

# SUSTAINABILITY REPORT 2022

---



**BW Ideol aims to be a leading long-term owner and operator of floating wind assets in key offshore markets worldwide. The goal is to be involved in an approximately 10 GW gross portfolio of floating offshore wind projects by 2030 through developing the existing pipeline and strong joint venture partnerships and by scaling and optimising the Company's patented Damping Pool® technology.**

BW Ideol aims to develop a global organisation and leverage the partnership with majority-owner BW Offshore - a global energy infrastructure specialist, to deliver on the following strategic targets:

- Expand and mature a significant portfolio of development projects,
- Growth as a technology and EPCI services provider,
- Become a long-term asset owner and operator.

The Company has two operating assets located in France and Japan, with a total installed production capacity of about 5 MW. The project portfolio includes 1.03 GW of awarded projects under

development, expected to come into production from 2024 and onwards. There is a further pipeline of 3 GW where BW Ideol has signed agreements with partners for specific sites or tenders (substantiated pipeline).

BW Ideol currently has 74 employees at its operational head office in France and at locations in Japan, Spain, Germany and the US. The number of office locations and staff is expected to increase as the existing pipeline is converted into firm projects. This will also increase BW Ideol's involvement with suppliers and partners and broaden the scope of sustainability matters the Company needs to address.

## MISSION AND VALUES

BW Ideol contributes to creating a sustainable future by using floating technology to unlock the vast potential of offshore wind.

The Company's mission is to make floating wind a key contributor to the world's energy transition.

The vision is to be the leading long-term owner of floating wind assets in key offshore wind markets across the globe.

The actions of the Company and its employees are guided by set of clear values.

### Core values



UPRIGHT



TRUSTFUL



AUDACIOUS



COMMITTED



SOLUTION-DRIVEN

### The UN Sustainability Development Goals

BW Ideol supports the UN Sustainable Development Goals (SDGs). The 17 global goals are at the heart of the UN's 2030 Agenda for Sustainable Development which was adopted by the United Nations General Assembly in 2015 to provide a shared blueprint for peace and prosperity for people and the planet, now and into the future.

The Company considers three of the SDGs as material where it believes it may have the most impact and a further three SDGs as important and where it seeks to contribute positively. The prioritisation will likely change over time as the nature of the Company's operations develops.



**Target 7.2: Increase substantially the share of renewable energy in the global energy mix**

BW Ideol contributes by developing floating wind power generation capacity globally as a project developer and technology provider



**Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life**

- BW Ideol contributes through zero tolerance for discrimination and focus on general gender diversity



**Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation**

- BW Ideol contributes by developing a nascent sector of the renewable energy market and the related value-chain for floating wind



**SDG 13: Take urgent action to combat climate change**

BW Ideol develops innovative technology and renewable power production solutions that enables decarbonisation of global energy systems



**Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure**

- BW Ideol contributes to the development and industrialisation of sustainable energy infrastructure with decentralised value chain and significant local value creation



**Target 14.2: Conserve and sustainably use the oceans, seas and marine resources for sustainable development**

- BW Ideol contributes to sustainable offshore renewable energy production through technology and operational procedures which limits the negative impacts on marine and coastal ecosystems

## STRATEGY AND BUSINESS MODEL

BW Ideol has a dual-track strategy to achieve its overarching goal to be a long-term owner of floating wind assets.

- Be a co-developer of floating wind projects together with joint-venture partners within the energy and/or financial industry. This involves developing, building and operating wind farm projects and represents the main strategy for core markets where the Company has a strong position.

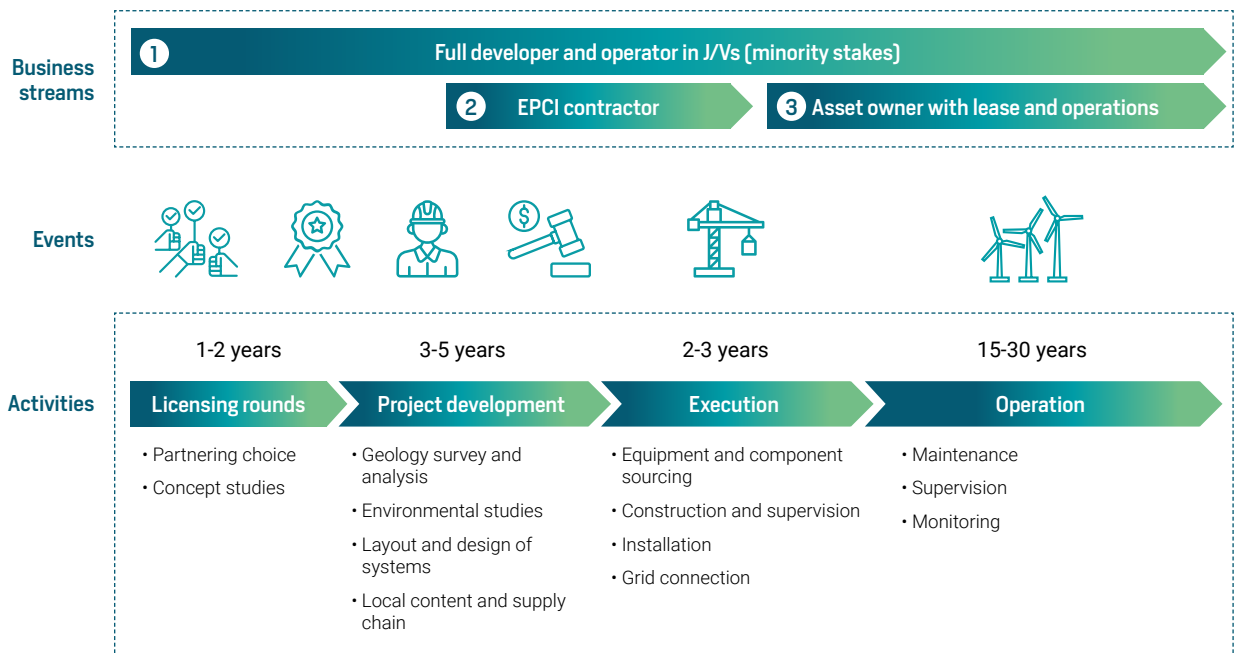
From a sustainability perspective, BW Ideol will engage throughout the entire value chain. Although, as minority owner in the J/V's, the Company will have limited operational control apart from the products and services rendered to the projects.

- Be an EPCI contractor of floating wind technology, combining BW Ideol's proprietary technology, engineering skills and project

management capabilities to deliver the physical assets to floating wind projects. The assets may be owned by BW Ideol and leased to the wind farms, including operational services. This strategy is intended for markets where there are already strong project developers.

From a sustainability perspective, BW Ideol would be responsible for the contracting, production and delivery of the assets, but the operational control in the production phase will lie with the project operator.

As floating wind is an emerging market, the sustainability framework will therefore evolve as the Company enters the different stages of the floating wind projects, depending on which of the two strategies and business models develop first. This is illustrated in the figure below.



## MATERIAL FACTORS

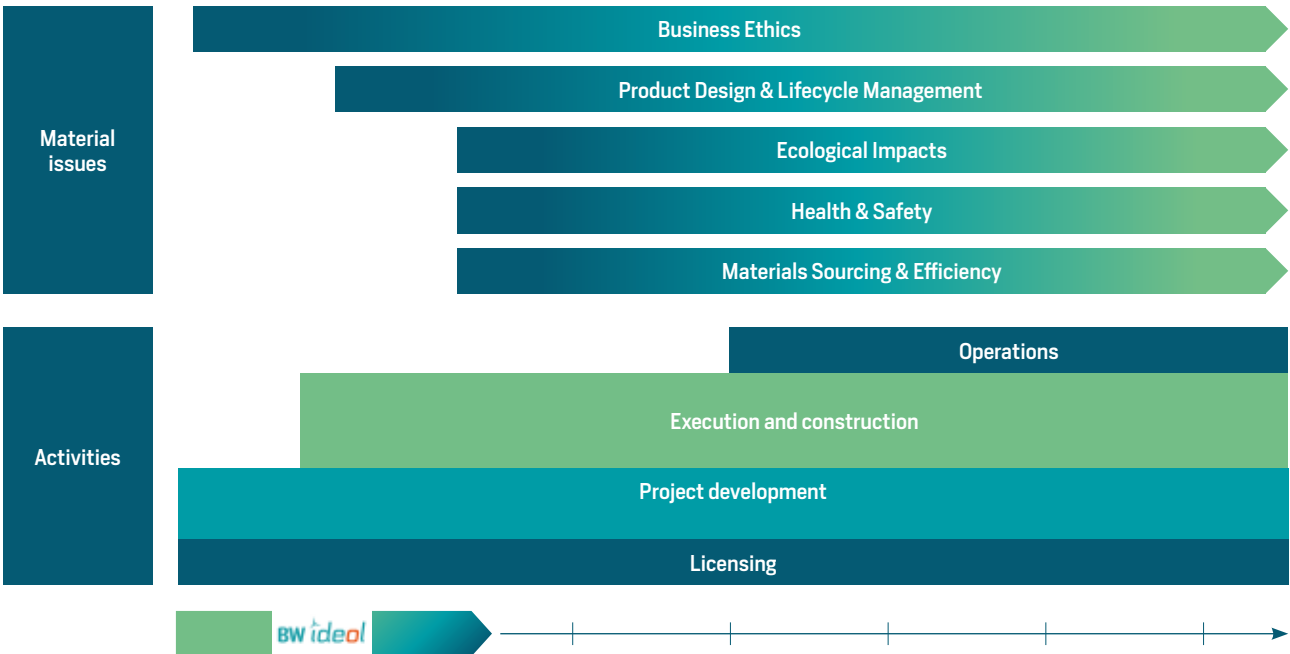
The SASB Standards for Wind Technology & Project Developers highlight three important issues for companies like BW Ideal. Due to the potential involvement as an EPCI contractor to offshore

wind farm projects, material issues for Engineering & Construction Services have also been included:

SASB Material Issue	Wind Technology & Project Developers	Engineering & Construction Services
Employee Health & Safety	x	x
Product Design & Lifecycle Management	x	x
Materials Sourcing & Efficiency	x	x
Ecological Impacts	x	x
Business Ethics		x

These material issues will grow in importance at different stages as BW Ideal expands and covers a wider range of its value chain. The development of the sustainability framework with related

focus areas, objectives and policies, action plans and targets will therefore be staggered to fit the Company's maturity and requirements, as illustrated in below figure:



To date, BW Ideal has therefore focused on developing a solid framework for business ethics and to develop a corporate culture that embodies the Company's vision, mission and values. The current priorities are to prepare a framework for assessing the life-cycle climate and environmental impact of its products and services, including the ISO 14001 certification of the company, to establish a proper health and safety framework as the Company prepares for the execution and construction stages, and to extend the human and labour rights focus to the upstream value chain.

BW Ideal's progress relies on successfully managing these material issues over time. While the Company's products and services will ultimately deliver significant benefits to society through their contribution to the green energy transition, there are obvious risks and impacts related to the climate and environmental footprint of its activities, personnel health and safety, human rights in the value chain, as well as reputational risk of its business conduct.

## GOVERNANCE AND RISK MANAGEMENT

The Management and the Board are responsible for ensuring that the Company conducts its business with integrity and with due focus on sustainable and responsible operations and that it applies principles for sound corporate governance. The Board holds the highest authority in the Company's decision-making hierarchy to approve matters of significance. The Company is committed to conduct business in a fair, ethical and transparent manner by adhering to the principles and guidelines stated in the Company's code of conduct ("Règlement intérieur"). The Company strives to uphold the highest ethical and responsibility standards. In 2023, BW Ideol intends to develop a more comprehensive structure for the management and monitoring of ESG objectives by defining roles and responsibilities and developing the required policies and guidelines.

BW Ideol has a risk management procedure, where the CEO has the ultimate responsibility, and the management team is responsible for the implementation and execution across the organisation. The procedure is based on the ISO 31000 risk management model and is fully embedded in the BW Ideol Management System. The procedure outlines the main risk management principles, work- and communication flows, methods for risk identification, assessment and response, as well as risk monitoring and review. HSE risks are separated as a specific process within the procedure.

More information about the composition of the Board of Directors and Senior Management can be found in the annual report and on the Company's web page.



# People

**BW Ideol seeks to be an inclusive employer and believes that equality and diversity among employees and management contributes positively to the work environment and strengthens competitiveness and performance.**

The company aims to achieve discrimination due to gender, nationality, culture or religion with respect to remuneration, promotion or recruitment. The Group is committed to recognise diversity and ensure equal opportunities, including fair employment conditions.

**74**  
69 at 2021 year-end  
**Number of employees at year-end**  
in 5 countries

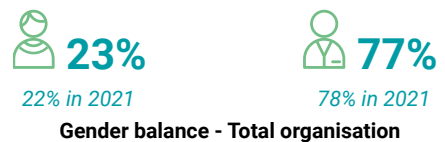
**11%**  
14% in 2021  
**Turn-over**

**14**  
**Net new positions during the year**

**2.36%**  
2,40% in 2021  
**Sick leave**

**9**  
7 in 2021  
**Number of nationalities**

**83%**  
71% in 2021  
**Training programs:** percentage of employees having received at least one training



## Policies

### Working conditions & work-life balance

Two policies were implemented during 2022: a "home working" policy and a "disconnection" policy. Statistics will be available during 2023 and will make it possible to estimate the impact of these measures on the quality of life at work. Since September 2022, La Ciotat teams are working in new offices. The choice of this new space was guided by the desire to improve day-to-day working conditions and to facilitate exchanges between the teams, which were previously separated in two different buildings.



### Performance

The Compensation Policy outlines BW Ideol's commitment to provide compensation based on performance, experience, critical competence and market value, without any bias towards gender or ethnicity. BW Ideol organises an annual salary review to ensure consistency and includes a collective bonus scheme in the total compensation structure, of which ESG factors are integrated into four of the eight criteria for allocation. These criteria cover the following factors:

- market value of the job,
- criticality of competency, retention, etc.,
- performance, contribution and key achievements for the last period,
- competency and experience level increase achieved the last period,
- attitude and respect of HQSE requirements.

Incentive programmes are also in place to reward and to keep employees with high potential.

### Other remuneration elements

In 2022, the Company also decided to increase the share of the costs' coverage for mutual health insurance (60% coverage compared to 50% previously).

BW Ideol has also introduced a bicycle allowance to encourage the use of non-polluting modes of transport. More and more employees are taking advantage of it (16 in 2022 versus 10 in 2021)

## Actions and Action Plans

**Training:** BW Ideol continuously invests in employee training and competencies. In 2022, 83% of employees received at least one training (including internal trainings), on various topics such as ethics, safety, compliance, etc..

**Gender Equality & Diversity:** BW Ideol has published an index of professional equality between men and women pursuant to the French labour code (see the dedicated figures). The gender balance has evolved positively between 2021 and 2022 (23% of women in 2022 versus 22% in 2021). The objective will be, in 2023, to confirm this trend. Moreover, the Company has adopted monthly metrics to closely monitor the gender repartition throughout the recruitment process, supported by active promotion of female applicants for engineering jobs. A network for female employees – "Idéelles" – has also been established to attract more female talent, promote the development of women's careers and diversity in general. The Company continues to enrich the diversity of origin of its teams (9 different nationalities represented in the workforce in 2022, compared to 7 in 2021).

### 2022 Gender equality index score

**BW Ideol scores 81/100**

Gender pay gap : 31/40

Difference in the distribution of individual pay increases : 35/35

Percentage of female employees who got a salary increase when returning from maternity leave : 15/15

Parity among the 10 highest wages : 0/10

**Career path:** Even if BW Ideol's turn-over rate is particularly low, retention remains key and is integrated in the Company HR priorities. The Company will set up a career management process to provide employees with a clear career development plan. A specific multi-year training programme was implemented for middle management in 2021, deepened in 2022 and will be reinforced in 2023.

**Onboarding:** A "Buddy" program has been set up in 2022 to facilitate the integration of new employees into the teams.

## KPIs and performance measurement

The actions mentioned above resulted in two female recruitments to the top management team.

The sickness leave rate remains particularly low, at 2.36% (even lower than in 2021, 2.40%).

# Health and Safety

**BW Ideol is active in the international, offshore, energy and industry markets, where health and safety is fundamental to responsible operations.**

The issue of health and safety is of utmost importance, particularly when the Company starts moving into the construction phase for floating wind assets. This applies not only to BW Ideol own personnel, but also for subcontractors and suppliers. In the operations phase, works at sea will also expose employees to potential hazards that need to be properly managed.

## Policies

The BW Ideol health and safety system is built to meet the ISO 45001 requirements. The Company has a systematic risk assessment approach from executive management to onsite operations. The QHSE policy highlight the ambitions related to health and safety, a complete system exists to sustain these ambitions and cover the training and competencies of personnel, process approach, audits and inspections, leading and lagging indicators, accident, incident and near misses recording and investigations, objectives and action plans, subcontractor's requirements and management.

BW Ideol has a separate procedure for supplier HSE requirements, which outlines separate requirements for standardised and large production projects on the one hand and customised services or products on the other. The policy was updated in 2022 to include the ISO 14001 norm, as well as requirements to provide carbon footprint calculations associated with the conception, transport and installation of a product or service, as well as requirements for recycling.

## Actions and action plans

In 2022, BW Ideol conducted a helicopter evacuation exercise on the Floatgen floating wind turbine in cooperation with French authorities. Practicing drills and evacuations during operations

at sea on this floating asset represent a valuable preparation for future operations. BW Ideol is an associate member of the G+ Global Offshore Wind Health and Safety Organisation, which is a global health and safety organisation bringing together the offshore wind industry to pursue shared goals and outcomes. It is run in partnership with the Energy Institute.

## KPIs and performance measurement

BW Ideol has developed an in-house action tracking system to ensure that improvements are managed. All "cases" (non-conformities, changes, accidents, incidents, near misses, risks, opportunities) are captured. For lighter issues where the solution is easily found, the response is swift. For issues of higher importance and where solutions are difficult to achieve, the Company conducts an annual review of health and safety where actions are converted into key objectives with dedicated responsible person and resources.

### Safety statistics for 2022

	BW Ideol 2022	FLOATGEN 2022 (including subcontractors)
Hours Worked	144 016	6 444
Fatalities	0	0
Lost Day Injuries	1*	1
Resctricted work day injuries	0	0
Medical treatment injuries	0	0
<b>Total</b>		
Total recordable injury rate (TRIR**)	6,94	155,18
Lost time Injury Frequency (LTIF***)	6,94	155,18

\* The event reported in the Floatgen column is reflected in the BW Ideol column as Floatgen is an asset of BW Ideol

\*\* TRIR : Number of recordable injuries (fatalities + lost work day injuries + restricted work days injuries + medical treatment injuries) per 1 000 000 hours worked

\*\*\* LTIF : Number of recordable injuries (fatalities + lost work day injuries) per 1 000 000 hours worked



Helicopter exercise on the Floatgen wind turbine (March 2022)



# Climate and the Environment

**BW Ideol is supporting the transition to a net zero society and creating long-term value for its stakeholders with positive impacts for society at large.**

Wind power is a key enabler in the green energy transition and floating wind has clear benefits in that it offers access to better wind conditions, which results in higher production and lower intermittence, as well as reduced impact on the surrounding environment compared to other wind power solutions.

BW Ideol develops renewable energy solutions in a responsible manner, seeking to minimise the negative impacts of its operating activities and asset investments, while creating material positive effects through the responsible development of local value chains.

The key elements the Company considers include:

- The embodied carbon footprint of finished offshore wind farms
- Recycling of wind farm equipment, including turbines
- Accidental pollution
- Impact on fishing and marine ecosystems

The objective of the Company is to reduce the impact of its operations in a value chain context and with a life-cycle perspective to maximise the net benefits of the renewable energy its activities will contribute to.

## Policies

The BW Ideol Quality and Environmental Policy outlines the Company's commitment to demonstrate the reduced impact of its solution on the environment, to measure the carbon footprint and recycling rate of its solutions, meet the requirements for environmental compliance and prevent pollution associated with its activities. The policy also outlines commitments related to safety and quality.



*Gulls at rest on the floater of the Floatgen wind turbine*

## Actions and action plans

- BW Ideol launched the ISO 14001 environmental management system certification with expected completion and certification in 2023. Within the ISO 14001 framework, BW Ideol is working on a detailed assessment of the key environmental advantages of using concrete floaters as platforms for floating wind. This also includes a full life-cycle assessment of the technology of the Company.
- BW Ideol is involved in numerous R&D projects which have environmental components. The Velella project seeks to ensure environmental monitoring and is guided by an eco-design approach based on a lifecycle analysis of prototypes and farms including the recyclability of the solutions developed. The PIAFF&CO project aims to improve knowledge of flying fauna - birds and bats - in the vicinity of offshore wind farms. The project is using unique feedback from Floatgen and in situ data from the SEM-REV test site where Floatgen is installed. First results of these collaborative projects could be released in 2023.
- In 2022, BW Ideol continued to engage with a foundation dedicated to the preservation of the marine environment, the Pure Ocean Foundation. Pure Ocean's main mission is to support state-of-the-art applied research projects to conserve marine biodiversity, protect and restore fragile marine ecosystems, increase knowledge of the oceans and contribute to the fight against climate change. This commitment took the form of participation in the Pure Ocean regatta so the aim was to draw attention to the state of the oceans.

## KPIs and performance management

BW Ideol is in the process of developing a full reporting structure for climate-related performance measures, which will be completed during 2023. This also includes a life cycle assessment of the carbon footprint for projects where the Company is involved.



*BW Ideol's teams at the Pure Ocean Regatta*

# Business Conduct

**BW Ideol is committed to upholding high ethical standards in all its business activities. All employees and others performing work for and on behalf of BW Ideol and/or any of its affiliates are expected to adhere to all applicable laws and regulations, the Company's code of conduct, and to demonstrate ethical behaviour in their business relations and decisions.**

The Company operates globally and has a strategy which facilitates development of local manufacturing, value chains and job creation near sites for development of floating wind farms. This may include activities in countries which have a higher risk of corruption and bribery. The Company's main operating markets of France, the United Kingdom, the US and Japan, all rank among the top 27 of 180 nations included in Transparency International's 2021 Corruption Perceptions Index (CPI) with low levels of perceived public corruption.

BW Ideol AS is not subject to the Norwegian Transparency Act. Indeed, as a holding company, BW Ideol AS does not offer goods and services (the offer is made by its subsidiaries in France, Japan and the United States). BW Ideol and its subsidiaries are nonetheless committed to operating responsibly, respecting both human rights and decent working conditions.

## Policy framework

- *Anti-corruption Policy*: The objective of the policy is to ensure that BW Ideol always conducts its business and operations in an ethical manner. The policy outlines the key principles and is applicable to all employees. There is a zero tolerance for bribery in any form. A corporate anti-bribery and corruption risk assessment is completed regularly. The policy also outlines the due diligence requirements when dealing with third parties, the Company's stance towards gifts, entertainment and hospitality, conflicts of interest, the interaction with public officials, lobbying

and political contributions. Any person suspecting a breach of this policy is encouraged to speak up and use the Company's whistleblowing platform, which is available online. The Company is committed to ensuring no one suffers any detrimental treatment from the reporting of any suspected breach.

- *Whistleblowing policy*: The policy describes the process by which employees and other stakeholders should alert the Company to an issue of serious concern which cannot be resolved by local management. It defines the eligibility criteria for using the whistleblowing mechanism and explains the process for reporting and investigating any suspicion or breach of the Company's policies, values and principles. The mechanism includes on-line and anonymous reporting of concerns.

The full set of policies are available at <https://www.bw-ideol.com/en/sustainability>.

## KPIs and performance measurement

An e-learning module has been set up in December 2022, in connection with the ABC (Anti-Bribery and Corruption) policy, to update the knowledge or to apprehend better the ABC rules. At 31 December 2022, 16 employees had already taken this course.

No incident (bribery/corruption) was reported in 2022. The Company has not received any whistleblowing alerts.