

Corporate Social Responsibility (CSR) report 2016

Introduction

Our HSEQ Management Policy and our Code of Conduct constitute the fundamental steering principles in Fred. Olsen Ocean (FOO). Supplementary to these principles are the common FOO Quality Management System and the Safety Management Systems for the vessels.

In order to prove that we are performing our work in a structured and consistent manner, our companies and vessels are certified in accordance with the following standards:

- ISO 9001 Quality management
- ISO 14001 Environmental management
- OHSAS 18001 Occupational health
- ISM Code Document of Compliance
- Achilles

Working environment

FOO has a strong focus on health, safety and environment (HSE) for its employees, subcontractors and customers, embedded in our zero accident objective.



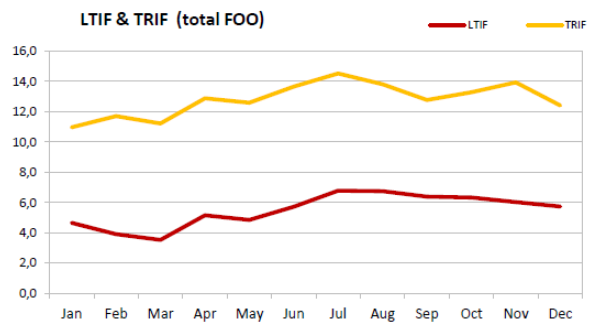
'Think first – Act safely' is our motto. Every effort is made to ensure the safety of our personnel and protection of the environment and material. Our HSEQ policy states a zero incident goal - we believe that all accidents can be prevented.

Through risk awareness and well implemented risk management systems we establish and maintain consistent work procedures and processes. We have based our approach on the ISO 31000 Risk Management standard. All hazardous activities are subject to risk assessments.

All incidents and near misses, regardless of severity, are reported and logged in our SharePoint database system. Actions are taken to prevent similar incidents from happening again. Safety Bulletins are issued to the organisation in order to share learnings from unwanted events.

The Lost Time Incident Frequency for FOO's offshore and onshore related services was 5.7 by end of 2016. In 2015 the figure was 5.0.

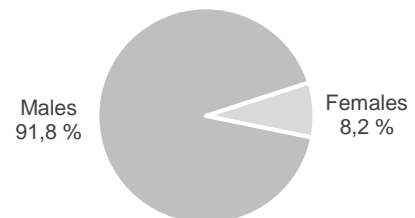
The Total Recordable Incident Frequency was 12.4 by end of 2016. In 2015 the figure was 11.1.



Equality

Our aim is to offer challenging and motivating jobs to all personnel regardless of gender, age, ethnic origin, disability, sexual orientation or religion. People from all around the world work in the FOO companies and the variety contribute to a dynamic work place.

Distribution male/female employees by end of 2016:



For the FOO offices (excluding GWS and vessel crews), the female rate was 27.1% by end of 2016.

Discrimination

Our code of conduct states firmly that we do not accept any form of discrimination on the basis of gender, age, ethnic origin, disability, sexual orientation, religion, political opinion or otherwise.

We communicate and train employees to awareness and knowledge of the company's commitment to high ethical standards.

We also require our subcontractors to have the same high ethical standard as we have. This is part of our evaluation criteria prior to sub-contractor approval

Environment

The fundamental idea behind Fred. Olsen Ocean is to contribute to sustainability through efficient installation and maintenance of wind turbines offshore and onshore.



We do this through several initiatives:

- Fred. Olsen Windcarrier, operating two jack-up installation ships and seven crew transfer vessels
- Universal Foundation, designing and installing mono bucket foundations
- Global Wind Service having more than 600 service technicians onshore and offshore

Fred. Olsen related companies now employ more than 1 400 persons working within the renewable energy field.

Whenever possible, we strive towards minimizing the environmental impact. The vessels have been designed to reduce fuel consumption which is recorded, enabling comparison between vessels in order to identify means to reduce the consumption.

Our installation vessels have been voluntarily designed and built in accordance with the requirements for 'DNVGL Clean Design'.

Material and equipment have been selected to limit the emissions of harmful pollutants, to limit the probability and potential consequences of accidents, and to comply with future environmental regulations. The vessels also hold the International Maritime Organisation's (IMO) 'Green Passport'.

All our vessels comply with international environmental laws and regulations.

Corporate Social Responsibilities (CSR)

FOO participates actively in the Fred. Olsen Social Engagement Group (FOSEG).

Its aim is to enable Fred. Olsen related companies and their employees to make a positive contribution to society beyond their commercial activities. We believe that personal engagement between people creates a win-win situation that benefits all parties and promotes a stronger society. FOSEG's task is to search and evaluate potential projects and to follow up the support. The Group consists of employees from various Fred. Olsen companies, FOO included.

 The Fred. Olsen Social Engagement Group
- acting on behalf of Bonheur ASA

The Fred. Olsen Ocean companies follow recognised human rights acts. We pay our personnel fair wages and do not employ children. We offer all our personnel insurance packages.

On board our vessels we have welfare committees and safety committees ensuring that our personnel have the opportunity to contribute to and influence their work environment and wellbeing. All our employees have the right to form or join trade unions.

The Fred. Olsen related companies encourage a healthy living by arranging and supporting sports activities and by serving healthy food in our canteens. We follow flag state's rest hour regulations for the marine crews.

It is strictly forbidden, when working in a Fred. Olsen related company to accept bribes or to use a position of trust in order to gain an undue advantage.

Global Wind Service has implemented a 'Money for report' program, for each report (hazard observation) money is donated to a charity organisation. Global Wind Service has signed new contracts with their technicians in order to ensure a common way of calculating salary regardless of which country they are employed.