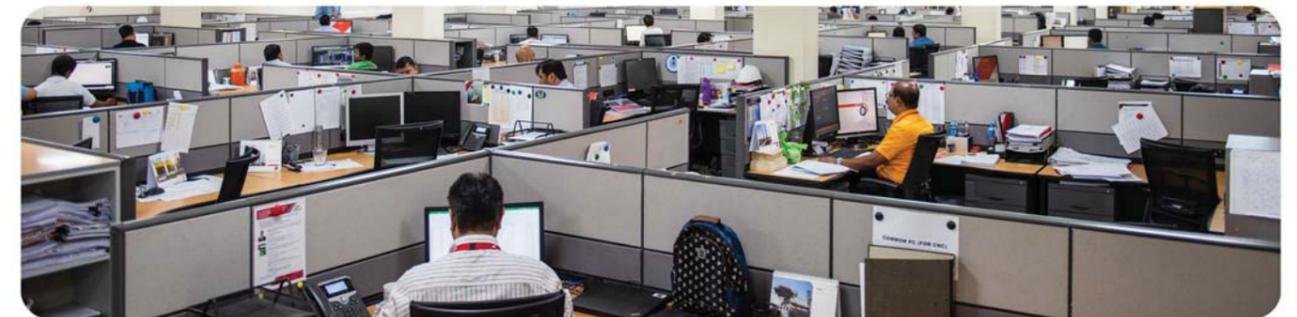
Lamprell has begun developing a supplier sustainability management framework using a digital tool to screen all suppliers and engage with those who have a significant impact on ESG elements. This initiative aims to enhance our Scope 3 emissions reporting and improve overall supply chain sustainability.

Over 65% of our suppliers have completed an Environmental Code of Conduct confirmation, with the remainder of suppliers scheduled in 2024 and 2025.

# Cybersecurity and data privacy

In 2023, Lamprell prioritised cybersecurity and data privacy through key initiatives and achievements. Our 24/7 Security Operation Centre proactively monitored and resolved all incidents identified or reported. We enhanced our cybersecurity infrastructure with advanced threat detection and response systems, improving our ability to mitigate threats swiftly. Our InfoSec team ensured compliance with ISO 27001 standards and we successfully renewed our Saudi Aramco SACS002 certification.

Training and awareness were central to our strategy. In 2023, we conducted cybersecurity drills and trained over 96% of company employees and select subcontract personnel, creating a culture of security awareness. Our data privacy measures advanced with stringent data encryption protocols, ensuring sensitive information is handled with utmost care. Overall, our proactive approach reinforced our resilience against cyber threats, maintaining a secure and trustworthy operational environment.



# Priorities, achievements and 2024 focus

Our key priorities for 2023	Our key achievements in 2023	Focus for 2024
Strengthen anti-bribery and corruption measures	All new suppliers completed business code of conduct assessment	Anti-bribery and corruption training completed for all employees
Enhance whistleblowing mechanisms	Policy updated with new secure reporting tool in place	Launch of new whistleblowing training programme
Improve IT security protocols	Zero serious IT breaches through enhanced cybersecurity infrastructure	100% of all employees trained in IT security
Increase supply chain engagement	657 subcontractor personnel attended safety engagement sessions	Launch enhanced supply chain sustainability engagement programme
Raise child and forced labour awareness	Developed a comprehensive human rights training module	Achieve 100% employee participation in child and forced labour training, and broader human rights issues
Conduct internal audits	Completed all scheduled audits covering corporate governance, project risk, payment processes, vendor compliance, and asset management	Strengthen governance, enhance operational efficiency, and improve risk management across critical business functions

# ESG standards and frameworks

2023 sustainability report table of contents	Sustainable development goals	GRI standards	SASB disclosure
Our approach		2-22	
A message to our stakeholders		2-11	
Memberships and certifications		2-28	
Lamprell's purpose, vision and values			
At a glance: 2023 sustainability highlights			
Sustainability governance		2-9,2-12,2-14	
Materiality assessment and alignment with SDGs		3-2,3-3	
Sustainability stakeholders		2-29,3-1,3-2	
Energy transition			
Our commitment to net zero emissions by 2050		305-5	
Digitalisation and innovation			
<b>Environment</b>	<b>6,12,13,14 &amp; 15</b>		
Energy Use & GHG Emissions		3-3,302-1,302-2,302-3,302-4,305-1,305-2,305-3,305-4,305-5	IF-EN-410a.2
Waste Management		3-3,306-1,306-2,306-3,306-4,306-5	
Water Management		3-3; 303-1; 303-2; 303-5	
Biodiversity		3-3,304-1,304-3	
Circular Economy		3-3	
Priorities, achievements and 2024 focus			

2023 sustainability report table of contents	Sustainable development goals	GRI standards	SASB disclosure
<b>Social</b>			
Our CSR philosophy		3-3,413-1	
Health, safety and wellbeing		3-3,403-1,403-4,403-5,403-8,403-9,404-1	IF-EN-320a.1
Employees and skills development		2-7,201-3,3-3,401-2,404-2,404-3	% of employee receiving regular performance & career development reviews
Diversity and Inclusion		3-3,405-1	
Labour practices and human rights		2-23,2-24,3-3,408-1,409-1	
Local sourcing and value creation		201-1,204-1,3-3	
Community engagement		2-25,2-26,3-3,413-1	
Priorities, achievements and 2024 focus			
<b>Governance</b>			
Business ethics, anti-bribery and code of conduct		205-1,205-2,3-3	
Sustainable supply chain management		3-3, 308-1,414-1	
Cybersecurity and data privacy		3-3, 418-1	
Priorities, achievements and 2024 focus			

# ESG performance data

Environment performance data						
Metric	Unit	2019	2020	2021	2022	2023
<b>GHG emissions</b>						
Gross emissions (scope 1,2 & 3*)	tCO <sub>2</sub> e	19,903	26,304	44,847	31,089	39,484
Gross emissions intensity (Scope 1,2 +3*)	tCO <sub>2</sub> e/ Manhours (x 103)	1.99	1.99	2.30	2.18	2.37
Scope 1	tCO <sub>2</sub> e	7,171	12,965	28,536	16,822	25,797
Scope 2	tCO <sub>2</sub> e	8,977	9,866	12,424	12,590	11,778
Scope 1 + 2	tCO <sub>2</sub> e	16,148	22,831	40,960	29,412	37,575
Scope 1 + 2 absolute emissions change compared to 2015 baseline for net zero by 2050	%	-72	-60	-28	-48	-34
Scope 1 + 2	tCO <sub>2</sub> e/ manhours (x 103)	1.63	1.73	2.11	2.07	2.25
Scope 1 + 2 emissions intensity change (tons/manhours) compared to 2015 baseline for net zero by 2050	%	-39	-25	-61	-52	-29
Scope 3*	tCO <sub>2</sub> e	3,755	3,473	3,887	1,677	1909
Business travel	tCO <sub>2</sub> e	1259	252.2	54.72	125	232.5
Waste generation	tCO <sub>2</sub> e	205.8	792.2	796	755.4	942.2
Electricity transmission and distribution	tCO <sub>2</sub> e	2051.9	2291.3	2898	651.6	608.0
Water supply	tCO <sub>2</sub> e	27.8	36.1	36.5	13.5	14.3
Fuel not included in scope 1	tCO <sub>2</sub> e	210	100.7	101.8	131.4	112.0

Environment performance data						
Metric	Unit	2019	2020	2021	2022	2023
<b>Energy consumption (kwh) non-renewable</b>						
Total energy	MWh	42,789	65,783	123,836	82,741	111,043
Electricity from grid	MWh	20,679	23,091	29,204	24,496	22,859
Diesel	MWh	20,568	41,673	93,547	57,061	87,188
Petrol	MWh	1525	993	1053	1170	970
Propane	MWh	15.2	25.2	31.3	11.4	23.5
Acetylene	MWh	2.1	0.3	0.6	2.1	2.2
Energy intensity	MWh/ Man hours (x 103)	4.32	4.99	6.39	5.81	6.66
Energy intensity (kwh/manhours) reduction compared to 2015 baseline	%	-76	-64	-32	-54	-39
<b>Waste</b>						
Total waste generated	Tons	6,482	12,877	13,551	16,840	20,969
Total waste recycled	Tons	5,622	11,692	12,391	15,944	19,571
Total waste disposed	Tons	860	1,185	1,161	896	1,126
Total hazardous waste generated	Tons	143	82.82	77.36	155	160
Total non-hazardous waste generated	Tons	6,339	12,794	13,474	16,685	20,809
Waste diversion rate from landfill	%	87	91	91	95	95
<b>Water</b>						
Freshwater consumption	m <sup>3</sup>	80,959	87,281	88,568	90,890	96,458
Freshwater consumption intensity	m <sup>3</sup> /man hours (x 103)	8.1	6.6	4.6	6.4	5.8
<b>Environmental incident</b>						
Recordable environmental incident	Number	3	2	4	2	1

\*Scope 3 emissions data is currently limited to those parameters specified above. Lamprell is in the process of extending the scope 3 data.

# ESG performance data

Social performance data						
Metric	Unit	2019	2020	2021	2022	2023
<b>Safety</b>						
Total recordable incident rate per 200,000 hours worked	Rate	0.19	0.15	0.10	0.05	0.08
Lost-time injury per 200,000 hours worked	Rate	0.04	0.03	0.02	0.00	0.01
<b>Training on health, safety and wellbeing</b>						
Total HSES training hours	Hours	108,223	94,322	146,215	101,104	122,069
Average training hours per employee	Number	1.91	1.81	1.7	1.75	1.69
Emergency response drills conducted	Number	9	14	29	70	114
<b>Health screening</b>						
Number of employees and third parties health screened	Number	6,492	5,558	6,937	5,488	5,839
<b>Employment details</b>						
Total number of employees	Number	6,028	5,309	5,690	5,488	5,839
% of professional employees	%	21	21	21	21	22
% of craft based employees	%	79	79	79	79	78
Employees by nationality mix	Number	44	43	47	46	43
Asia Pacific	%	85	97	83	97	97
Middle East	%	8	1	8	1	1
Africa	%	5	1	1	1	1
Europe	%	2	1	7	1	1
Americas	%	0	0	1	0	0
Employee by age group						
Under 30	%	4	4	6	8	10
30-50	%	76	76	76	76	75
Over 50	%	20	20	14	16	15

Social performance data						
Metric	Unit	2019	2020	2021	2022	2023
<b>Tenure</b>						
Years of service under 5	%	35	37	45	48	56
Years of service 5-10	%	23	21	18	17	14
Years of service 11-20	%	36	37	32	31	27
Years of service 21-30	%	5	5	4	4	3
Years of service over 30	%	1	0	0	0	0
<b>Diversity, equity and inclusion</b>						
Total professional workforce by gender						
Male	Number	1,149	1,072	1,134	1,059	1,163
Female	Number	109	89	97	108	122

Governance performance data						
Metric	Unit	2019	2020	2021	2022	2023
<b>Sustainable supply chain management</b>						
Suppliers that have acknowledged and signed our supplier business Code of Conduct	Number	N/A	1,280	1,280	1,399	1,417
Suppliers performance appraisal completed	Number	373	441	288	297	293
<b>Child labour (% of compliance with human rights policy)</b>						
Lamprell operations	100	100	100	100	100	100
Contractor's and suppliers	100	100	100	100	100	100
<b>Forced labour (% of compliance with human rights policy)</b>						
Lamprell operations	100	100	100	100	100	100
Contractor's and suppliers	100	100	100	100	100	100

## Glossary

**BIM** - Building Information Modelling

**CBAM** - Carbon Border Adjustment Mechanism

**CEO** - Chief Executive Officer

**COO** - Chief Operating Officer

**CO<sub>2</sub>e** - Carbon Dioxide Equivalent

**CSDDD** - Corporate Sustainability Due Diligence Directive

**CSR** - Corporate Social Responsibility

**ECM** - Energy Conservation Measures

**EIFC** - Environmental Incident Frequency Count

**EPC** - Engineering, Procurement, and Construction

**ESG** - Environmental, Social, and Governance

**FWSS** - Floating Wind Substation Structure

**GHG** - Greenhouse Gas

**GRI** - Global Reporting Initiative

**HSE** - Health, Safety, and Environment

**HSES** - Health, Safety, Environment, and Security

**HR** - Human Resources

**ICV** - In-Country Value

**ISO** - International Organization for Standardization

**IT** - Information Technology

**KPI** - Key Performance Indicator

**kWh** - kilowatt-hour

**LTI** - Lost-Time Injury

**mWh** - megawatt-hours

**OHSMS** - Occupational Health and Safety Management System

**QMS** - Quality Management System

**SASB** - Sustainability Accounting Standards Board

**SBTi** - Science Based Targets initiative

**SDG** - Sustainable Development Goals

**SWACH** - Single Wind-Assisted Catamaran Hull

**TRIR** - Total Recordable Incident Rate

**UAE** - United Arab Emirates

**UK** - United Kingdom

**UN SDG** - United Nations Sustainable Development Goals

## Lamprell

### Registered office

First Names House  
Victoria Road  
Douglas  
Isle of Man  
IM2 4DF

### Operations

PO Box 33455  
Dubai

### United Arab Emirates

Tel +971 6 528 2323

Fax +971 6 528 4325

Email [lamprell@lamprell.com](mailto:lamprell@lamprell.com)

[www.lamprell.com](http://www.lamprell.com)



# Lamprell

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