



MAKING THINGS LAST

PRESSERV SUSTAINABILITY REPORT
2022

About this report

Sustainability is one of the most important and pressing themes of our age. Environmental, Social and Governance (ESG) are the three central factors in measuring the sustainability and ethical impact of a company. ESG factors, though non-financial, have a material impact on the long-term risk and financial performance of a company. Principally, companies that use ESG standards are more conscientious, less risky and are more likely to succeed in the long run.

This report describes the relevance of ESG in the industry that Presserv is operating in. It highlights the key material ESG themes, assesses performance on those themes and provides an action plan identifying value creation opportunities. The report is updated annually to monitor progress and keep the company focused on achieving the goals of becoming a more sustainable and future-proof company over time. The report is the result of an independent review by the ESG & Sustainability consulting firm MJ Hudson, commissioned and approved by the board and management of Presserv.

Note: All judgements are, where possible, based on or backed by analyses conducted by MJ Hudson. In cases involving across-category comparisons or result classification, judgements are not always based on objective analyses or data. These judgements are intersubjective in the sense that they are agreed between MJ Hudson and management, and in line with the thinking of industry experts and leading NGOs.

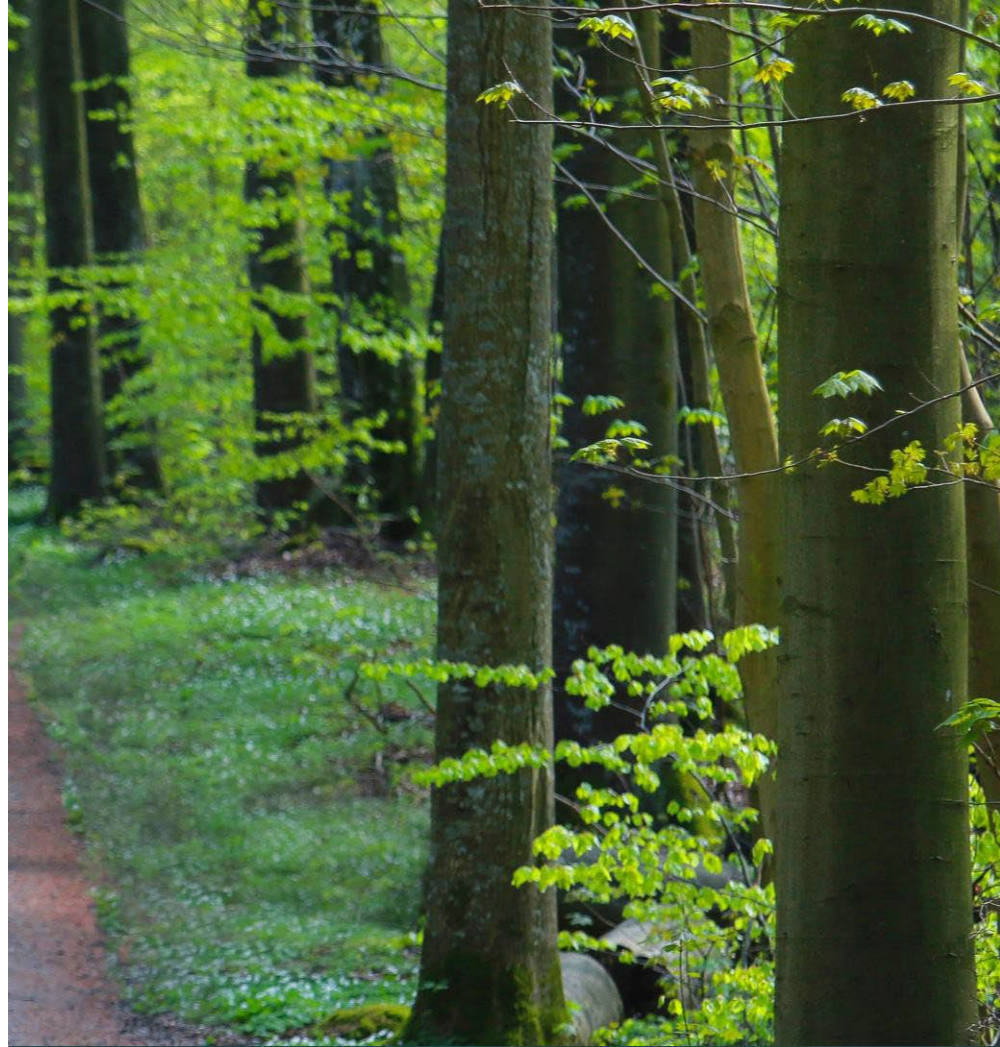


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Company at a glance

- › Presserv is a leader in environmentally conscious preservation and corrosion protection, headquartered in Stavanger, Norway. One of the main providers of environmentally-friendly viscoelastic solutions in its industry.
- › The company has a global footprint, with Presserv offices in the United Kingdom, Brazil, Brunei and under the CGS brand in the United States and Australia.
- › The company's products offer a green solution to the protection of physical assets in several industries such as energy, transportation, wind turbines, pipeline, public infrastructure, and heavy machinery, among others.
- › This can have indirect positive impact on the environment, as the products and anti-corrosion technologies used can prolong the lifetime of client assets.
- › A reduction in the demand for iron and steel production - a highly carbon-intensive process and a major contributor to global greenhouse gas emissions - through prolonging the life of existing steel structures, is thus critical from a climate-change perspective and provides business opportunities for Presserv.



145
NOKm
Revenue

61
FTEs

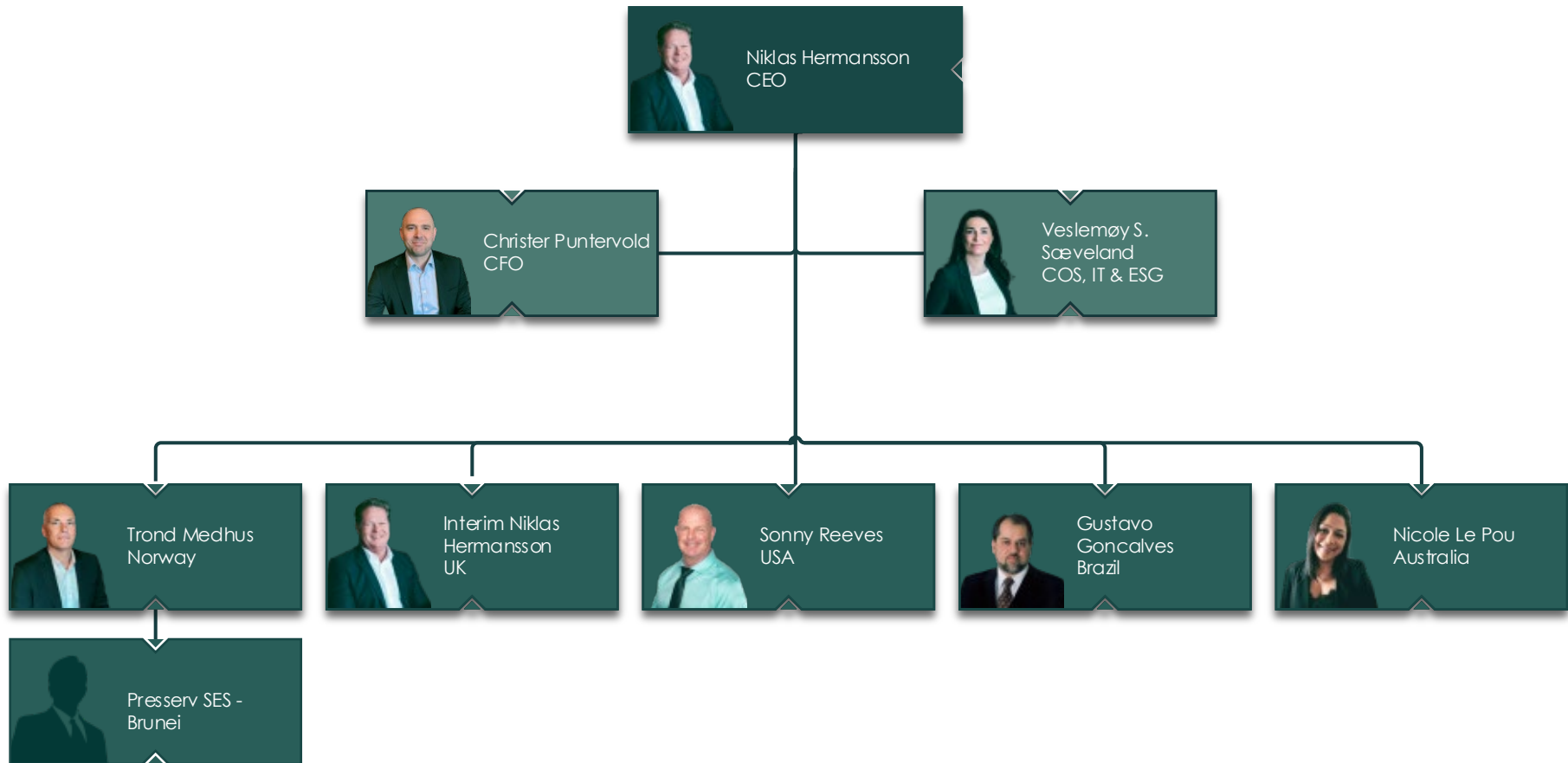
0%
Accident rate

1 in 5
Board
members are
women

Company at a glance

Presserv Management Group consist of Group management: CEO & Partner Niklas Hermansson, CFO Christer Puntervold and COS, IT&ESG Veslemøy S. Sæveland.

We have an extensive management team consistant of the Country Manager for the different legal entities. This is outlined as below organizational chart shows.



MISSION

To extend the lifetime of material values by offering specialized and customized preservation.

VALUES

Proud

On the ball

Winning

Exploring

Responsible

VISION

MAKING THINGS LAST
good for business,
good for the globe

How we look at sustainability



Investigate the industry exposure

First, the relevance of ESG is assessed for the industry that the company operates in, and a long-term vision for a sustainable industry is defined.



Determine key impact areas

Key material themes are highlighted, taking a perspective on the full value chain. They are reviewed on an annual basis.



Assessing performance

The company's performance on the identified key material themes is assessed, reflecting on relevant initiatives and performance metrics.



Position for the future

Finally, opportunities are identified where ESG and value creation coincide, formulated in actionable priority projects to drive progress.



Today's industry

Market demand

- › Anti-corrosion products will allow assets to remain functional and have a longer operational life. Anti-corrosion chemicals are essential for the maintenance of alternative assets as the offshore industry converts to more sustainable energy sources (e.g., wind turbines). Players are demanding eco-friendly anti-corrosion products and transparency on the materials that are used.

Regulations & certifications

- › The regulations influencing the industry are mainly the EU REACH regulation and Solas regulation. The EU REACH regulation mandates transparency regarding the use of Substances of Very High Concern (SVHCs) in products. Industry players with end-clients in the offshore segment must also comply with the Solas regulation, which sets out performance standards for protective coatings. Relevant certifications include the ISO 14001 for environmental management systems.

Industry initiatives

- › Players in the industry are replacing conventional coatings with green, high-performing coatings (e.g., epoxy and layered double hydroxide). Replacing conventional coatings helps limit the dependence on petro-based chemicals.
- › Peers are formulating waste reduction targets and are focused on installing ISO accredited management systems, especially the ISO 14001.

Long-term vision for a sustainable industry



- › The industry has the potential to reach a future-proof state, yet there are conditions for growth. Anti-corrosion providers will have to strive for the elimination of hazardous waste/discharge of chemicals. The industry should adopt environmentally friendly products as replacements for oil/solvent-based coatings.
- › The industry will need to shift towards zero use of SVHCs in order to reach a future-proof state. Occupational health and safety risks, especially during surface treatment and product use, will be minimized by the adoption of best-in-class health & safety and quality management systems.
- › Companies in the industry will also need to explore growth pockets in sustainable end-markets (e.g., renewables) to ensure long-term commercial success.

Overview of key material themes

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Highlighting ESG themes that are relevant to Presserv and the industry across its value chain using SASB's materiality map

	SUPPLIERS	OPERATIONS	DOWNSTREAM
ENVIRONMENTAL			
Climate & energy	Energy & carbon		
Material circularity	Material Use		Impact of products & services
Biodiversity & ecosystems impact			Impact of products & services
SOCIAL			
Employee well-being		Employee health & safety	
Customer impact			Impact of products & services
Corporate citizenship			
GOVERNANCE			
Corporate governance			
Supply chain management	Supply chain control		
Business resilience & ESG	Sustainability principles		

Management of the key material themes

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One of the few providers of environmentally-friendly corrosion prevention solutions for the marine & energy industry, Presserv sets itself apart in its commitment to annual performance on environmental responsibility.

Energy & carbon



- › Presserv operates entirely on renewable energy, certified by guarantee of origin certificates as of 2020.
- › The carbon footprint increased by 21% from 2021 to 2022, primarily due to an increase in business travel post-COVID-19 and the lifting of lockdown restrictions. Despite this increase, Presserv's air travel distance is still 38% lower than pre-COVID (2020).
- › Presserv group carefully monitors and offsets travel-related emissions using the CHOOOSE platform (certified 2022).

Material use



- › As of the end of 2021, Presserv is no longer a distributor of hazardous coatings and thinners.
- › CGS has some projects that require the use of hazardous materials. Hazardous materials are managed and monitored in line with manufacturing specifications outlined in Safety Data Sheets.

Impact of products & services



- › Where available, Presserv selects environmentally-friendly and sustainable materials before conventional solutions. For example, through using viscoelastic products vs hazardous protective coating. Presserv will also encourage its main suppliers to develop and use sustainable materials.
- › Presserv is continuing its strategy to increase the lifespan and durability of its products, seeking to be more durable, sustainable and of a higher quality than leading competitors.
- › Presserv uses an online Quality Management (QM) system to maintain quality standards. The system is accessible by all employees at all sites.
- › Presserv has been certified to ISO 9001 since 2015.

Employee health & safety



- › Presserv provides opportunities for training and professional development for all employees. There is a mentor program for new joiners and required training per position.
- › There are annual onsite safety inspections at their offices and warehouses. There were no recorded accidents in the last 5 years.

Supply chain control



- › Presserv has long-standing relationships with its key suppliers in the US, Netherlands and Germany. Presserv reviews its suppliers annually.
- › A risk analysis has been conducted for suppliers in higher risk countries (e.g., Kazakhstan).
- › Presserv was heavily impacted by global supply chain issues in 2021, resulting in significant costs and delays. Presserv is expected to recover from these effects over time.
- › Presserv has a system for tracing products sold and recalling batches. The company hasn't recalled any products in the last 3 years.

Sustainability principles



- › Key governance policies are in place, including policies on: Compliance, Sanctions, Contract policy checklist, Cybersecurity, Anti-Trust and Social Media.
- › The management group is defined as including three members – the CEO, CFO and Chief of Staff.
- › Presserv has continued its ambition to become more aligned with a sustainable future through providing services to the renewables sector.

KPI overview

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	KPI	Metric	2020	2021	2022	Target	Comment
Energy & Carbon	Air travel	Flight km (000s)	803	302	499		› Target: business-critical flights only from 2021 onwards
	Car travel	Passenger driven kms (000s)	50	49	0		› Presserv vehicle fleet is electrical
	Energy consumption	MWh	130	115	120		
	Energy intensity	MWh / NOK m rev.	0.7	0.8	0.8		
	Share of certified renewable electricity	%	100%	100%	100%	100%	› Target (achieved in 2020): 100% certified renewable electricity
	CO ₂ footprint (excl. scope 3 assessment)	tCO ₂ e	212	111	142		› Carbon neutrality achieved in 2020/2021. Work towards net zero
	CO ₂ intensity (excl. scope 3 assessment)	tCO ₂ e / NOK m rev.	0.9	0.5	0.1		
	Scope 3 assessment 2022	tCO ₂ e	N/A	N/A	1,546		› The ambition is to establish a reduction target in 2023
Employee health & safety	Absenteeism rate	%	0.4%	0.35%	0.4%	<5%	
	Short term absenteeism	%	0.4%	0.35%	0.4%		
	Long term absenteeism	%	0	0	0		
	Accident rate	# Accidents / 1000 FTE	0	0	0	0	› No accidents in 2022
	Female to Male Remuneration ratio	% female/ male	88%	84%	85%		› Monitor and address year on year as appropriate
	Employee satisfaction	Score	8.56	8.60	8.70		
Material use	Plastics: Hazardous materials	% of sold volumes	0.2%	1%	0.1%		› Presserv has almost eliminated its sale of hazardous plastics
	Chemicals: Hazardous materials	% of sold volumes	37%	33%	34%		
	Biodegradable products	Kgs sold	N/A	13	959		› Target: Continue to increase biodegradable product sales
Impact of products & services	Visco Elastic Solution sold	Tonnes sold	N/A	23	32		› Target: to increase sale of STOPAQ

Source: Company data.

Impact of products & services

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STOPAQ significantly minimizes the waste treatment end-clients deal with, compared to traditional methods. Alongside higher performance, STOPAQ also brings significant environmental and safety benefits.

CRITERIA	BLAST & PAINT	STOPAQ
Waste	<div><div>Other / General waste / Waste treatment</div><div><div>2,400</div><div>300</div><div>2,000</div></div></div>	11
Carbon emissions	<div><div>› Sourced from beach or mining in India or Australia; requires 22,000km transport by bulk carrier</div><div>› Special transport (separate A+B)</div></div>	<div><div>› EU/Norwegian origin</div><div>› Regular cargo</div></div>
Safety	<div><div>› Hazard labeled</div><div>› Flammable</div><div>› Allergic reaction to skin due to high chemical exposure</div><div>› Requires respirator mask given the dust content and exposure</div></div>	<div><div>› VOC / CMR free</div><div>› Non-flammable</div><div>› No chemical exposure</div><div>› No dust content nor exposure</div></div>
Performance	<div><div>› 10+ years maintenance interval</div><div>› 24 months shelf life</div><div>› Full coating setup mandatory prior to application</div></div>	<div><div>› 30+ years maintenance interval</div><div>› Unlimited shelf life</div><div>› No need of pre-coating, inbound corrosion protection</div></div>

STOPAQ PERFORMANCE

>99%

Waste reduction per m2 treated area¹

~92-95%

Lower carbon footprint per m2 treated area¹

Non-hazardous materials exposure

3x

Extended maintenance interval

¹ Estimate based on company data and MJ Hudson analysis

The UN Sustainable Ocean Principles



Principles

Principle 1: Assess the short and long-term impact of their activities on ocean health and incorporate such impacts into their strategy and policies.

Principle 2: Consider sustainable business opportunities that promote or contribute to restoring, protecting or maintaining ocean health and productivity and livelihoods dependent on the ocean.

Principle 3: Take action to prevent pollution affecting the ocean, reduce greenhouse gas emissions in their operations to prevent ocean warming and acidification, and work towards a circular economy.

Principle 4: Plan and manage their use of and impact on marine resources and space in a manner that ensures long-term sustainability and take precautionary measures where their activities may impact vulnerable marine and coastal areas and the communities that are dependent upon them.

Principle 5: Engage responsibly with relevant regulatory or enforcement bodies on ocean-related laws, regulations and other frameworks.

Principle 6: Follow and support the development of standards and best practices that are recognized in the relevant sector or market contributing to a healthy and productive ocean and secure livelihoods.

Principle 7: Respect human-, labour- and indigenous peoples' rights in the company's ocean related activities, including exercise appropriate due diligence in their supply-chain, consult and engage with relevant stakeholders and communities in a timely, transparent and inclusive manner, and address identified impacts.

Principle 8: Where appropriate, share relevant scientific data to support research on and mapping of relevance to the ocean.

Principle 9: Be transparent about their ocean-related activities, impacts and dependencies in line with relevant reporting frameworks.

Presserv's commitment

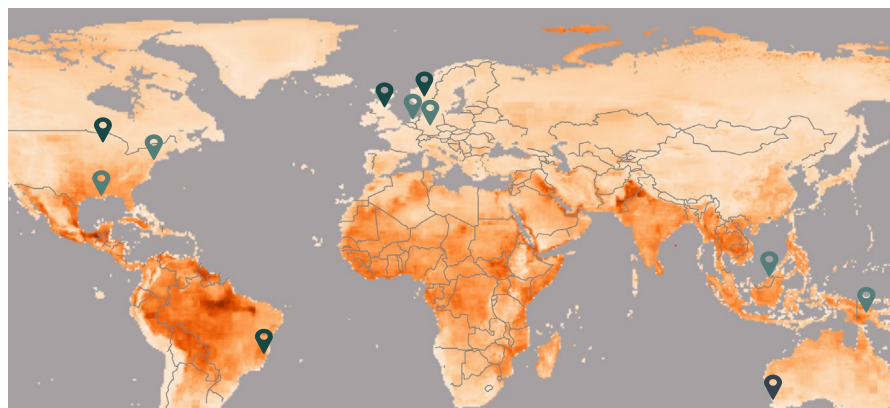
Presserv is committed to reducing the impact of industries on the health of the oceans. To achieve this, Presserv is a signatory and aligns its operations to positively contribute to the UN Global Compact Sustainable Ocean Principles. It aligns its operations through:

Assessment of freight and supply chains;
Continuously marketing environmentally friendly products to the market;
Introducing restrictions on business trips and increasing the usage of online, video-conferencing meetings;
Cooperating with its customers to offer environmentally friendly versions of its products, helping them to minimize their footprint;
Reporting on the usage of products to local authorities;
Using standards and best practice guidelines within the market;
Compliance with the Working Environment Act to secure all the human-, labour- and indigenous peoples' rights both for its own employees and for its suppliers;
Transparent reporting on business activities.

Annex



Climate-related physical risks facing Presserv & its suppliers



Operations
Suppliers

Low risk High risk

Presserv's operations are predominantly located in Northern Europe, Oceania, and the Americas. The most significant physical risks are rising air temperatures, heat stress (Australia & Brazil), increasing cyclone frequency (UK & Norway), and reduced soil moisture (Australia). The global spread of operations results in a variety of differing long and short-term physical threats. Presserv's suppliers are also exposed to threats including warmer temperatures, increased heat stress, and changing rainfall patterns.

¹Based on the three RCP scenarios: RCP 2.6 (very strong mitigation, <2 °C), RCP 4.5 (strong mitigation, 2-3 °C), and RCP 8.5 (business as usual, >3 °C); ²Out-of-10 risk scores, with a score of 10 denoting the highest long-term global risk or opportunity; ³Based on three NGFS scenarios – Net Zero 2050 (1.5°C), Below 2°C (2°C) and Current Policies (3.5°C).

Source: MJ Hudson analysis

Overview of climate-related transition risks & opportunities

Presserv is exposed to technology transition risks which are reduced by the wide geographic spread of operations. Product and service offerings contribute to a low-carbon transition, providing growth opportunities. Improving resource efficiency and extending product lifetime would further this growth.

Climate-related metric	Scenario	Short- & medium-term impact	Long-term impact
Physical risk score ^{1,2}	< 2 °C	0,8	1,1
	2 °C -3 °C	0,8	1,4
	> 3 °C	0,8	1,8
Transition risk score ^{2,3}	1.5 °C	4,0	5,5
	2 °C	3,5	4,5
	3.5 °C	2,9	3,8
Opportunity score ^{2,3}	1.5 °C	6,6	7,4
	2 °C	7,0	7,6
	3.5 °C	7,0	5,5




























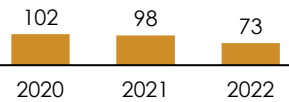













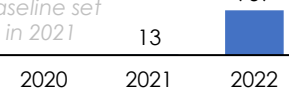













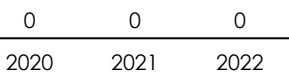
Climate-related risks & opportunities in the value-chain

Suppliers and customers are impacted by physical and transition risks including heat stress and rising temperatures, as well as stringent EU climate regulation and higher reputational risks. Various opportunities include developing low-emissions products / services and improving resource efficiency.

Type	Upstream		Downstream	
	2025	2050	2025	2050
Physical risks	Low (0.7)	Low (1.2)	Low (0.7)	Low (1.3)
Transition risks	Medium (3.9)	Medium (4.6)	Low (3.2)	Medium (4.3)
Opportunities	Medium (4.7)	Medium (5.9)	Medium (3.9)	Medium (5.2)

Targeted UN SDGs* for Presserv




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Company activity	SDG	SDG target	SDG indicator	Country status	Company KPIs
Potentially impactful activities					
Increase resource efficiency of steel structures	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable	9.4.1 CO2 emission per unit of value-added to the economy For companies: GHG emissions avoided through product	           	Structures Protected, # <i>Baseline set in 2022</i> 
Provide alternatives to hazardous chemical products	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	12.4: By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle	12.4.2 Hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment	           	Non-hazardous chemical products sold, t 
Reducing marine pollution through biodegradable corrosion inhibitors	14 LIFE BELOW WATER 	14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	14.1.1 Index of coastal eutrophication and floating plastic debris density	           	Biodegradable materials, kg IRIS+ (OI5101) <i>Baseline set in 2021</i> 
SDG supporting activities					
Support employee rights and wellbeing	8 DECENT WORK AND ECONOMIC GROWTH 	8.8: Protect labour rights and promote safe and secure working environments for all workers.	8.8.1: Frequency rates of fatal and non-fatal occupational injuries, by sex and migrant status.	           	Accident rate, #/1,000 FTE IRIS+ (OI3757) 

Sustainable activities are mapped to the UN Sustainable Development Goals and their sub-targets above. Potential for national contribution has been assessed using the latest UN Annual 2022 report on targets, identifying countries in the value chain that can benefit from positive activities.



Potentially impactful SDG activities

Company activity	SDG	What	How much	Who	Contribution	Risk
A Increase resource efficiency of steel structures		Presserv provides environmentally friendly solutions technologies for the preservation and lifetime extension of steel structures.	Presserv has offices in Europe, the United States, Brazil, Brunei and Australia, providing global coverage for energy, renewables and marine segments. In 2022, 145 steel structures were protected through the use of Presserv's corrosion solutions.	Positive impacts are experienced by the global community through the reduction of CO2 from steel production and transport as a result of enhanced lifespan and efficiency. Other beneficiaries include steel asset owners and workers on active sites.	As steel is a carbon intensive material, extending the useful life and efficiency of structures creates positive impact through reducing the amount of steel that needs to be produced, shipped and used in construction of structures. There may also be GHG savings from more efficient operations on uncorroded offshore rigs.	<ul style="list-style-type: none"> Efficiency gains being minimal in reality Corrosion protection not being better or more environmentally friendly than leading corrosion prevention brands on the market Extension of asset life for carbon-intensive industries slowing down the transition to a low-carbon economy
Provide alternatives to hazardous chemical products		Through providing non-toxic, non-hazardous anti-corrosion products, Presserv displaces hazardous alternatives that would otherwise have been purchased.	Presserv has offices in Europe, the United States, Brazil, Brunei and Australia, providing global coverage for energy, renewables and marine segments. In 2022, 66% of total sales were of non-toxic corrosion products.	Stakeholders include the companies purchasing the product, the employees applying the product (and their safety), biodiversity local to the application site, local communities.	Presserv contributes to hazardous waste avoided by providing environmentally friendly and non-toxic preservation solutions. Presserv serves customers who may have otherwise purchased environmentally harmful alternatives.	<ul style="list-style-type: none"> Presserv may still sell hazardous chemicals, negating the positive impact of non-hazardous products The environmental impacts of leading competitor products may not be materially different Non-toxic and biodegradable products may release GHGs or cause acidification when degraded
Reducing marine pollution through biodegradable corrosion inhibitors		Through providing biodegradable products, particularly for offshore structures, Presserv protects marine life from pollutants.	Presserv has offices in Europe, the United States, Brazil and Australia, providing global coverage for energy, renewables and marine segments. In 2022, 959 kg of biodegradable products were sold.	Positive impacts are experienced by marine ecosystems, coastal communities, people depending on marine ecosystems for their livelihoods (e.g., fishermen).	Presserv contributes to reduced marine pollution by providing non-toxic, biodegradable alternative products. Presserv serves customers who may have otherwise purchased environmentally harmful alternatives. The amount of product sold currently is not a significant contribution.	<ul style="list-style-type: none"> The environmental profiles of leading competitor products may not be materially different Biodegradable products may release GHGs or cause acidification when degraded

The above activities have been identified as potentially impactful. A preliminary analysis using the Impact Management Project's five dimensions of impact framework, has been conducted.







Source: Company data , MJ Hudson analysis

Performance scale for key material themes

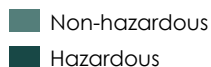
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2022

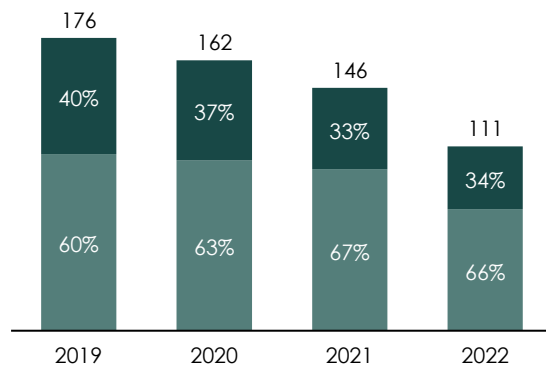
	Regulatory driven	Involved	Committed	Integrated	Future proof
 Energy & carbon	<ul style="list-style-type: none"> Management aims to adhere to (local) energy regulations (i.e., EED (EU), ESOS (UK), Wet Milieubeheer (NL)) No insight into energy consumption, or whether energy use is from renewable sources 	<ul style="list-style-type: none"> Basic monitoring of energy and carbon emissions (Scope 1 + 2) Energy audit conducted, quick-wins addressed 100% of the electricity is sourced from renewable sources 	<ul style="list-style-type: none"> Monitor Scope 1 and 2 comprehensively and scope 3 simply Relative energy efficiency target set of >2% per year 100% of electricity derived from local renewable sources Energy management system in place (e.g., ISO 50001) 	<ul style="list-style-type: none"> Science-Based Targets approved and set in line with 1.5°C climate scenario Relative energy efficiency target realised (>2% per year) On-site renewable energy generation deployed if possible Energy-intensive processes/ machines substituted by energy-efficient alternatives 	<ul style="list-style-type: none"> Net-zero emissions achieved for Scope 1&II YoY progress realised on Scope 3 emissions of at least 2.5% linear annual reduction rate (in line with SBTi) Total energy consumption reduced to absolute minimum Preparations for future alternative renewable energy
 Material use	<ul style="list-style-type: none"> Management aims to adhere to relevant laws & regulations related to input materials Limited insight into supply chain risks of use of scarce materials Limited insight into use of recyclable/ recycled materials No research on alternative innovative materials 	<ul style="list-style-type: none"> Risk analysis performed regarding scarce material use Quick-win initiatives in place, focused on increased use of recyclable and/or recycled materials Use of alternative innovative materials explored on a small scale to investigate commercial purposes 	<ul style="list-style-type: none"> Action plan in place, incl. KPIs and targets on reducing use of scarce materials and increasing recycled and recyclable materials used Impact assessment conducted for key products Significant proportion of materials recycled and/or have relevant environmental certifications 	<ul style="list-style-type: none"> YoY progress is made on KPIs Life cycle assessment conducted for products covering >50% of revenue streams Innovative materials constantly experimented with/ sometimes implemented Majority of materials used are recycled and/or have relevant certifications 	<ul style="list-style-type: none"> KPIs as low as possible Company leading exploration and implementation of innovative materials with circular attributes Engagement in supply chain collaborations to ensure material use is in accordance with the highest sustainability standards Almost all material used is recycled and/or has relevant certifications
 Employee health & safety	<ul style="list-style-type: none"> Risk audit conducted (e.g., NL - RI&E) Basic monitoring of absenteeism and accidents Management aims to adhere to (local) H&S regulation 	<ul style="list-style-type: none"> Risk and safety audit conducted (e.g., VCA), H&S guidelines available Monitoring of absenteeism, accidents, fatalities Ad hoc follow-up of identified risks 	<ul style="list-style-type: none"> H&S management system (e.g., ISO 45001) in place Comprehensive reporting standards incl. near-misses, LTIF-rate, short/mid/long-term absenteeism LTIF and absenteeism below industry average or else action plan in place, incl. KPIs and targets Follow-up structure e.g., monthly board reporting on H&S performance 	<ul style="list-style-type: none"> Safety culture, with strong H&S management system and policies All accidents monitored, and consistently ranked below industry benchmarks for >3 consecutive years Continuous follow-up on identified risks 	<ul style="list-style-type: none"> Best-in-class H&S management system and practices Accidents continuously monitored in all categories, and results significantly below industry benchmarks for >3 year Absenteeism and turnover rates significantly below industry benchmark for >3 years
 Impact of product & service	<ul style="list-style-type: none"> No product and/or service has a positive impact on society Mitigation actions are solely regulatory driven (e.g., WEEE, European Packaging Directive) 	<ul style="list-style-type: none"> Products and/or services do not have a negative impact on society Some products and/or services have a measurable positive impact on society 	<ul style="list-style-type: none"> Plan to tailor products and/or services towards societal challenges Regular monitoring of customer outcomes and well-being Targets and KPIs to track impact of product/services with corresponding targets set 	<ul style="list-style-type: none"> Majority (>75%) of products/services offered have a positive impact on society The ambition of targeting specific societal challenges is incorporated within the business model 	<ul style="list-style-type: none"> All products and services offered address clear societal challenges Customer feedback loop in place, involving customers, product development and/or manufacturing team, as well as any other relevant business units
 Supply chain control	<ul style="list-style-type: none"> Management aims to adhere to minimum regulatory and international standards Little/ no insight into the impact and responsible conduct of suppliers 	<ul style="list-style-type: none"> ESG supplier due diligence assessments of first tier suppliers (incl. tracking of indicators) Material risks and mitigation opportunities identified throughout supply chain, incl. first-tier suppliers, services, and input materials Supplier code of conduct signed by >90% of first-tier suppliers 	<ul style="list-style-type: none"> Strategy to eliminate risk exposure through supplier risk assessment, standards and audits and responsible product certification schemes Based on DD findings, site-visit audits are conducted, and first-tier suppliers are assisted when implementing corrective actions 	<ul style="list-style-type: none"> Strategy and policy embedded in operations First-tier suppliers and products meet highest audit scores and responsible conduct Active chain engagement to raise the bar of responsible conduct 	<ul style="list-style-type: none"> Supply chain risks mitigated and active contribution to sustainable development Collaborative efforts and partnerships in place to support stakeholders in the supply chain Full supply chain transparency
 Sustainability Principles	<ul style="list-style-type: none"> No ESG statement on the website No ESG policy or strategy ESG criteria are not included in remuneration policy and/or incentive structures 	<ul style="list-style-type: none"> Limited ESG statement on company website Limited ESG policy, and/or ESG strategy Limited ESG-related memberships, industry standards and/or certifications Limited C level ESG accountability Limited ESG incentive schemes in place 	<ul style="list-style-type: none"> ESG policy in place ESG strategy in place ESG-related memberships, industry standards and/or certifications ESG regularly discussed at board level Incentives for ESG performance 	<ul style="list-style-type: none"> ESG policy and strategy updated annually and communicated to stakeholders YoY progress on ESG strategy integration On track to reach ESG (KPI) targets ESG regularly discussed at board level, also incl. more strategic value creation topics Incentives for ESG performance are pioneering the sector 	<ul style="list-style-type: none"> ESG measures and strategy are amongst the top of the industry Incentives for sustainability performance are pioneering the sector

Material use



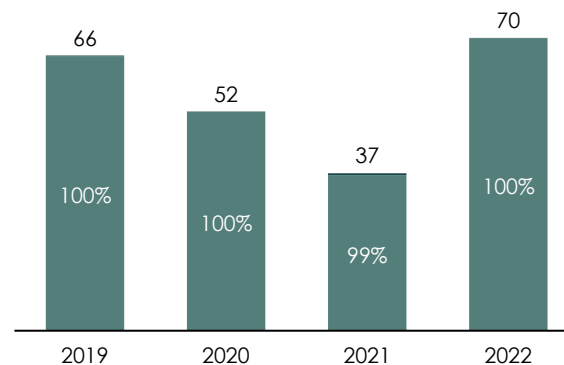
CHEMICALS

Tonnes



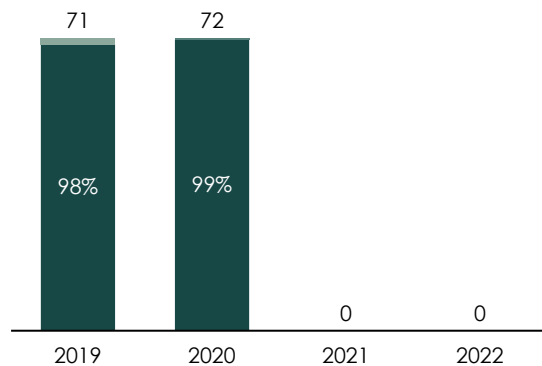
PLASTICS

Tonnes



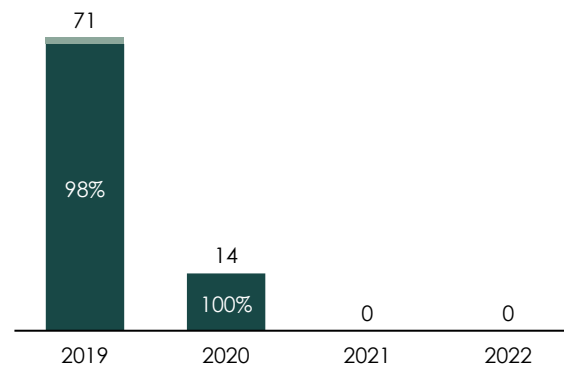
COATINGS

1,000s Liters



THINNERS

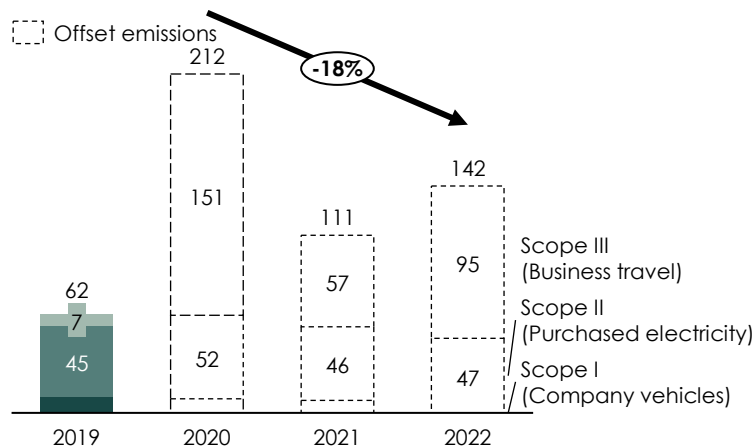
1,000s Liters



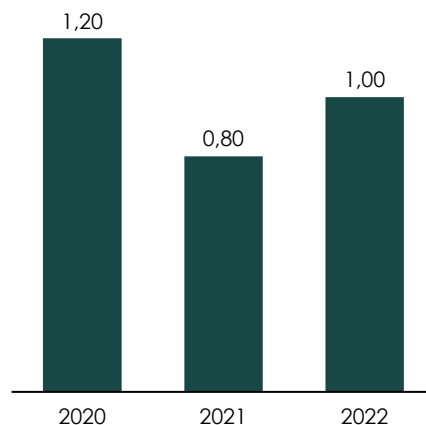
- Presserv makes a conscious effort to source and use sustainable materials, working to reduce the use of hazardous materials throughout operations and product offerings. Hazardous materials are managed and monitored in line with manufacturing specifications outlined in Safety Data Sheets.
- In 2021, Presserv eliminated its sale of coatings and thinners, departments heavy with respect to use of hazardous chemicals in the preparation of products.
- Presserv's activity involves selling Cortec and Stopaq products which are sold in their original packaging without handling / fractionation, reducing production and operational costs and risks. Presserv has established collaborations with distributors (e.g., Cortec) to mitigate material sourcing risks and ensure quality products for customers.
- Presserv is currently looking into how they can better manage waste from products sold through educating and collaborating with clients.



CARBON FOOTPRINT¹

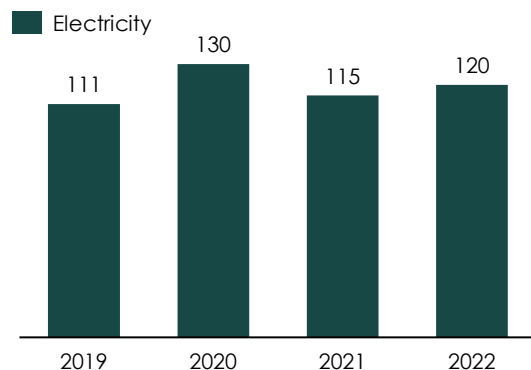
tCO₂e


CARBON INTENSITY

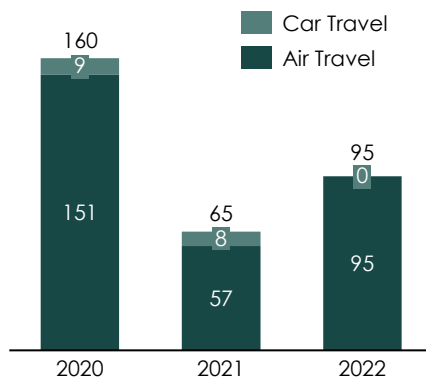
tCO₂e / NOKm


ENERGY CONSUMPTION

MWh



AIR TRAVEL EMISSIONS¹

tCO₂e


- Presserv uses 100% renewable electricity, certified by Guarantee of Origin certificates since 2020.
- The carbon footprint increased by 21% from 2021 to 2022, primarily due to an increase in business travel post-COVID-19 and the lifting of lockdown restrictions. Despite this increase, Presserv's air travel distance is still 38% lower than pre-COVID (2020).
- Presserv monitors and offsets emissions via the CHOOOSE certification platform, where 294 tCO₂ were offset (certified in 2020). While offsetting CO₂ is beneficial in the short term, Presserv should continue to reduce the overall carbon footprint of operations in order to limit the environmental impact.
- The company fleet consists of electric vehicle (EV), eliminating emissions from mobile combustion.

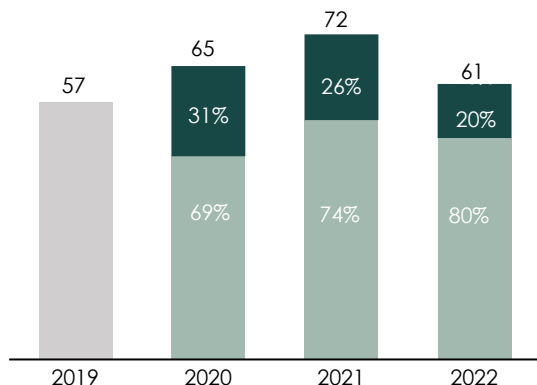
Climate positive
with
CHOOOSE

¹ As defined by The Greenhouse Gas Protocol; The carbon footprint includes the GHG emissions CO₂, and is expressed in equivalent tonnes of carbon dioxide (tCO₂e).
Source: Greenhouse Gas Protocol, CO₂emissiefactoren.nl, Carbonfootprint.com, Company data, MJ Hudson assessment

Employee health & safety

EMPLOYEES

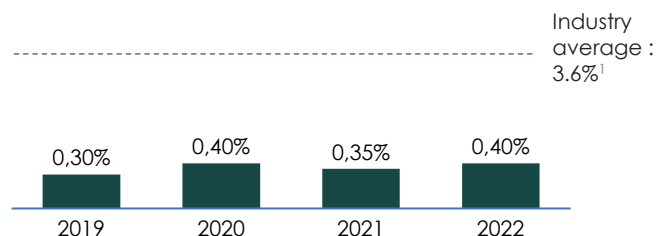
FTE



■ % Female FTE
■ % Male FTE
■ Total FTE (pre-2020)

ABSENTEEISM RATE

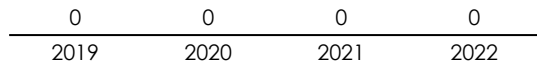
%



ACCIDENT RATE

Accidents / 1,000 FTE

■ Accident rate

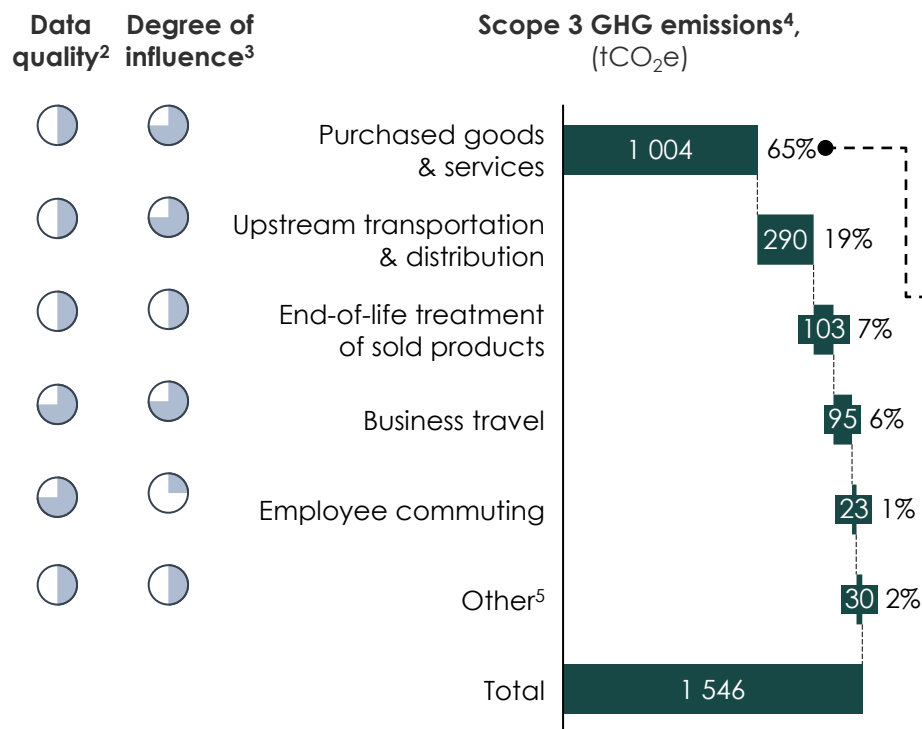


- › Presserv takes an active approach to ensuring employee health, safety, wellbeing, and development. This is premised on the ambition to form a dynamic organisation with engaged employees.
- › Presserv has implemented an online Quality Management system that enables a faster assessment of employee safety and labour conditions. Annual H&S inspections are conducted in Presserv's office and warehouse, where there were no H&S-related concerns or accidents in 2022.
- › Presserv is working towards improving gender diversity throughout the workforce and recognises the importance of creating a balance between work life and home life for employees.
- › To support women in the industry, Presserv established the 'Women in Corrosion' network to serve as a platform to share the experiences of women across the industry.
- › Presserv provides employees with internal training and social events that make up 1% of the company's total payroll. These initiatives include a mentorship program for new joiners as well as administrative training from third-party vendors.
- › An annual company culture survey allows employees to provide feedback which is then addressed by Presserv.

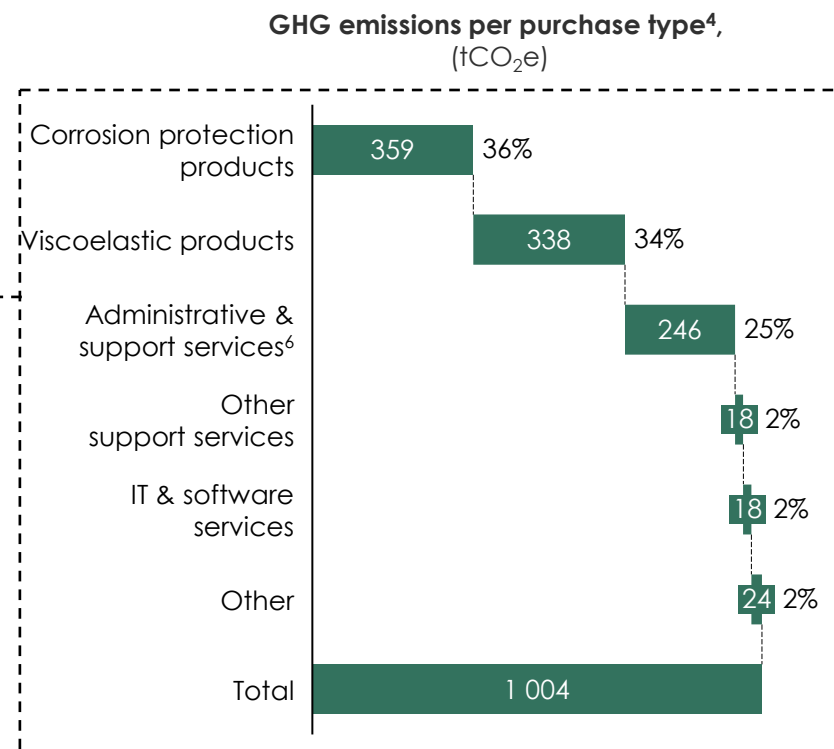
¹The industry average is the average for Norway, UK and USA sickness absence rates within the energy services and related sectors 2021/22/

Scope 3 breakdown

SCOPE 3 FOOTPRINT 2022 – TOP EMISSION CATEGORIES¹



BREAKDOWN OF TOP EMISSION CATEGORY 2022



MAIN TAKEAWAYS

- Purchased corrosion and viscoelastic products constitute ~45% of Presserv's total scope 3 emissions; similarly, purchased services account for roughly 40% of the net scope 3 footprint.
- Material scope 3 sources that may significantly impact Presserv's total footprint have not been assessed due to limited data availability.

KEY RECOMMENDATIONS

- Aim to improve data quality by providing activity-based data, rather than spend-based data.
- Enhance monitoring & reporting across material emission categories, in particular pertaining to the use, disposal, and downstream transportation of sold goods.

¹As defined by the internationally accepted corporate accounting and reporting standard: The Greenhouse Gas Protocol; ²Indicates whether supplier specific (4/4), activity-based (3/4), spend-based (2/4), or estimation-based (1/4) data was used; ³Indicates how much control the reporting company has over the category of emissions generated, with 1/4 indicating little control and 4/4 indicating high degree of control; ⁴The carbon footprint includes the GHG emissions CO₂, SF₆, CH₄, N₂O, HFCs, PCFS, and is usually expressed in equivalent tons of carbon dioxide (tCO₂e); ⁵Includes capital goods, fuel & energy related activities, and waste generated in operations; ⁶Includes accounting, consultancy, HSEQ, marketing, financial, personnel, and recruitment services. Source: Greenhouse Gas Protocol, MJ Hudson analysis

Governance Approach

- › Governance refers to the processes, structures, and practices by which Presserv is directed, controlled, and operated. It encompasses the mechanisms through which decisions are made, authority is exercised, and accountability is ensured within our organization.
 - › Good governance is essential for the effective and responsible management of our organization. We have established and are maintaining a framework of rules, policies, and procedures that guide decision-making and behavior, while also promoting transparency, accountability, fairness, and ethical conduct. All of our policies, procedures and processes are easy access through our common Sharepoint structure.
 - › Key principles of Presservs governance include the following:
 - Transparency
 - Accountability
 - Integrity and Ethics
 - Participation and Inclusiveness
 - Fairness and Equity
 - Risk Management
 - Board Oversight
 - › Effective governance is crucial for Presserv to operate efficiently, build trust, and achieve our objectives. It helps align the interests of different stakeholders, promotes sustainable practices, and mitigates risks. Moreover, in the context of ESG reporting, governance is a critical component in assessing our commitment to responsible and sustainable business practices.
- › The board at Presserv consists of five members with two independent members and one woman. ESG-related topics are discussed annually by the board while management engages with ESG and HSE topics on a monthly basis. The board is also responsible for ensuring the company conducts operations in compliance with laws and regulations and proactively ensures that ESG issues are addressed.
 - › Presserv is also a signatory of the UN Sustainable Ocean Principles, committing to assessing freight and supply chains, marketing environmentally friendly products, reducing business travel, using electric company cars, helping customers minimise their carbon footprint, complying with the Working Environment Act¹, and transparently reporting on businesses activities.
 - › Presserv believes that through promoting new environmentally friendly products and entering into dialogues with existing key partners / suppliers, it is encouraging suppliers to prioritise the development and innovation of new alternative green products. However, there are still risks regarding the willingness of old and new clients to shift to more sustainable alternatives as these 'greener' products may require a change in processes or operations.

¹The Working Environment Act ensures safe working conditions and equal treatment among workers.
Source: Company data, MJ Hudson assessment

Sustainability policies, certificates and targets

- › Multiple ESG-related policies are in place, including CoC, ABC, whistleblowing, and H&S.
- › Data Privacy Policy to comply with the GDPR in progress.
- › Signatory of the UN Sustainable Ocean Principles.

Engagement & responsibility of the Board of Directors

- › ESG is discussed in board meetings (e.g., data IT risk for cybercrime).
- › Management is engaged with ESG and HSE topics are reported and discussed on a monthly basis.
- › Its chief of staff is the dedicated position responsible for ESG.
- › Dedicated employees work on ESG and make sure this is on the agenda for management meetings as well as in Town hall meetings.

Risk inventory and evaluation

- › A compliance review that describes corruption issues and prioritizes them accordingly.
- › Risk assessment guidelines are given in the H&S handbook.



Quality of monitoring systems

- › The company is ISO 9001 certified.
- › Norway HQ, Australia, UK, US, Brunei and Brazil ensures quality through its QMS, internal audits and has dedicated staff to monitor quality.

Ensuring supplier compliance to Sustainability standards

- › Supplier audits are conducted to the extent required to maintain and comply with requirements of the ISO 9001:2015 certification.
- › There are no issues regarding the ESG performance of suppliers.

Transparency and reporting

- › All products and environmental impacts are listed online.
- › Social events are arranged for employees, customers and suppliers locally, with the goal to contribute to the local society.