



ULSTEIN®



ESG REPORT 2024

ULSTEIN GROUP



TOWARDS A SUSTAINABLE MARITIME FUTURE

Our vision is to create tomorrow's solutions for sustainable marine operations. We care for the natural environment and the society we are a part of, and sustainable growth is at the core of what we do. We have been around for more than 100 years, and we aim to keep going for generations to come.

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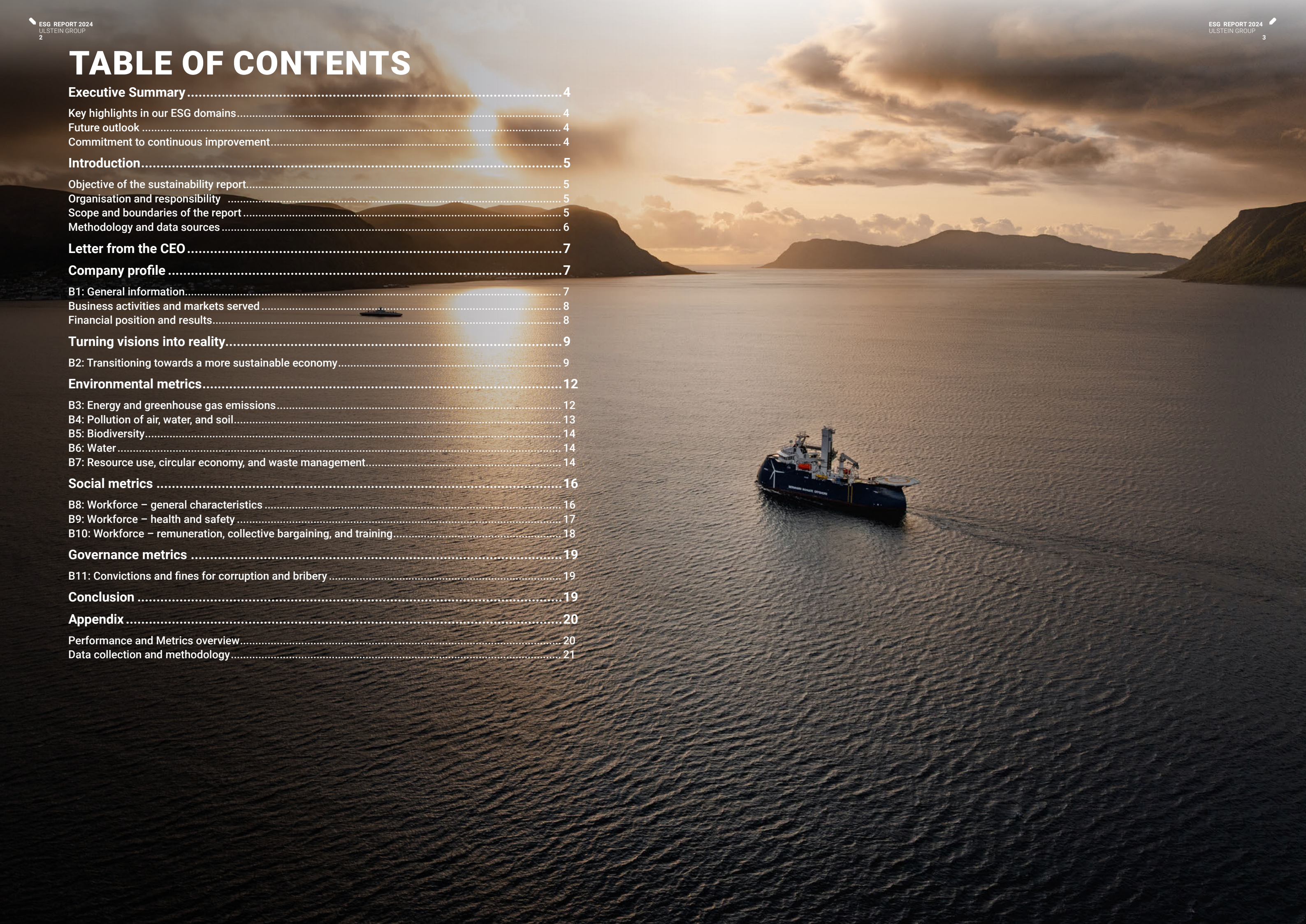
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EXECUTIVE SUMMARY

The 2024 ESG Report represents Ulstein Group's twelfth annual Communication on Progress (COP) to the UN Global Compact and the first to have been structured under the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME). This milestone reflects Ulstein's deepening commitment to sustainability, transparency, and innovation in the maritime sector.

KEY HIGHLIGHTS IN OUR ESG DOMAINS

Energy efficiency

We have achieved a 45 % reduction in energy intensity, reflecting our commitment to generate more value with less energy consumption.

Emissions transparency

We now report our Scope 1 and 2 greenhouse gas emissions under the GHG Protocol, with total emissions for the period reaching 7 594 tonnes of CO2 equivalent, emphasising our commitment to transparency.

Waste management and circularity

In 2024, 82 % of our waste was recycled or reused. Through our aftermarket services in 2024, we serviced 18 vessels at our yard and completed 56 projects including conversions, redesigns, upgrades, and repurposing. This reinforces our circular approach and reduces new material consumption.

Our people

At Ulstein, our workforce is key to our success. In 2024, we had 530 employees across four countries, with 95 % holding permanent contracts. Female leadership reached 22 % in total, and a gender pay gap of - 3,4 % in Norway, which means that women earned 3,4 % more than their male counterparts. We invested in leadership development and ethics training to ensure our teams lead with integrity. We added 105 new employees, reflecting our growth and investment in a skilled workforce.

Health & safety

Employee wellbeing is our priority. Our Lost Time Injury Rate improved to 7,9, and sick leave decreased to 3,5 %. These results stem from ongoing safety training and multilingual HSE programmes integrated into our operations.

Ethical standards

Ulstein is committed to ethical business conduct, with zero reported cases of corruption or human rights violations in 2024.

Revenue growth

Operating revenue more than doubled to NOK 3,1 billion, driven by market demand and effective strategic initiatives.

FUTURE OUTLOOK

Ulstein Group is focused on scaling up data collection across all subsidiaries to establish a comprehensive environmental and social performance baseline. This will enable the setting of measurable targets and the implementation of targeted sustainability initiatives.

COMMITMENT TO CONTINUOUS IMPROVEMENT

We recognise that sustainability is a journey. With the VSME framework now in place, we are better equipped to monitor our progress, identify areas for improvement, and drive innovation. Ulstein remains committed to reducing our environmental footprint, enhancing social responsibility, and upholding high governance standards as we work towards a more sustainable maritime industry.



INTRODUCTION

OBJECTIVE OF THE SUSTAINABILITY REPORT

Ulstein Group's sustainability report aims to provide a transparent and comprehensive overview of our environmental, social, and governance (ESG) performance. This report aims to:

- **Demonstrate accountability:** show our stakeholders, including customers, employees, suppliers and the community, how we address sustainability challenges and opportunities.
- **Highlight progress:** detail the progress we have made towards our sustainability goals, including reductions in emissions, improvements in energy efficiency, and advancements in social responsibility.
- **Set future goals:** outline our future sustainability targets and the strategies we will employ to achieve them, ensuring continuous improvement and innovation.
- **Enhance transparency:** provide precise and accessible information about our sustainability practices, aligning with global standards and regulatory requirements.
- **Engage stakeholders:** foster dialogue with our stakeholders by sharing our sustainability journey and inviting feedback to improve our practices.



ORGANISATION AND RESPONSIBILITY

Ulstein's Board of Directors is responsible for ensuring that our sustainability work is incorporated into governance and strategy, aligned with our Environmental Policy and in compliance with applicable laws and regulations in the areas where we operate. The CEO, through the Group Management, has overall responsibility for carrying out our day-to-day sustainability work. The operating unit is a work group representing different business units and roles administrated by the Project Manager Marketing & Sustainability.

SCOPE AND BOUNDARIES OF THE REPORT

The ESG report is Ulstein's annual Communication on Progress (COP) report to the UN Global Compact, covering 1 January to 31 December 2024, and the full version of the report is also accessible on our website.

In addition, a shorter version is integrated into our annual report and approved by the General Assembly.

While Ulstein's Board of Directors has reviewed and approved the report, it remains unaudited by a third party.

Our ESG report is currently consolidated at the group level, with a specific focus on different types of metrics:

- Environmental metrics are primarily linked to our headquarter's operations, where most of our revenue is generated. This focus ensures that we capture the most significant environmental impacts of our core activities.
- Social and financial metrics are covered by all subsidiaries, providing a comprehensive overview of our social responsibility and economic performance across the organisation.

Our environmental impact is most significant by our operations at Ulstein Verft, so our environmental metrics are currently limited to this site.

2024 HIGHLIGHTS



45 % reduction in energy intensity (kWh/revenue)



16 new apprentices



82 % of our waste was recycled or reused



ZERO worker fatalities



25 % workforce growth



ZERO violations of human rights



21 % female workforce



ZERO cases of corruption



However, our social and financial metrics are evaluated more broadly throughout the Ulstein Group subsidiaries. We are committed to expanding our ESG reporting to include detailed environmental metrics for all subsidiaries. This expansion will promote transparency and accountability throughout the entire organisation.

METHODOLOGY AND DATA SOURCES

Ulstein Group has adopted the Basic module of the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) published by the European Financial Reporting Advisory Group (EFRAG) for our ESG reporting. This choice reflects our dedication to delivering a transparent and efficient summary of our key sustainability metrics.

Details regarding the data collection process and the methodology applied in each section from B3 to B11 are elaborated further in the appendix.

Methodology

Data collection

We gather information from various internal sources, including operational records, employee surveys, and financial reports. Environmental metrics are primarily sourced from our headquarter's operations, while social and financial indicators are collected from all our subsidiaries.

Data verification

All the collected data undergoes thorough verification processes to ensure accuracy and reliability. This involves conducting internal audits and cross-referencing with external benchmarks where relevant.

Reporting framework

The Basic module in the VSME standard offers a streamlined reporting framework featuring eleven core disclosures. It focuses on key ESG topics, such as energy consumption, workforce composition, employee wages, and compliance with anti-corruption measures.

Data Sources

Environmental metrics

Our headquarters, where most of our revenue is generated, provides energy consumption, emissions, and resource use data.

Social metrics

We gather data from all subsidiaries, encompassing workforce health and safety, training, and community engagement.

Financial metrics

Financial performance data from all subsidiaries is consolidated to offer a comprehensive overview of our economic impact.

Justification for module choice

The Basic module offers a practical framework that meets stakeholders' expectations. By focusing on environmental metrics from our headquarters, we highlight key aspects of our sustainability performance. We are committed to improving our data collection by including metrics from all subsidiaries in future reports.



LETTER FROM THE CEO

Our vision is to create tomorrow's solutions for sustainable marine operations.

To accelerate the transition to a low-fossil future, we must take further advantage of data and new digital tools in order to provide shipowners with better decision support in their marine operations, as well as improve and optimise our own designs, based on new data insights.

We are dedicated to caring for the natural environment and the society we belong to, with sustainable growth as a fundamental principle of our work. We have been in operation for more than 100 years and aim to continue this mission for many generations to come. Our 2024 ESG report highlights our ongoing commitment to responsible practices, marking our twelfth Communication on Progress (COP).

We take pride in providing a clear career path within the maritime industry and strive to offer equal opportunities for all our employees. We encourage women to pursue leadership roles in our company. Engaging with our community, including our employees, customers, suppliers and shareholders, is crucial to achieving our goals.

We acknowledge our vessels' significant environmental impact and recognise the urgent need to mitigate this. We are dedicated to minimising our environmental impact in current and future vessels through advancements in hull design, system integration, energy carriers, and operational enhancements. Innovation is part of our DNA, and we are committed to developing cutting-edge solutions for greener marine operations.

Our company and the broader industry face serious challenges, such as climate change, reduced biological diversity, resource limitations, pollution, and the crucial need for safe working conditions for our employees and partners. We are determined to address these issues through innovative thinking, teamwork and collaborations and partnerships in the maritime area and beyond.

As one of the largest shipping nations in the world, Norway's maritime industry plays a crucial role in leading the green transition. To continue this vital work, we need the support of policymakers who recognise and value our sector.

We acknowledge that much is still to be accomplished and will continue to push for progress in the maritime industry in the years to come.

Gunvor Ulstein
CEO

COMPANY PROFILE

With the joy of creation we will continue turning visions into reality together with our customers.

Ulstein Group ASA is the group's holding company, initially founded in 1917 under the name Ulstein mek. Verksted.

The main objective of the holding company is to support and develop the business units across the business structure.

The group is headquartered in Ulsteinvik, Norway, and is present in four countries. At the end of 2024, Ulstein Group had 530 employees across four countries, with 95 % holding permanent contracts. For a complete overview of employees by company, see section B8 Workforce – general characteristics.

B1: GENERAL INFORMATION

Ulstein Group is a third-generation family-owned company and an internationally renowned provider of ship designs, shipbuilding, aftermarket services and system solutions for ships.

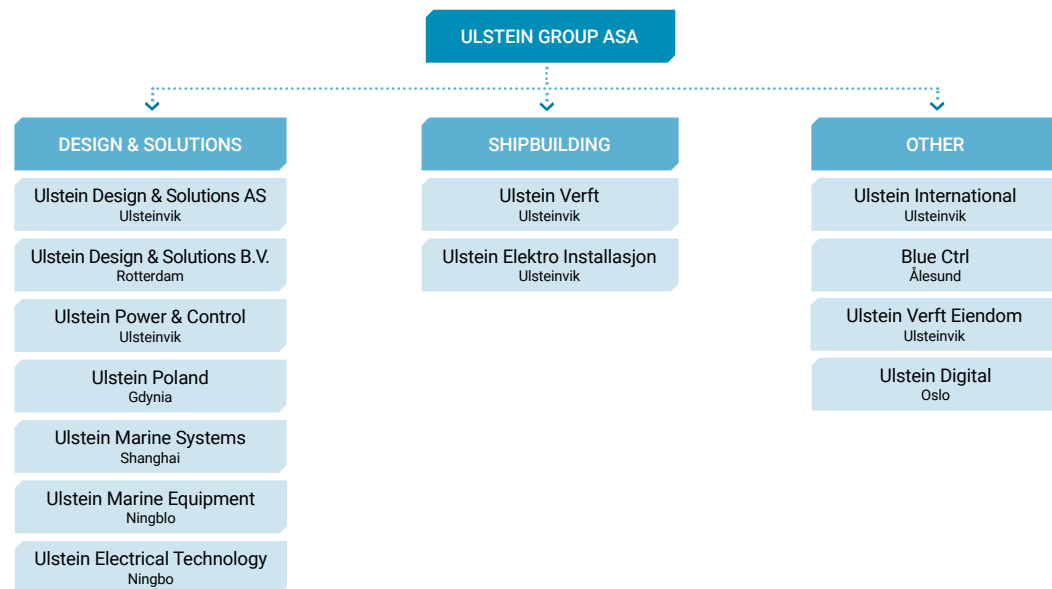
We create tomorrow's solutions for sustainable marine operations. For more than 100 years, our people have developed future-oriented products and services for the maritime industry.

Location of HQ and subsidiaries

COMPANY	ADDRESS	POSTAL CODE	CITY	COUNTRY	COORDINATES
Ulstein Group AS (HQ)	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Verft AS	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Elektro Installasjon AS	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Hull AS	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Verft Eiendom AS	P. O. Box 158	6067	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Digital AS	P. O. Box 158	6067	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Design & Solutions AS	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Ulstein Power & Control AS	Osnesvegen 118	6065	Ulsteinvik	Norway	62.341000, 5.818901
Ulstein International AS	Osnesvegen 110	6065	Ulsteinvik	Norway	62.340847, 5.822414
Blue Ctrl AS	Lerstadvegen 545	6018	Ålesund	Norway	62.471726, 6.363353
Ulstein Design & Solutions B.V.	Cornerstone Building (6th floor), Rotterdam Airportlein 32	3045 AP	Rotterdam	Netherlands	51.948635, 4.432483
Ulstein Poland Ltd. Sp. z o.o.	Ul. Łużycka 6d	81-537	Gdynia	Poland	54.494041, 18.534445
Ulstein Marine Systems Co. Ltd	Room 2204, Lumina Building, 175 Longyao Road	200232	Shanghai	China	31.161318, 121.460274
Ulstein Marine Equipment Co. Ltd.	No. 7, Jinxi Road Nordic Industrial Park, Zhenhai	315221	Ningbo	China	29.928253, 121.655282
Ulstein Electrical Technology Co. Ltd.	Room 6015 Hi-Tech Zone	315048	Ningbo	China	29.875000, 121.549200

BUSINESS ACTIVITIES AND MARKETS SERVED

Ulstein's activities are thoroughly detailed in the annual report. For more information, please visit www.ulstein.com/annual-reports.



FINANCIAL POSITION AND RESULTS

Ulstein Group AS

NACE Sector Classification Code(s): C30.11 (Building of ships and floating structures)

COMPANY	2024	2023
Operating revenues	3 106,6	1 425,7
Operating profit/loss	198,8	49,2
Profit before tax	135,1	40,0
Profit for the year	109,8	29,3

The capacity was not fully exploited in all group companies in 2024. At the end of the year, the group's order book totalled NOK 3,236 million, and there were 530 employees with 95 % holding permanent contracts. This is an increase of 105 employees compared to 2023.

Sustainability-related certifications

Ulstein Group is proud to have essential sustainability certifications. These certifications show our commitment to protecting the environment and conducting business ethically.

ISO 14001 certification

Issuer: International Organization for Standardization (ISO)

Date: Obtained in December 2023

Description: ISO 14001 is an internationally recognised standard for environmental management systems. The ISO 14001 certification provides Ulstein Verft with a framework to enhance environmental performance, monitor progress, and reduce pollution, waste, and unintended discharges.

UN Global Compact

Issuer: United Nations

Date: Participant since 2013

Description: The UN Global Compact is a voluntary initiative based on CEOs commitments to implement universal sustain-

ability principles and to take steps to support UN goals. Ulstein Group submits annual Communication on Progress (COP) reports, showcasing our efforts in areas such as human rights, labour, environment, and anti-corruption.

Energy certificates

Issuer: Enova

Date: Obtained in October 2023

Rating score: A means the building is energy-efficient, while G means the building is not energy-efficient. A building constructed according to the building regulations adopted in 2010 will typically receive a C. At HQ, four buildings are certified C, and one is D.

Description: Ulstein Group has been reviewed and obtained an energy certification for its buildings at HQ. The energy rating shows how energy-efficient the building is, including the heating system. The rating is calculated based on the typical energy use for the building type, based on normal use in an average climate. The building's energy standard, not the usage, determines the energy rating.



UN SDG



SELECTED TARGETS

SDG 5: GENDER EQUALITY

Target 5.1. End all forms of discrimination against all women and girls everywhere.

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.



SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

Target 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



SDG 14: LIFE BELOW WATER

Target 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.

Target 14.3. Minimise and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels.



SDG 17: PARTNERSHIPS FOR THE GOALS

Target 17.7. Promote development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries on favourable terms, including on concessional and preferential terms, as mutually agreed.

TURNING VISIONS INTO REALITY

B2: TRANSITIONING TOWARDS A MORE SUSTAINABLE ECONOMY

Our vision is to create tomorrow's solutions for sustainable marine operations. We are deeply committed to the natural environment and the communities we belong to, with sustainable growth at the heart of our mission. With over a century of experience behind us, we strive to continue this journey for many generations to come.

Since 2013, we have submitted our annual reports to the UN Global Compact, showcasing our commitment through our Communication on Progress. While Ulstein supports all 17 Sustainable Development Goals (SDGs), we have pinpointed four specific goals where our business activities can make the most significant impact.

The targeted SDGs play a crucial role in shaping our decision-making, overall business strategy and operational practices. Through our ESG report, we will organise our efforts to support this initiative by focusing on our environmental impact, social responsibility, and governance.

When integrating sustainability into the business model, UN Global Compact describes several stages. The model outlines five progressive steps to help companies integrate sustainability into their core operations. At Ulstein we assess that we have reached stage three, as sustainable considerations are now woven into our daily operations, influencing everything from our design principles to our practices.

Sustainability in design

When designing or redesigning ships and developing products, we consider their environmental impact throughout their life cycle. Every product affects the environment during manufacturing, usage and eventual disposal. We stay informed about the latest environmental standards and safety regulations and continually strive to incorporate these guidelines into our new developments to minimise our overall impact.

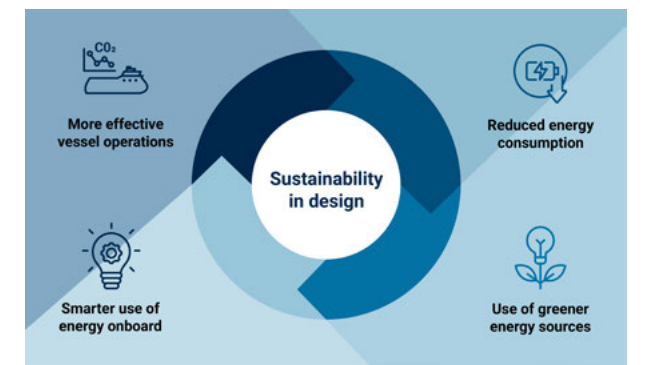
Sustainability stages model



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Achieving national and international decarbonisation goals demands a comprehensive approach. This approach results in a vessel design optimised for its intended purpose, which we call right-sizing. We have adopted a comprehensive design philosophy that strikes the right balance between necessary capacities and reduced emissions to meet the future demand for more innovative and environmentally friendly supply tonnage.

Ulstein is committed to promoting the decarbonisation of the fleet by optimising our designs through four key strategies.





Applying sustainable design principles

In 2022, we introduced 'ULSTEIN THOR', a 149-metre 3R (Replenishment, Research, and Rescue) design featuring a Thorium Molten Salt Reactor (MSR). This innovative vessel concept paves the way for achieving zero-emission cruise operations⁷. We have since expanded this concept into other segments, like fisheries, where we challenge the infrastructure and operational behaviour.

Ulstein is actively engaged in designing trawlers. At the Nor-Shipping exhibition in 2023, Ulstein Design & Solutions AS, in collaboration with shipowner Bluewild and shipyard Westcon, received the 'Ship of the Year' award for the ECOFIVE trawler. This vessel, delivered in 2025, is expected to achieve at least a 25 % reduction in fuel consumption and emissions compared to similar modern vessels.

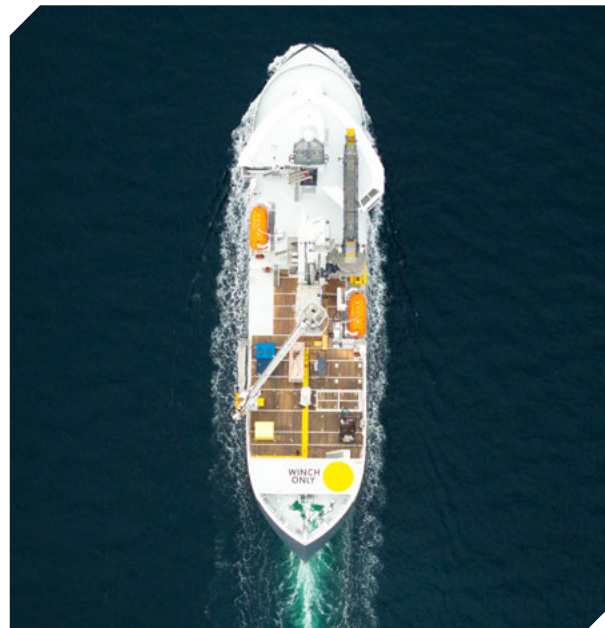
Furthermore, the shipowner and designer have integrated technology from fish carriers and land-based facilities into a comprehensive design package for onboard production. This innovation leads to more sustainable and resource-friendly harvesting practices. Ulstein also offers a patented solution that gently transfers the catch into water tanks for recovery before slaughter, enhancing the quality of the catch and ensuring that all residual raw material is utilised.

The renowned X-BOW® from Ulstein is an environmental advancement for the world fleet and is consistently incorporated into most of our vessel designs. Recent developments include the X-STERN® and TWIN X-STERN®. A study on the impact of the X-BOW on expedition cruise vessels indicates that this unique hull shape alone can achieve over a 5 % reduction in fuel consumption.

Since its launch in 2015, the TWIN X-STERN design has been selected for ten offshore wind vessels (CSOVs) of which four are equipped with hybrid battery propulsion and utilise green

methanol as fuel from delivery of the vessels, while the remaining six are equipped with hybrid battery propulsion systems and are prepared to run on green methanol. The TWIN X-STERN design enhances a vessel's manoeuvrability, positioning, and smoothness in the water, thanks to its innovative structure, which features two sterns and equal propellers at both ends—ideal for operations within wind farms.

In 2024, we received feedback from one of these vessels demonstrating a nearly 50 % reduction in fuel consumption whilst on dynamic positioning⁸. Correspondingly, GHG emissions have also decreased in line with the reduced fuel usage, and these vessels are ready to adopt methanol as fuel, which will further lower their carbon footprint.



Operational integration of sustainability

The shipyard is the primary source of environmental impact within Ulstein Group, mainly due to the scale and nature of its operations. Shipbuilding demands great energy and involves substantial use of raw materials, including steel, heavy machinery, and complex logistics.

The UN Global Compact's Roadmap for Integrated Sustainability emphasises that operational integration is fundamentally about doing things right⁹.

Ulstein Verft has focused on the newbuild segment for the past several decades. However, in the last four years, it has shifted towards enhancing its services in repairs and conversions, commonly known as aftermarket services. Ulstein is thus better equipped to navigate market fluctuations by broadening our business scope. This diversification helps us retain our workforce and increases our operations' predictability.

From an environmental standpoint, extending a ship's life and functionality through ongoing maintenance and timely upgrades is highly beneficial. Investments in ship upgrade can help preserve its value over a longer period.

Our section on environmental metrics discusses our approach to conducting operations responsibly and the environmental impacts of our daily activities in greater detail.

Policies

Ulstein Group has established comprehensive policies to address sustainability issues, publicly available on our website.

Ulstein's Board of Directors has adopted a Code of Conduct, setting out the principles and standards for ethical conduct across all our companies. The management reports annually to the Board of Directors on the compliance status in Ulstein. Our corporate framework for governance and control includes the following Group Management policies:

- Code of Conduct for Ulstein
- Code of Conduct for Ulstein's business partners
- Due diligence policy
- HSE Policy
- Quality policy
- Personnel policy
- Environmental policy
- Guidelines for information security
- Guidelines for whistleblowing

⁹ <https://unglobalcompact.org/take-action/leadership/integrate-sustainability/roadmap>



These policies are implemented in our business processes and are available through our internal collaboration system. Our Code of Conduct sets out our principles for ethical conduct, including those principles and standards ensuring that Ulstein respects and protects human rights and decent work conditions.

These can be found on ulstein.com. Our Code of Conduct is also our key governing document for ethical dilemmas.

As a part of the implementation of the Norwegian Transparency Act in Ulstein, which we reported on for the first time in 2023 for 2022, we have developed a due diligence process that has the following primary targets:

- Ensure that our business or operations do not have a negative impact on basic human rights or decent working conditions.
- Inform the public through a report on an annual basis.
- Provide information upon request.

Future initiatives and targets

The 2024 reporting year marks our first use of the VSME framework, representing a significant step towards structured and transparent sustainability reporting. As this is a new process, the initial phase has focused on building internal systems and routines for data collection, which has proven to be time-consuming but essential for ensuring reliability and transparency.

Looking ahead, we aim to scale up our data collection efforts across all subsidiaries, enabling a more comprehensive and consistent reporting structure. Once these systems are in place, we will establish a clear environmental and social performance baseline. This will allow us to define measurable targets and implement appropriate initiatives aligned with our sustainability ambitions.

Our future focus will be on continuous improvement, guided by the insights gained through the VSME framework, and embedding sustainability more deeply into our operations and decision-making processes.

⁷ <https://ulstein.com/news/thorium-powered-ulstein-thor>

⁸ <https://ulstein.com/news/big-fuel-savings-on-first-csov-newbuilds-with-ulsteins-twin-x-stern>



ENVIRONMENTAL METRICS
B3: ENERGY AND GREENHOUSE
GAS EMISSIONS

This marks our first presentation of Scope 1 and 2 emissions under the GHG Protocol and the VSME reporting standards. A GHG emissions report should provide relevant, consistent, accurate, and transparent information. While creating a comprehensive corporate inventory of GHG emissions requires time and effort, we are confident that our expertise will grow as we gain experience calculating and reporting this data.

We have taken the following aspects into account:

- Utilise the best available data at publication, while openly acknowledging its limitations.
- Address any significant discrepancies found in past reports.
- Present the company's gross emissions based on its chosen inventory boundary, distinct from any GHG trading activities.

Our greenhouse gas emissions primarily come from two primary sources: direct emissions (scope 1) generated within our operations and indirect emissions (scope 2) from the energy we buy. Scope 1 emissions arise from using diesel for heating or operating vehicles at Ulstein Verft, and scope 2 emissions from energy usage at HQ.

In 2024, our headquarters experienced an 18 % rise in total energy consumption, driven by increased activity that is also reflected in our revenue growth. When we examine energy intensity, measured in Megawatt-hours (MWh) per million NOK (MNOK) of revenue, Ulstein reported 4,4 MWh/MNOK in 2024, a notable decrease from 8,1 MWh/MNOK in 2023. This represents a 46 % reduction. A lower energy intensity signifies greater energy efficiency, indicating that Ulstein is generating more revenue for each unit of energy used.

ENERGY SOURCE	RENEWABLE (6,5 %)	NON-RENEWABLE (93,5 %)	TOTAL 2024	TOTAL 2023
Electricity	777 MWh	11 175 MWh	11 952 MWh	10 439 MWh
Diesel	0	1 651 MWh	1 651 MWh	1 136 MWh
Total	777 MWh	12 826 MWh	13 604 MWh	11 575 MWh

Ulstein Verft has been dedicated to improving energy efficiency through effective energy management and strategic investments for many years. In 2022, we installed LED lighting and sensors in our production halls, resulting in a 90 % reduction in energy spending, equivalent to a saving of 130,000 kWh/year.

In 2023, we completed a project harnessing waste heat generated by an air compressor to heat the administration, service, and warehouse/welfare buildings.

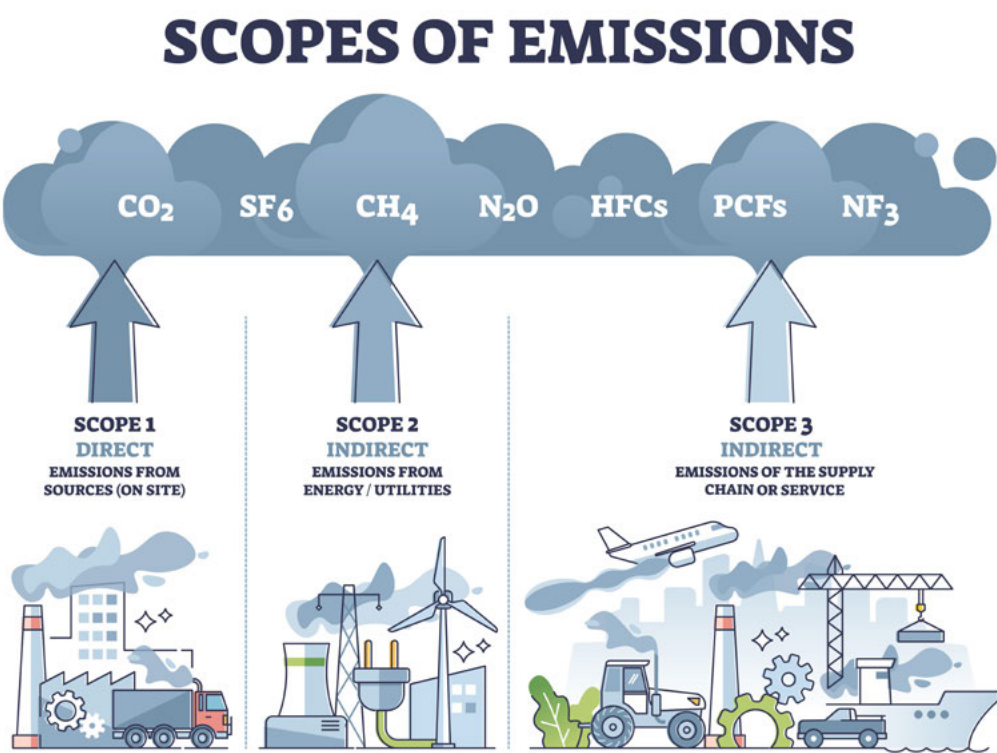
In 2024, we decided to invest in and increase the capacity for shore power connection. Vessels visiting Ulstein Verft for aftermarket assignments are typically moored at the service quays before docking. When these vessels are plugged into shore power, they significantly contribute to lowering overall CO2 emissions. However, if they are not connected to shore power, the engines must remain running to provide electricity and support onboard systems.

As we move forward, we are actively exploring additional opportunities for enhancement. Some areas we plan to explore include:

- Investigating whether district heating can be a viable alternative to electrical-powered boilers and oil-fired boilers / heaters
- Investigating the feasibility of utilising a water-to-water heat pump system that draws thermal energy from cold seawater.
- Utilising waste heat from four air compressors

Scope 1 and 2 emissions

Ulstein adheres to the Greenhouse Gas (GHG) Protocol, a global standard for measuring, reporting, and managing GHG emissions. This protocol ensures consistency and transparency in GHG accounting and reporting and covers Scope 1, Scope 2, and Scope 3 emissions.



In compliance with the Basic Model in the VSME standard, we limit our GHG reporting to Scope 1 and 2. Our Scope 1 emissions arise from sources we own and control at our headquarters, including company-owned vehicles and on-site energy generation. This approach ensures precise accounting of all direct emissions. Meanwhile, our Scope 2 emissions stem from indirect greenhouse gas emissions linked to the consumption of purchased electricity.

EMISSION SCOPES	2024 GHG EMISSIONS (TCO2E)	2023 GHG EMISSIONS (TCO2E)
Scope 1	435 tCO2e	299 tCO2e
Scope 2	7 159 tCO2e	5 240 tCO2e
Total	7 594 tCO2e	5 540 tCO2e

The overall increase in emissions from 2023 to 2024 is due to an overall rise in activity. This increase is approximately 37 % and can be attributed to higher energy usage in kilowatt-hours (kWh) and more purchase of diesel. Additionally, a significant factor contributing to our relatively high annual emissions is the CO2 factor used to calculate our energy consumption. Since we do not have guarantees of origin for the electricity we purchase, Ulstein must use a factor with a much larger environmental footprint due to a European energy mix.

Moving forward, we must broaden our data collection efforts regarding our subsidiaries' Scope 1 and 2 emissions. This will enable us to compile a complete inventory of our corporate greenhouse gas emissions. By creating a comprehensive inventory, we can establish clear targets and systematically work on reducing our environmental footprint.

Details regarding the data collection process and the methodology applied in each section from B3 to B11 are elaborated further in the appendix.

B4: POLLUTION OF AIR, WATER,
AND SOIL

Ulstein does not currently submit information about pollutant emissions to the relevant authorities, nor is there a legal requirement for us to do so. Even though we are not mandated to report these emissions, Ulstein is committed to reducing our environmental footprint and continuously enhancing our

sustainability efforts.

Achieving ISO 14001 certification ensures that Ulstein systematically identifies, tracks, and minimises its environmental impact, while complying with the Pollution Regulations (forurensningsforskriften) per Norwegian law. This certification process involves a thorough risk assessment of its environmental aspects and compliance requirements. This assessment is updated annually and addresses emissions into the air, water, and soil. At Ulstein Verft, we have identified several activities for which we must take precautions to prevent or reduce negative impacts.

Air emissons

The application of protective coatings is one of the primary contributors to our air emissions. To mitigate this impact, we carry out coating operations primarily indoors or under cover, using products that comply with environmental regulations. We have also set an ambitious target of zero reported air emission incidents—and are proud to have maintained this record through rigorous adherence to our procedures.

Water emissions

Water pollution mainly arises from wastewater generated during ship cleaning and runoff from yard activities, which can introduce harmful contaminants such as heavy metals and toxins. All seawater from the yard's dry dock undergoes a thorough cleaning process using sludge separation to remove oil and debris before being returned to the sea.

In 2024, we successfully recovered 35 300 litres for recycling, a decrease from 38 600 litres in 2023. This decline can be attributed to the different operations between the two reporting years. In 2024, Ulstein Verft was involved in two newbuild projects where ship cleaning was not a concern, unlike in the aftermarket projects.

When vessels come to Ulstein Verft for maintenance and servicing, they can also deliver emulsions or slop water for recycling.

Soil emissions

Soil pollution is primarily caused by storing hazardous materials and spills, which can contaminate the soil with heavy metals and organic pollutants. To prevent this, we have designated secure containers for proper handling.

Our chemical handling practices adhere to regulations, and external consultants have assessed our procedures to ensure compliance.

B5: BIODIVERSITY

According to the VSME guidelines, our headquarters is located outside or adjacent to regions considered biodiversity sensitive. In this context, “adjacent” refers to areas that either partially overlap or are closely situated next to biodiversity-sensitive zones.

Still, there are concerns that the seabed outside the shipyard area is polluted due to past discharges. In 2022, biological samples were collected from mussels, beach snails, and crabs outside the Ulstein Verft area. The results indicated a low level of toxins. New samples were taken in 2024, and the findings show no negative changes compared to the 2022 study.

B6: WATER

Norway is fortunate to have abundant freshwater resources, boasting an impressive annual supply of roughly 377 billion cubic metres from lakes, glaciers, ponds, streams, and ground-water. Theoretically, this amount of water could provide every person 150 litres daily. Still, according to the UN’s Sustainable Development Goal number 6, Clean Water and Sanitation, we must balance water needs and environmental considerations for the well-being of future generations. Sustainable management of water resources is crucial to ensure long-term availability and environmental health issues.

At our headquarters, we closely track our freshwater usage. By monitoring consumption, we stay informed about water use and can set meaningful targets. In 2024, we consumed 62 677 m³, an 8 % increase from 58 089 m³ in 2023. The variations between these two years primarily stem from different activity levels and water requirements during each reporting period.

LOCATION	WATER CONSUMPTION 2024	WATER CONSUMPTION 2023
HQ (Ulsteinvik, Norway)	62 677 m3	58 098 m3
Other locations	NA	NA



B7: RESOURCE USE, CIRCULAR ECONOMY, AND WASTE MANAGEMENT

The world is facing a big challenge regarding the use of natural resources. Our growing consumption of these resources is tied to serious issues such as greenhouse gas emissions, climate change, loss of wildlife, and increasing waste and pollution. To safeguard the health of our planet, we must use what we have more judiciously and reduce our reliance on extracting new depleting resources. This is why transitioning to a circular economy is so critical.

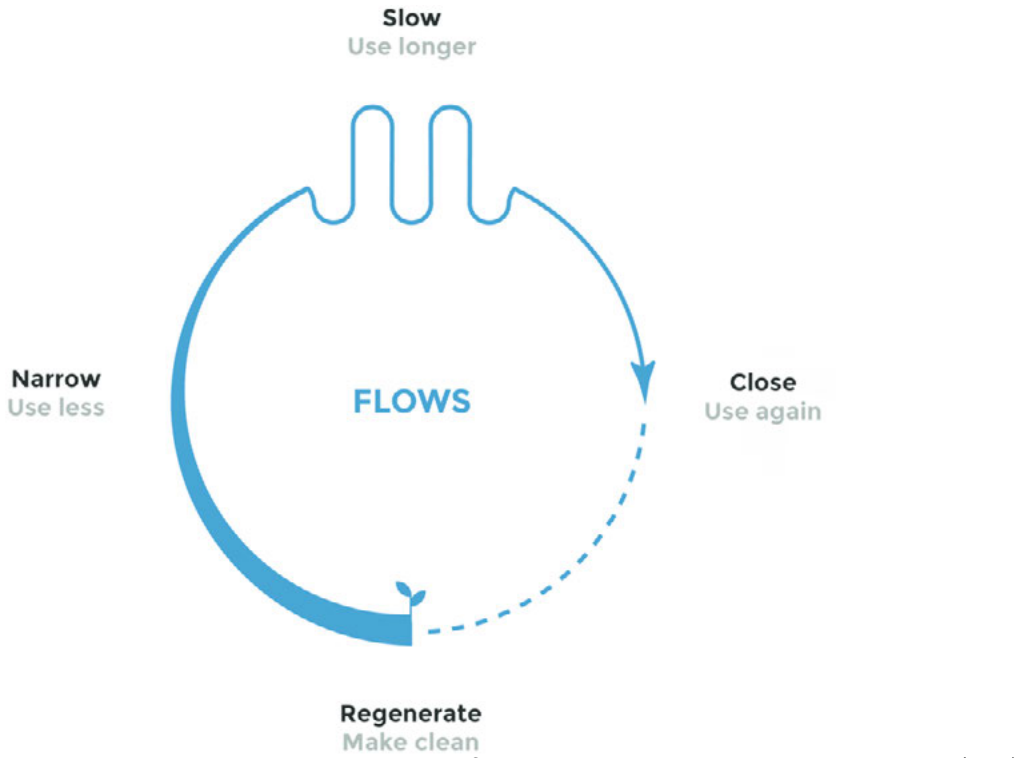
In a circular economy, we aim to maximise the use of our natural resources and products, ensuring they remain in circulation for as long as possible. The objective is to keep as many resources in use as possible, minimising waste. For us, embracing circularity means exploring ways to retain products, materials, equipment, and infrastructure within our supply chains and those of others for extended periods.

We are dedicated to actively engaging in this global shift towards a circular economy. We believe that circularity is a vital pathway to achieving national targets of zero emissions by 2050 and helping to protect our natural environment. Moreover, we can strengthen our business and enhance its resilience by implementing circular practices.

By adopting circular economic principles, the shipbuilding industry can significantly lessen its environmental footprint, improve resource efficiency, and deliver enduring value to shipowners. We prioritise quality and durability in the vessels we build, and through our aftermarket services, we extend the lifespan and usability of ships with general maintenance and necessary upgrades. This approach helps preserve the value of the investments made in these ships over time, positioning us as a dependable partner for our clients throughout the entire product lifecycle.

In 2024, alongside our two newbuild deliveries, Ulstein Verft successfully extended the service life of 18 ships through maintenance, upgrades, and conversion projects. It is worth noting that not all aftermarket initiatives take place at Ulstein Verft. Ulstein Design & Solutions AS and Ulstein Design & Solutions BV also offer engineering services for conversions, redesigns, upgrades, and repurposing, completing 56 projects within the reporting year.

Moreover, Ulstein Power & Control actively participates in various aftermarket projects, providing power and automation solutions. In 2024, Ulstein Power & Control conducted service assignments worldwide and managed warranty follow-ups on all vessels and systems delivered by Ulstein Verft and Ulstein Design & Solutions AS and Ulstein Design & Solutions BV. This collective effort led to over 300 orders and involved over 80 customers.



A circular economy: narrow, slow, close and regenerate material and energy flows. Konietzko, Jan & Bocken, Nancy & Hultink, Erik. (2020). Circular Ecosystem Innovation.

Policies and practices

Our environmental policy guides us in our work and applies to all subsidiaries in Ulstein. However, this report primarily concentrates on waste management practices at the headquarters (HQ). Considering the nature of operations and the volume of activity at Ulstein Verft, it is logical to focus on measuring the areas where our impact is most significant.

All ships built by Ulstein Verft come with a full list of hazardous materials and Marine Equipment Directive (MED) documents to ensure they meet EU standards. Our ships are certified to be free from asbestos, showing our commitment to health & safety. We follow strict rules for managing waste in our shipbuilding area, including hazardous materials, metals, and residues from sandblasting and painting.

In 2023, Ulstein Verft achieved ISO 14001 Environmental certification, complementing our earlier certification for ISO 9001, which Ulstein Marine Equipment also holds. The ISO 14001 certification allows us to enhance our environmental performance, monitor our progress, and minimise pollution, waste, and unintentional discharges.

In 2023, new waste sorting regulations were introduced for all public and private organisations in Norway that generate household-type waste. At Ulstein HQ, we have implemented dedicated bins for sorting plastic, paper, organic waste, and other residual materials. This initiative supports increased recycling, more efficient resource use, reduced environmental impact, and lower greenhouse gas emissions.

Ulstein Verft features a specialised area known as the “Environmental Tent,” dedicated to sorting waste generated from shipyard operations. This facility is equipped with machines that compress plastic and paper/cardboard, and also has provisions for managing emergency spill responses while storing spill oil. Although we have been sorting waste in containers for years, this focused area enhances awareness and boosts efficiency. By sorting waste indoors, we significantly lower the risk of it being blown away or endangering wildlife.

TYPE OF WASTE	TOTAL 2024	TOTAL 2023
Non-hazardous waste to recycle or reuse	1 168 012 kg	1 119 569 kg
Non-hazardous waste for disposal	26 720 kg	74 400 kg
Hazardous waste to recycle or reuse	130 950 kg	118 430 kg
Hazardous waste for disposal	250 021 kg	777 kg
Total waste	1 575 703 kg	1 313 177 kg
Total waste to recycle or reuse	82 %	94 %

Total waste rose by 20 % from 2023 to 2024. While non-hazardous waste has remained relatively unchanged between these years, hazardous waste has increased by 220 %.

In 2024, we are now reporting waste under the category “Slag, dust, fly ash, catalysts (blasting sand),” a classification we did not include previously. This new category represents around 250 000 kg of hazardous waste for disposal. This category has also impacted our overall recycling and reuse rates, which have dropped from 94 % to 82 % in 2024.

Additionally, waste from insulation has increased in 2024. Although insulation is classified as non-hazardous, it cannot be recycled or reused, lowering our recycling rate.

We will monitor the types of waste we generate and how we handle it. The VSME guidelines also suggest tracking the annual mass flow to better understand the impact of our resource use and waste management practices.

At our shipyard, we recognise the importance of monitoring the annual flow of materials, including steel plates, welding supplies, insulation, paint, and other key components utilised in shipbuilding and maintenance. This tracking process enables us to comprehend our dependence on particular materials and evaluate our material efficiency effectively.

While the current report does not include annual mass flow data, we are committed to integrating this information in future reports. By doing so, we aim to enhance our transparency and provide a clearer picture of our resource utilisation, reinforcing our dedication to sustainability and operational excellence.



SOCIAL METRICS

B8: WORKFORCE – GENERAL CHARACTERISTICS

At Ulstein, we take pride in our unique and robust corporate culture, which has been nurtured over many years. Our culture is built on fundamental values, including curiosity, openness, mutual respect, and a strong commitment to collaboration. We all play a vital role in embodying these values in our everyday work, ensuring that our time at Ulstein is fulfilling and challenging. These principles define us and serve as our competitive edge, making us a sought-after employer.

We have established solid systems to address employee needs and expectations, such as regular performance reviews. These discussions are crucial for gaining insights into each employee's life stage. In 2022, we measured employee satisfaction to pinpoint strengths and areas for growth. The insights gathered from this survey have led to several initiatives, the most notable of which was a mandatory 4.5-day-long management development course over three sessions, with a 81 % participation rate from the Norwegian employees in management positions. Confidence in our leadership role is essential for fostering a positive work environment.

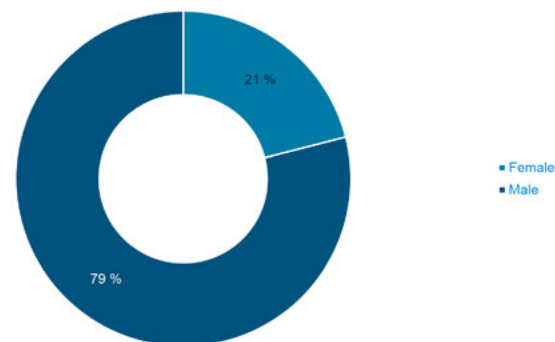
We are dedicated to promoting gender equality and preventing discrimination following the Gender Equality Act. We firmly believe that diversity enhances our competitiveness and are actively working to reshape our organisation. With a clear vision, we strive for a minimum of 40 % female representation at all levels, from middle management to apprentices.

Most employees (95 %) have permanent contracts in Ulstein, indicating a solid sense of job security within the organisation. In contrast, just 2 % are employed on temporary contracts, reflecting our minimal dependence on short-term positions.

TYPE OF CONTRACT	EMPLOYEES 2024	EMPLOYEES 2023
Apprentice	16	8
Temporary contract	8	4
Permanent contract	506	413
Total employees	530	425

In 2024, Ulstein had 16 apprentices, of whom 12,5 % were women. Our apprentices play an essential role in developing the next generation of talent. Although apprentices represent a small fraction of the workforce, their presence is strategically essential, especially in the maritime and shipbuilding sectors, which have traditionally been marked by an ageing and predominantly male workforce.

Gender diversity



80 % of the workforce at Ulstein is men. This trend mirrors a broader pattern in the shipbuilding industry, which males have historically dominated due to the demanding physical nature of the jobs and long-standing workforce habits. However, as the industry evolves, opportunities increase to encourage greater gender diversity and inclusion across various roles.

We firmly believe diversity enhances our competitiveness and are actively transforming our organisation to support this vision. Our goal is to achieve at least 40 % female representation at all company levels, from middle management to apprentices.

In 2024 female leadership reached 22 % and we are on track with our group board composition, having met our target of 40 % female representatives.

To reach our objectives, we have launched several strategic initiatives:

- Company visits: We introduce potential talent to our vibrant culture through engaging visits.
- Education partnerships: We are teaming up with local schools and municipalities to inspire future professionals.
- Vocational fairs: Ulstein actively participates in these events to connect with aspiring candidates.
- Maritime Forum at NTNU: Our representative advocates for technical and maritime careers, particularly encouraging women.

Through academic collaboration, we maintain robust connections with universities and research institutions. By working with students on BSc, MSc, and PhD theses, we are helping to shape the next generation of industry leaders.

COUNTRY (OF EMPLOYMENT CONTRACT)	EMPLOYEES 2024	EMPLOYEES 2023
Employees in Norway (HQ)	409	299
Employees in China	73	70
Employees in Poland	29	27
Employees in the Netherlands	19	17
Total employees	530	425

Ulstein's workforce is predominantly located in Norway, making up 77 % of the total. This reflects the company's strong ties to the Norwegian maritime cluster, with our headquarters in Ulsteinvik playing a central role. China is the second-largest employer, contributing 14 % of the workforce.

The Poland and the Netherlands teams also demonstrate Ulstein's capability to operate in diverse global markets. Ulstein combines its Norwegian maritime heritage with a strong international presence, providing advanced ship design, shipbuilding, and maritime solutions worldwide.



Ulstein aims for a turnover target of 7,0 % to support a stable workforce. The turnover rate was 10,9 % in 2023 but improved to 8,5 % in 2024. While still above the target, the downward trend reflects our commitment to enhancing employee engagement and retention.

B9: WORKFORCE – HEALTH AND SAFETY

At Ulstein, our most valuable asset is our people. We strongly emphasise Quality, Health, Safety, and Environment (QHSE) as essential to our daily operations. Our dedication to ensuring safe working conditions extends to our employees, our hired and contracted personnel, and our collaborative yards and suppliers. We are committed to fostering awareness around performance improvement throughout our organisation.

Key safety practices include:

- Precautionary measures: We take a proactive approach to prevent injuries, accidents, and strains. We focus on shipyard activities involving tanks, heights, scaffolding, vehicle and crane operations, welding, cutting, and lifting.
- Regular inspections: Our permanent Health, Safety, and Environment (HSE) staff conducts routine and unannounced security inspections. These cover fire safety, gas leakage, hazardous areas, and adherence to safe work routines.
- Safety gear: Strict rules apply to workers and visitors within the industrial area. Safety gear, including shoes, hard hats, and safety glasses, is mandatory.
- HSE training: All operators conduct HSE training online to learn about safety equipment, regulations, preventive routines, reporting, emergency procedures, and high-risk situations. This applies to both our workforce and hired personnel. The training is available in six languages. Tailor-made HSE training is also provided to crew personnel visiting Ulstein Verft. The HSE training given is valid for one year.
- Quality policy: The policy outlines our commitment to producing high-quality products and services that meet the contract requirements. It includes procedures for monitoring and improving quality and a system for identifying and correcting quality issues.

Upon course completion, attendees receive a confirmation of their HSE training.

Our employees maintain the same safety standards even when working on missions at yards worldwide.

	TARGET	2024	2023
Lost time injuries (cases)	-	6,0	4,0
LTIR (Lost time injury rate)	5,0	7,9	9,7
TRIR (Total recordable incident rate)	25,0	11,9	9,7
Sick leave total (rate)	4,0	3,5	4,3

Lost-time injuries (LTI) refer to work-related injuries or illnesses that prevent employees from performing their regular duties for at least one full workday or shift. At Ulstein, LTIs are a key metric in our workplace safety and health management, helping us gauge the frequency and severity of incidents that lead to time off work. From 2023 to 2024, we recorded two additional LTIs.

The Lost Time Injury Rate (LTIR) has improved, decreasing from 9,7 in 2023 to 7,9 in 2024, bringing us closer to our target of 5. These incidents include any work-related injuries or illnesses that resulting in lost workdays.

However, when looking at the Total Recordable Incident Rate (TRIR), we see an increase in 2024 to 11,9, up from 9,7 in the previous year, although we remain well below our target of 25. These incidents include any work-related injuries or illnesses that necessitate medical treatment beyond first aid. The TRIR and LTIR are essential measures of our overall safety performance, tracking the number of recordable incidents per a standard number of hours worked.

Ulstein has seen improvements in employee health and attendance, with sick leave decreasing from 4,3 % in 2023 to 3,5 % in 2024, a reduction of 0,8 percentage points. This progress can likely be attributed to enhanced health and safety measures, an emphasis on preventive care, and an improved work-life balance. In the manufacturing sector, which includes companies like Ulstein, the typical sick leave rate usually falls between 5 % and 6 %.

Employee well-being is vital for Ulstein, and we are committed to continuously improving our working conditions and fostering a safe and healthy work environment.

B10: WORKFORCE – REMUNERATION, COLLECTIVE BARGAINING, AND TRAINING

In Norway, all public and private sector employers must work with equality and non-discrimination, also known as the employer's activity and reporting obligation (aktivitets- og redegjørelsesplikt – ARP).

The “Act on Gender Equality and Prohibition of Discrimination” (Discrimination Act) aims to foster gender equality and prevent discrimination, specifically enhancing the position of women and minorities. It mandates that employers promote equality and take measures against discrimination based on gender, pregnancy, ethnicity, religion, disability, sexual orientation, and other factors, while also addressing harassment and gender-based violence.

Employers must create equitable workplaces in Norway. Ulstein incorporates these efforts into its HSE strategy, focusing on recruitment, salary, career development, work-life balance, and protection against harassment. We are dedicated to increasing women's representation, especially in middle management and technical roles, believing that diversity enhances competitiveness.

Our annual employee dialogues emphasise development and lifelong learning, and we aim to bridge gender gaps in the maritime industry. Ulstein evaluates its equality promotion efforts through the “State of Gender Equality” and “Our Work for Equality and Against Discrimination.” Our [Duty to Promote Equality report is available for download at our website](#).

Principle of equal pay and union organisation

Ulstein's salary system is developed through collaboration between management and union representatives. This system comprises seven job groups, where all positions within the Norwegian companies are categorised and ranked according to the complexity of tasks, responsibilities, and required competencies. The principles of equal work and work of equal value were the foundation for organising these positions. The structure of the job groups reflects existing job categories within the company.

Union representatives played a vital role in shaping the criteria for the various job groups, placing roles across different levels, and gaining valuable insight into the salary mapping process.

For 2024, Ulstein's Norwegian subsidiaries fall within the 40–59% range for collective bargaining coverage. This means that a substantial portion of our workforce is covered by collective agreements, reflecting our commitment to structured employee representation and fair labour practices.

In 2024, Ulstein reported a gender pay gap of -3,4 % in Norway, which means that women earned 3,4 % more than their male counterparts. This situation arises from a higher number of men in positions with lower average incomes than women.

We regularly assess our remuneration structures to ensure equality and eliminate bias. Ulstein is dedicated to fostering an inclusive workplace where all employees are valued and rewarded fairly.

Training and development

All our employees must have well-defined performance and development goals and a solid understanding of our guidelines and procedures. We believe that a systematic approach paves the way for successful development by helping identify training needs and opportunities for internal transfers. Strong development avenues are key to attracting and retaining talented employees. We prioritise knowledge and skills sharing through various training programmes, both internal and external, as well as through on-the-job experiences.

Courses and training programmes in 2024:

- Management skills**
A comprehensive course built around several workshops and practical exercises. We believe effective management can foster better working conditions and enhance productivity.
- Information Security Awareness Training**
All employees in administrative roles were invited to take part in an Information Security Awareness Training, known as the STAR online course (Stop, Think, Ask, React). This training kicked off in May 2023, featuring a new online course every two weeks. The aim of the programme is to raise awareness and deepen understanding of the risks associated with our digital and technological environment.
- Ethics in Ulstein**
All employees must understand and comply with Ulstein's Code of Conduct to reduce the risk of legal issues and unethical conduct. To help with this, Ulstein has rolled out a series of brief online lessons on ethics. These lessons cover essential topics, including the principles that guide our business, how to identify and handle conflicts of interest, the importance of professionalism and confidentiality, and the proper ways to report and tackle misconduct.
- Develop young talents**
Talent Sunnmøre (TS) is a 1-year competence program run by the business association in Ålesund. Ulstein secured two places in 2023 and continued with three new places in 2024. This programme is available for all employees under 35 years who are motivated and willing to increase their knowledge and build relationships within the industry.
- Courses and certificates at Ulstein Verft**
There are several training programmes to improve overall working conditions. Our employees need to grow in their roles and build qualified teams. The list below highlights some of the programmes available:
 - Supervisor programme
 - Incident Commander Course for Industrial Safety/ Brigades
 - Hot work course (Nordic specification, 5 years)
 - Forklift course
 - Scaffolding course
 - Gas measurement course
 - Defibrillator and First Aid course
- Courses and certificates at Ulstein Power & Control and Ulstein Elektro Installasjon**
 - FSE course for instructed personell. FSE for instructed personnel satisfies the requirements of the FSE Regulations (Regulations on safety when working in and operating electrical installations).



GOVERNANCE METRICS B11: CONVICTIONS AND FINES FOR CORRUPTION AND BRIBERY

At Ulstein, we are committed to fighting corruption in all its forms. Our comprehensive anti-corruption policy prohibits bribery, whether direct or through third parties. We strive for zero corruption incidents and provide continuous training for our employees to uphold ethical practices.

Our dedication to ethical conduct extends beyond anti-corruption measures. We actively tackle inequality and discrimination, fostering long-term value creation. In 2022, we implemented the Norwegian Transparency Act guidelines, emphasising our commitment to transparency and accountability.

As part of this implementation, we developed a due diligence process to ensure our business operations do not negatively impact basic human rights or decent working conditions. We also committed to informing the public through an annual report and providing information upon request.

Our Code of Conduct outlines our principles for ethical conduct, ensuring that Ulstein respects and protects human rights and decent working conditions. This document serves as our key governing framework in handling ethical dilemmas. For more details, please visit our work on the [Transparency Act at ulstein.com](#).

We remain committed to fighting corruption while also tackling inequality and discrimination, all to promote sustainable value creation. We have maintained a record with zero corruption or human rights violations—a standard we intend to uphold.

	TARGET	2024	2023
Cases of corruption	0	0	0
Violations of human rights	0	0	0

CONCLUSION

The 2024 ESG report marks a key milestone for Ulstein Group as we have adopted the VSME framework for structured and transparent sustainability reporting. This shift has helped us gain clearer insights into our environmental, social, and governance impacts, while also starting to build the internal systems that will ensure reliable data collection and performance monitoring.

Key highlights include:

- Energy consumption rose by 14 % due to increased activity, but energy intensity improved by 47 %.
- Ulstein extended the service life of 18 vessels at our shipyard and completed 56 conversion projects. Although total waste increased, 82 % was recycled or reused.
- The workforce grew to 530, with 95 % on permanent contracts. Female leadership reached 22 %, and the gender pay gap favoured women by 3,4 %. Health and safety metrics improved.
- The company reported zero incidents of corruption or human rights violations, enhancing its due diligence processes.

Looking ahead, we aim to enhance data collection across all subsidiaries, establishing a solid environmental and social performance baseline. Our commitment to continuous improvement will further integrate sustainability into our operations, increase transparency, and inspire innovation. We remain dedicated to evolving our practices for the future.

APPENDIX

PERFORMANCE AND METRICS OVERVIEW

Data collection and verification

We gather information from various internal sources, including operational records, employee surveys, and financial reports. Environmental metrics are primarily sourced from our headquarter's operations, while employee and financial figures are collected from all our subsidiaries. Social metrics covering health and safety and remuneration, collective bargaining, and training are only covering HQ operations. All the collected data undergoes thorough verification processes to ensure accuracy and reliability. This involves conducting internal audits and cross-referencing with external benchmarks where relevant.

Environmental Metrics

KPI	UNIT	2024	2023
Energy consumption (scope 1 and 2)*	MWh	13 604	11 575
Energy intensity (scope 1 and 2 / revenue)	MWh/MNOK	4,4	8,1
Total emissions scope 1 and 2**	tCO2e	7 594	5 540
Water consumption	m3	62 677	58 098
Non-hazardous waste to recycle or reuse	kg	1 168 012	1 119 569
Non-hazardous waste for disposal	kg	26 720	74 400
Hazardous waste to recycle or reuse	kg	130 950	118 430
Hazardous waste for disposal***	kg	250 021	777
Total waste	kg	1 575 703	1 313 177
Total waste to recycle or reuse	Per cent	82	94

* Diesel is measured in purchased diesel within reporting year, and not actual use. 1 litre of diesel equals 10,1 kWh.

** Emission factor electricity in 2024 is 599 g/kWh and 502 g/kWh in 2023. Emissions factor for diesel is 2,66 kg CO2 / litre.

*** In 2024, we began reporting waste under the new category "Slag, dust, fly ash, catalysts (blasting sand)," which accounts for about 250 000 kg of hazardous waste. This change has caused our overall recycling and reuse rates to decline from 94 % to 82 %.

Social Metrics

KPI	UNIT	TARGET	2024	2023
Employees	Head count	-	530	425
Female employees	Per cent	40	21	22
Male employees	Per cent	-	79	78
Apprentices	Head count	-	16	8
Temporary contracts	Head count	-	8	4
Permanent contracts	Head count	-	506	413
Turnover rate	Per cent	7	8,5	10,9
Employees in Norway (HQ)	Head count	-	409	299
Employees in China	Head count	-	73	70
Employees in Poland	Head count	-	29	27
Employees in the Netherlands	Head count	-	19	17
Lost time injuries	Total number	-	6	4
LTIR (Lost time injury rate)	Factor	5	7,9	9,7
TRIR (Total recordable incident rate)	Factor	25	11,9	9,7
Sick leave total	Per cent	4	3,5	4,3

Governance Metrics

KPI	UNIT	TARGET	2024	2023
Cases of corruption	Cases	Zero	Zero	Zero
Violations of human rights	Cases	Zero	Zero	Zero

DATA COLLECTION AND METHODOLOGY

B3: Energy and greenhouse gas emissions

The scope of reporting energy usage in Ulstein is limited to HQ, and our supplier provides us with information on the amount of energy used.

When calculating Scope 2 climate impact, it is essential to employ both the location-based and market-based methods. Typically, emissions are derived from actual energy consumption data (measured in kWh) and multiplied by an appropriate emission factor.

In the location-based approach, the emission factor reflects the average emission intensity of the electricity grid from which the power is obtained. For instance, in Norway, one can refer to The Norwegian Water Resources and Energy Directorate (NVE's) climate declaration for physically delivered electricity to determine emissions linked to electricity consumption.

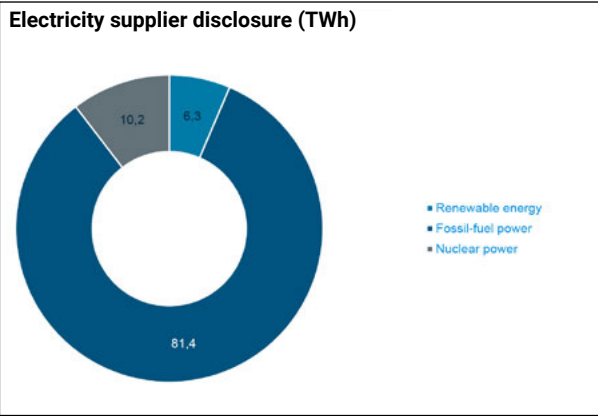
On the other hand, the market-based method considers the energy mix from the electricity market where the power is purchased. This method is adjusted for any acquired guarantees of origin or equivalent certificates.

Ulstein does not purchase guarantees of origin on the electricity used and hereby refers to NVE's annual calculation of the product declaration when estimating our location- and market-based consumption.

The CO2 factor is determined annually, considering the mix of energy sources, and will be released in June 2025. Unfortunately, this release timing is too late for inclusion in Ulstein's ESG report. Therefore, we are utilising the 2023 factor of 599g/kWh for our current report. In our previous report, we relied on the 2022 figures for 2023, where the factor stood at 502g/kWh.

We rely on NVE's 2023 data to assess the blend of renewable and non-renewable energy sources:

- Fossil-fuel power – 83,1 %
- Nuclear power – 10,4 %
- Renewable power – 6,5 %



Source: <https://www.nve.no/energi/energisystem/energibruk/stroemdeklarasjoner/>

The amount of diesel purchased during the reporting period determines the diesel consumption for 2024. Since we lack precise measurements of diesel usage, our calculations rely on the diesel acquired.

In 2024, Ulstein acquired 163 507 litres of diesel. Diesel's energy density, as stated in this report, is 10,1 kWh per litre⁷, which amounts to 1 651 421 kWh.

In Norway, the emission factor for estimating CO2 emissions from diesel is approximately 2,66 kg CO2 per litre⁸. This value

⁷ <https://snl.no/energitetthet>

⁸ <https://www.miljodirektoratet.no/ansvarsomrader/klima/klimagasser-utslippstall-regnskap/utslippsfaktorer-klimagassregnskap/>

assists in determining the total amount of CO2 released based on the diesel purchased.

When estimating our Scope 1 emissions from diesel, we use the following formula

Emissions GHG = Litres of diesel * 2,66 kg/CO2 per litre

When estimating our Scope 2 emissions from electricity, we use the following formula

Emissions GHG = kWh of electricity * 599.00 g/kWh

B6: Water

At HQ, we can keep track of our water usage by utilising sensors placed throughout the facility. This allows us to identify areas with the highest consumption and act as needed.

For reporting purposes, we collaborate with the municipality of Ulsteinvik to gather data on overall usage. This data is more dependable and offers more consistent measurement.

The activities at HQ are by far the biggest source of water consumption, making it essential for us to take control of this area. We will broaden our data collection to include our subsidiaries in upcoming reports and set targets for water consumption.

B7: Resource use, circular economy, and waste management

We work with several waste management suppliers and receive quarterly reports, which we update in our environmental accounting system, which is managed by our Quality Manager.

B8: Workforce – general characteristics

Until recently, each subsidiary handled its employment data. To improve data quality and accessibility, this information is now being consolidated into Ulstein's overall ERP system. The aggregated data encompasses the total number of employees, types of employment, gender metrics, and country of employment across all Ulstein subsidiaries. The estimate for employees during the reporting period is based on the number registered as of the last day of the reporting year. This approach aligns with the standards for other mandatory reporting purposes at Ulstein.

When estimating the turnover, we utilise the formula in the VSME guidelines:

Turnover = (Number of employees who left in the reporting year ÷ Average number of employees in the reporting year) × 100

B9: Workforce – health and safety

At Ulstein, our Head of HSE is responsible for registering and monitoring incidents. When incidents occur, we must implement corrective measures to prevent similar incidents in the future.

Ulstein adheres to the VSME guidelines for health and safety reporting and uses the following formula to calculate the Total Recordable Incident Rate:

Total Recordable Incident Rate (TRIR) = (Number of work-related incidents in the reporting year ÷ Total number of hours worked in the year by all employees) × 1,000,000

This approach is in line with industry standards.

The sick leave figures presented in the report encompass all subsidiaries of the Ulstein Group; however, the Long-Term Incident Rate (LTIR) and Total Recordable Incident Rate (TRIR) apply only to Ulstein Verft.

B10: Workforce – remuneration, collective bargaining, and training

The metrics presented in this section have been compiled from Ulstein's ERP system and the internal policies available to all employees through our Quality in Ulstein (QiU) system.

Our reporting on the gender pay gap and collective bargaining coverage is limited to the Norwegian subsidiaries of the Ulstein Group. We adhere to the VSME guidelines in estimating these figures.

The formula for calculating the gender pay gap is as follows:

Percentage of gender pay gap = $((\text{Average male pay} - \text{Average female pay}) \div \text{Average male pay}) \times 100$.

The formula for calculating the percentage of employees covered by collective bargaining agreements is:

Percentage of employees covered = $(\text{Number of employees covered by collective bargaining agreements} \div \text{Total number of employees}) \times 100$.

B11: Convictions and fines for corruption and bribery

Ulstein Group has implemented ethical guidelines to comply with the Transparency Act, formally adopted by the board. We conduct risk mapping and assessments with elected representatives and safety delegates. Compliance responsibilities are clearly defined, with annual reporting to the board. The purchasing department oversees due diligence, while the communications and legal departments handle information requests and annual reporting.

We utilise self-assessments, internal audits, and third-party audits to evaluate our operations. Our largest subsidiary, Ulstein Verft AS, is certified under ISO-9001 and ISO-14001. We use Prewave's digital risk assessment system (www.prewave.com) for supply chain mapping, combining supplier questionnaires with publicly available data. We reference various indexes, including the WJP Rule of Law Index® (<https://worldjusticeproject.org/rule-of-law-index/country/2023/>) and the ITUC Global Rights Index (<https://www.ituc-csi.org/global-rights-index>).

Our information-gathering efforts focus on potential negative impacts on human rights and working conditions over the past two years. Suppliers are evaluated on factors like management systems, cyber risk, and labour conflicts, resulting in a risk score from 0 to 100—scores below 65 indicate high risk. We assess our influence based on purchasing volume relative to supplier turnover, guiding supplier selection and risk mitigation.

Our due diligence aims to identify high-risk business areas in the supply chain, adhering to OECD standards and focusing on significant human rights issues, including child labour, discrimination, and overall health and safety conditions.





DESIGN & SOLUTIONS

ULSTEIN DESIGN & SOLUTIONS AS

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