



Sustainable Development Report ²⁰²³

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Message from our CEO

The year 2023 brought both challenges and opportunities to our business. Cross-border tensions, disrupted supply chains, and persistent economic pressures from inflation and high interest rates have all tested the resilience of the renewable energy sector. Despite these obstacles, the urgency of transitioning to renewable energy remains paramount. At Swire Renewable Energy, we are more committed than ever to supporting this transition, enhancing our global presence through strategic acquisitions in Africa, Asia Pacific, and Northern Europe.

This year, we conducted a thorough double materiality assessment, identifying key Environmental, Social, and Governance (ESG) areas that are crucial to our people and the planet. This has sharpened our focus on sustainability, ensuring we address the most critical impacts.

The health and safety of our workforce remains our top priority. I am proud to report that alongside a 13-fold increase in safety observations, we had zero lost time incidents in 2023, and our Total Recordable Injury Rate dropped to 1.4 injuries per million manhours, down from a high of 20.3 injuries per million manhours in 2022. This progress demonstrates our commitment to continual improvement and dedication to maintaining a strong safety culture.

We are committed to the United Nations Sustainable Development Goals and the UNFCCC Paris Agreement's aim of limiting global warming to 1.5°C. Aligned with John Swire & Sons, we strive to reach Net Zero carbon emissions by 2050 or sooner.

Reflecting on our progress in 2023, I extend my sincere gratitude to our dedicated workforce. On behalf of our shareholder John Swire & Sons, the Board, and the Swire Renewable Energy Executive Committee, thank you for your unwavering support. While challenges remain, we are determined to continue our sustainability journey with resolve and dedication.



Ryan Smith
Chief Executive Officer, Swire Renewable Energy



This Sustainable Development Report

Swire Renewable Energy Holding A/S¹, referred to as Swire Renewable Energy (SRE), presents its annual Sustainable Development Report for the 2023 calendar year.

This report reflects our commitment to transparency, social responsibility, and environmental stewardship, ensuring comprehensive disclosure of our sustainability performance and progress. For the first time, we are encouraged to implement the EU Corporate Sustainability Reporting Directive (CSRD) and its reporting standards (ESRS).

As SRE's preparation for the CSRD, this report aims to lean against the key environmental, social, and governance (ESG) disclosure requirements in ESRS. All data points in these categories undergo rigorous materiality assessment as per our Double Materiality Assessment (p. 10), ensuring relevance in reporting.

Greenhouse Gas (GHG) emissions are reported in accordance with the Greenhouse Gas Protocol and supplemented by recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD). Additionally, we plan to undergo evaluation and disclosure of environmental impacts through an external provider in 2024.

In November 2023, SRE acquired WPS Sweden (WPS), followed by the acquisitions of Altitec Blade Services (Altitec) and Obelisk Energy Services in early 2024. While ESG data from these entities is not fully integrated into our reporting framework until robust processes are established, climate and health & safety data for WPS and Altitec are reported separately with estimates for 2023. Data regarding People has been fully integrated for WPS only.

For data points where ESG data is unavailable or challenging to access, such as scope 3 emissions and indirect sources, SRE has employed estimates. These estimates are continuously reassessed based on experience, judgment, and evolving ESG reporting developments. It is clearly indicated where such quantitative measures are restated.

Building upon previous Sustainable Development Reports, SRE maintains continuity in reporting on ESG performance indicators above the materiality thresholds, including comparative figures. However, changes in terminology may be reflected with Climate under E1 Climate Change, People and Health & Safety under S1 on Own Workforce, and Business Ethics & Anti-Corruption under G1 on Governance.

Swire Renewable Energy will ensure full implementation of the CSRD and EU Taxonomy in the Sustainability Statement in 2025.

Swire Renewable Energy's reporting timeline



¹ This report covers activities for both the Holding company and its subsidiaries, and it represents a continuation of the statutory statement cf. section 99a of the Danish Financial Statement Act on social and environmental responsibility.

Our Approach to Sustainability

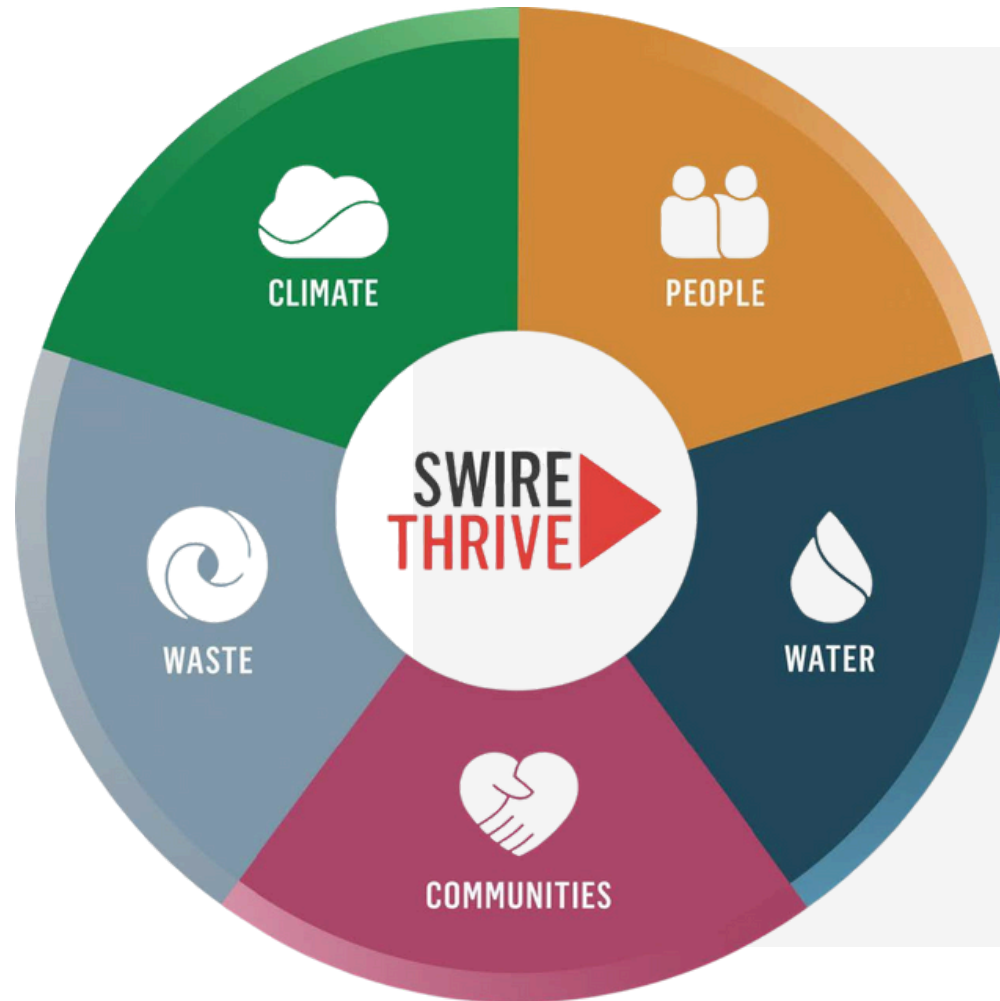
We recognise that in order to mitigate damaging environmental impact, the world needs to act swiftly and decisively.

Sustainability Strategy

John Swire & Sons' (JS&S) overarching sustainability strategy, SwireTHRIVE 2.0, identifies key areas for improvement in addressing main challenges of sustainability.

While people are our most important assets, acting on climate change is our biggest contribution to society. Aligned with JS&S, we have committed to strategically decarbonise our own operations and value chain and reach Net Zero carbon emissions by 2050 or sooner.

SRE is dedicated to establishing a baseline standard for sustainable development across all operations, fostering long-term economic, social, and environmental value. Our commitment to sustainable development is deeply rooted in our core values, guiding every aspect of everything we do.



- **People**
 Foster a company culture that is accessible, inclusive, and safe.
- **Water**
 Use and manage water responsibly.
- **Communities**
 Position our community initiative as part of our core business value.
- **Waste**
 Turn today's waste into tomorrow's resource.
- **Climate**
 Decarbonise our business and build climate resilience.



Sustainability Policy and ESG Policy Framework

SRE has a duty to manage all aspects of its activities responsibly, following internal standards, best practices, and local and regional obligations.

In addition to SwireTHRIVE, we are implementing a Sustainability Policy and supporting ESG Policy Framework relevant to our value chain and external stakeholders, including regulators, customers, and partners.

The ESG Policy Framework was updated in 2022 to align with best practices and ensure relevance to stakeholders. Each relevant ESG policy is described in the sections related to material sustainability matters.

UN Sustainable Development Goals

SRE’s overall approach to sustainability is committing to create a positive impact with our customers and value chain, and conducting our business in a way that contributes to the United Nations’ Sustainable Development Goals (SDGs).

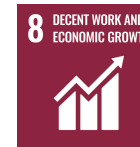
Although we recognise the importance of all 17 interconnected SDGs, we believe that through achieving five key goals, we can make our most significant contributions.

The SDGs have been reassessed and revised in 2023 as part of becoming an independent standalone entity and to better align our commitments to our business activities and the industry in which we operate (see more on p. 34).

Our Commitments



Affordable and clean energy: Ensure access to affordable, reliable, sustainable, and modern energy for all with our commitment to the renewable energy transition.



Decent work and economic growth: Promote inclusive, and sustainable economic growth, full and productive employment, and decent work for all with our commitment to expand our business and create equal job opportunities, promote secure and safe working environments, and respect human and labour rights.



Responsible consumption and production: Ensure sustainable consumption and promote a circular economy with our commitment to sustainable procurement and waste management practices, transparent reporting, and by prolonging the lifetime of renewable energy assets.



Climate action: Take urgent action to combat climate change and its impacts with our commitment to the Paris Agreement and a net zero world.



Partnerships for the goals: Strengthen the means of implementation and revitalise the global partnership for sustainable development with our commitment to collaboration and engagement with our stakeholders.

Business Model and Value Creation

SRE creates value by enabling the renewable energy transition and decarbonising the energy sector with renewable asset management services, manning and project solutions, full-scope service of renewable assets, and life-long service of the renewable assets.

Inputs

- 3,351 tonnes CO2e
- +625,000 working hours and an average of 424 fulltime employees across our service areas
- 20+ years of onshore and offshore wind experience
- High flexibility
- Long-term strategy and financial strength

Turbine Services & Maintenance

Minimise required maintenance, extend the life of renewable assets, and reduce the level of unplanned downtime.

Pre-assembly & installation

Bring our teams' specialist expertise to support and manage the pre-assembly and installation of onshore and offshore wind turbines.

Marine & Support Services

Full range of marine support services for offshore turbine installation and major component exchange.

Blade Services

Align technology with blade expertise to ensure integrity across the lifetime of an asset with end-to-end service.

Electrical Services

Maximise performance of the turbine electrical components, minimise risk, and reduce the level of unplanned downtime.

HV Commissioning

Take full responsibility for the grid connection and commissioning of individual wind turbines and wind farms.

Outputs

- Revenue Intensity = 70.5
- 218 wind farms serviced on a global scale, with our largest markets being Europe (41%) and UK (31%), then APAC (21%), and then Nordics (7%)
- Leading provider of manning and project solutions
- Total recordable injury rate frequency of 1.4% and lost time injuries of 0

Upstream

- Procured products, equipment, and services
- Business travel
- Freight of equipment

Own Operations

- Company vehicles
- SRE workplaces
- Our people & human capital
- Technological development
- Supplier management

Downstream

- Maintaining a renewable future
- Delivery of energy contracts and service agreements on time, safely, and on budget

Sustainability Governance

Swire Renewable Energy recognises that strong internal sustainability governance and performance can create long-term stakeholder value.

Sustainability Across the Organisation

SRE’s Board of Directors, supported by our group sustainability function, has the overall responsibility for setting and monitoring progress against our sustainability strategy. Additionally, our parent company JS&S, through its Sustainable Development Office (SDO), ensures that our approach aligns with the wider group by sharing best practices and monitoring our progress against their ESG policy framework and the SwireTHRIVE strategy.

The JS&S ESG policy framework establishes minimum performance standards for sustainability. In agreement with the SDO, we adapt these standards to ensure compliance with local laws and to fit with our specific material risks. We follow a strong governance framework to make these adaptations. Our goal is to fully comply with the JS&S ESG policy framework by the end of 2024.

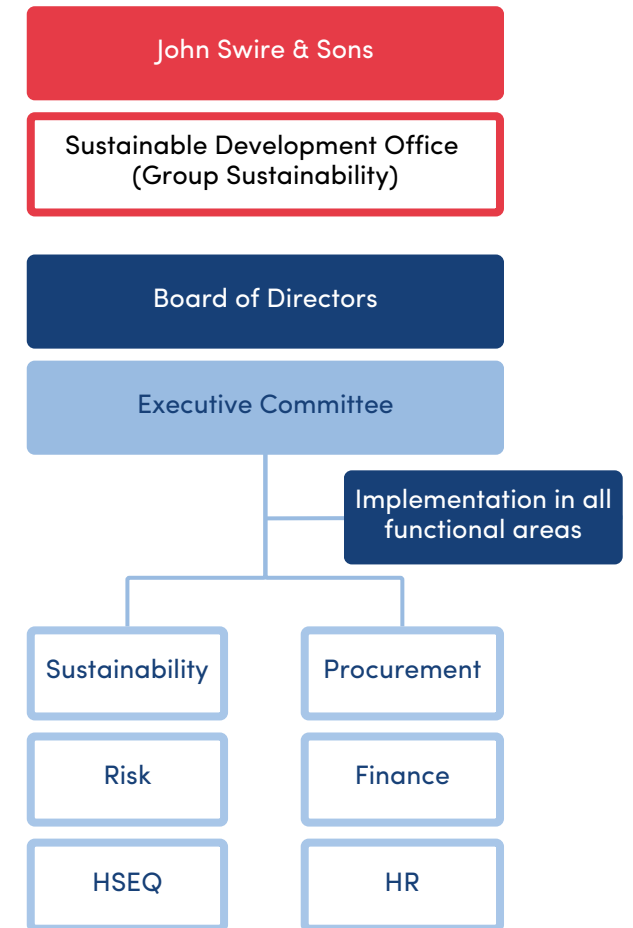
Incorporating SRE’s core values, the Code of Ethics is also part of our governance framework. This is managed by executive oversight and audits, and is supported by our whistleblower scheme (p. 32).

In 2023, SRE established a dedicated sustainability function. Reporting to Executive Management, this function collaborates with all parts of the business to support the execution of our sustainability strategy, measure and report performance.

Our HSE, Sustainability, & Risk Director, who is part of both the Executive Committee and the Enterprise Risk Committee, addresses corporate sustainability and oversees key risks and opportunities, especially those related to climate change.

Currently, there is no compensation or remuneration linked to ESG performance or targets. If deemed necessary, this may be introduced as the strategy matures. However, in 2024, we will introduce an Internal Carbon Price (ICP) to encourage the business to adopt less carbon-intensive operational methods and investments.

Our Sustainability Governance



Double Materiality Assessment & Significant Stakeholders

Our Double Materiality Assessment (DMA) maps key ESG impacts, risks, and opportunities, and identifies the key areas of sustainability most relevant to our business and stakeholders.

Our Approach

To align with CSRD reporting, SRE has conducted a DMA incorporating the new requirements, allowing us to better prioritise the growing number of sustainability issues and allocate resources effectively.

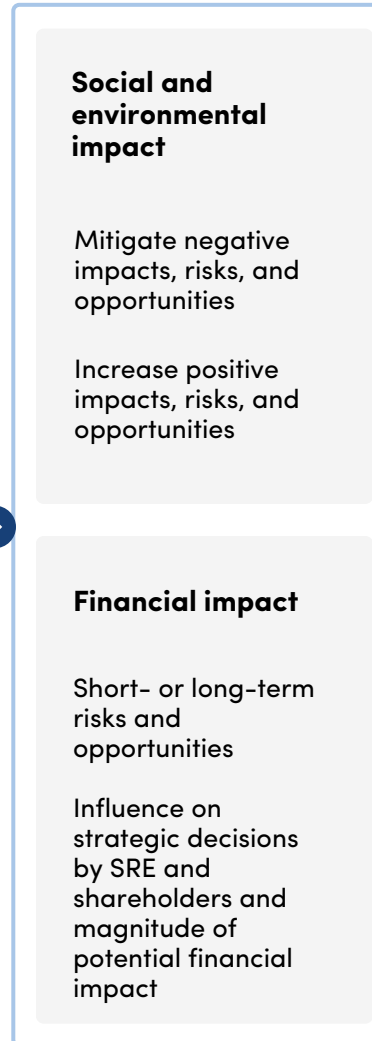
The DMA combined an inside-out approach to assess our impacts on the environment and society, and an outside-in approach of the sustainability-related risks we are exposed to as a business. The assessment process applied social, environmental, and financial criteria and included four phases.

Firstly, we identified inputs from selected groups of key stakeholders and emerging sustainability trends. Secondly, we determined the materiality of these inputs based on social and environmental impact, and financial impact, respectively. Thirdly, material issues were validated by executive management. Finally, these issues were ranked in the materiality matrix and categorised from not relevant to crucial.

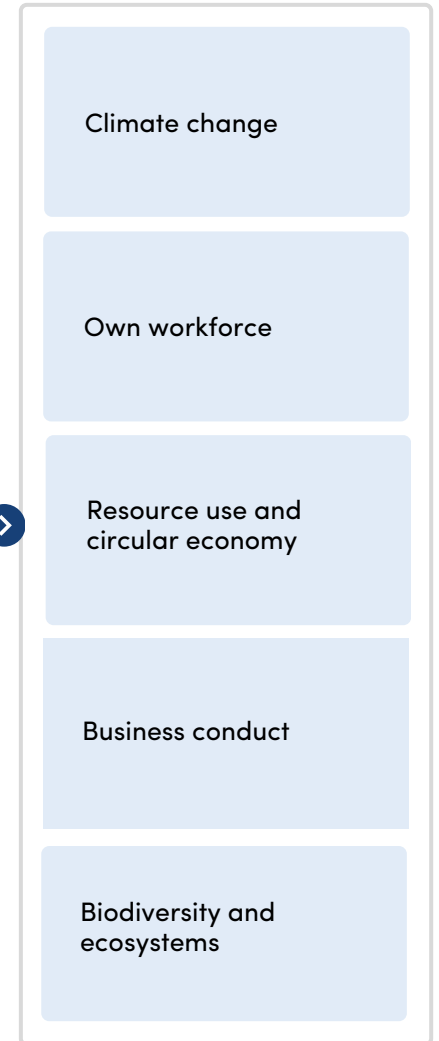
Inputs



Criteria



Outcomes



Outcome

The outcome is aggregated per ESRS topics in the DMA and shows that our workforce (S1), climate change (E1), and business conduct (G1) are our most material sustainability matters.

People are our most valued asset, and together with climate change, these are identified as the most crucial areas from both an impact and financial aspect. We additionally focus our efforts on business conduct, resource use and circular economy, and biodiversity and ecosystems.

This outcome confirms that crucial areas are embedded in our approach to sustainability. It additionally helps guide our future endeavours based on areas where we can make a substantial impact, while also identifying potential risks or opportunities.

Each material area is reported according to CSRD standards and disclosure requirements, and can be found in the related sections.

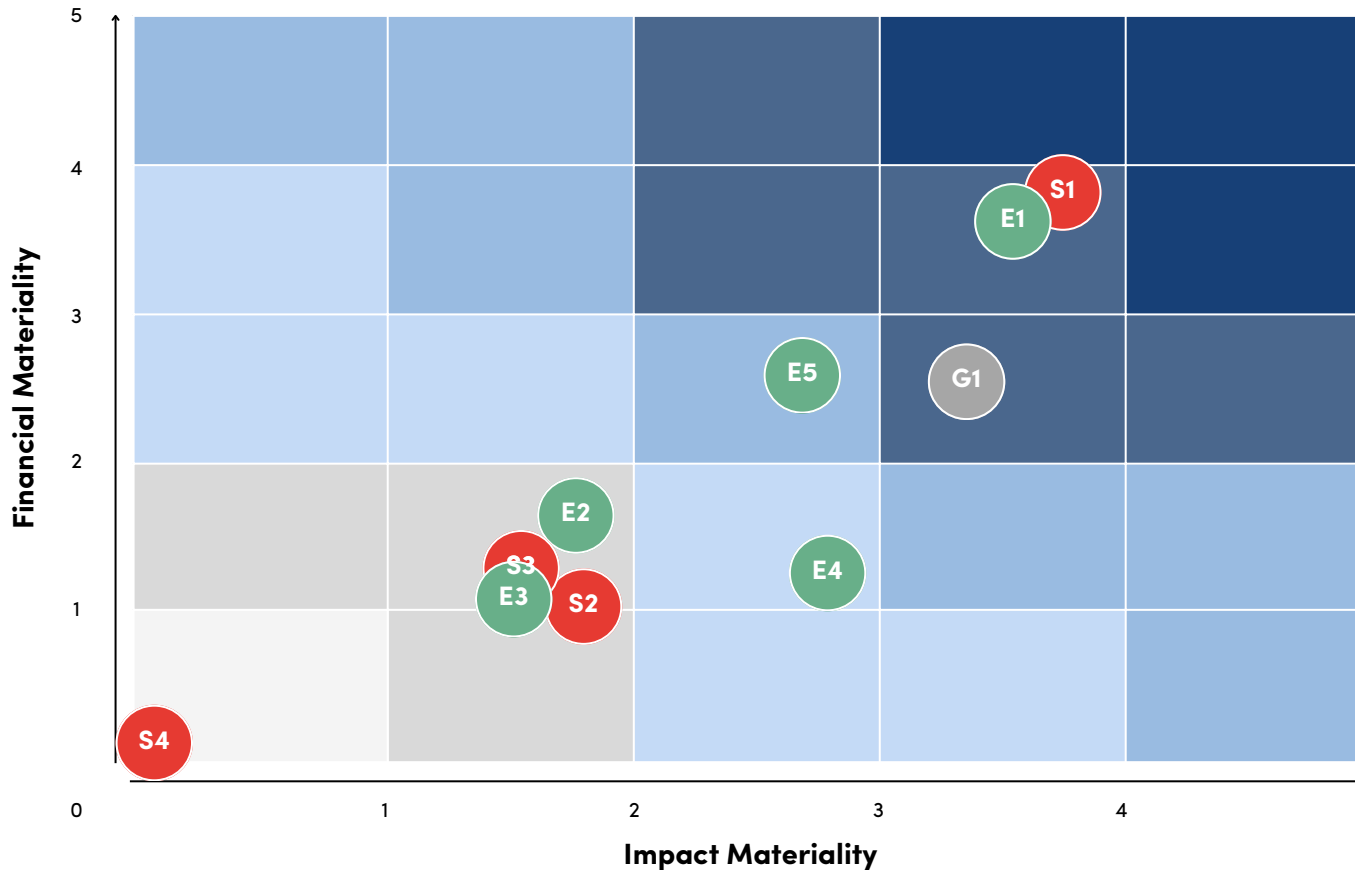
Limitations

For this first double materiality assessment, SRE decided to limit the number of stakeholders involved.

In 2024, we will include a more detailed description of our DMA, process, and methodology, and adopt a more structured approach to assess stakeholder interests and their valuable inputs. Additionally, enhanced collaboration between the Sustainability and Finance functions will strengthen our approach to the financial impact assessment.

We acknowledge limitations to our current approach while remaining convinced that the results accurately reflect our ESG materiality and provide the necessary steps to prepare for the CSRD.

Materiality Matrix



Material areas

- E1. Climate Change
- E4. Biodiversity and ecosystems
- E5. Resource use and circular economy
- S1. Own workforce
- G1. Business conduct

Non-material areas

- E2. Pollution
- E3. Water and marine resources
- S2. Workers in the value chain
- S3. Affected communities
- S4. Consumers and end-users

With a reference to the current European Sustainability Reporting Guidelines 1 from the European Financial Reporting Advisory Group (EFRAG), topics have been scored on a scale from 0 to 5.

0: Not relevant, **1:** Of little importance, **2:** Somewhat important, **3:** Important, **4:** Very important, **5:** Crucial.

Environment

- ▶ Climate Change
- ▶ Biodiversity and Ecosystems
- ▶ Resource Use and Circular Economy

Swire Renewable Energy is committed to achieving Net Zero carbon emissions by 2050 or sooner by continuously assessing greenhouse gas emissions and defining our organisational boundaries to identify material emissions.

Climate Change

Decarbonisation strategy

Reducing our climate impact, decarbonising our business, and building climate resilience is a top priority at SRE. It is anchored in our approach to sustainability and a key area of our sustainability strategy and targets. Our ESG policies additionally drive decarbonisation across our business activities.

We support the Paris Agreement and commit to limiting global warming to 1.5°C. We need to continuously drive down our carbon footprint and aim to reach Net Zero carbon emissions by 2050 or sooner. These targets are catalysts behind our efforts to strategically decarbonise our own operations and value chain.

We are on track with reducing scope 1 and 2 emissions and will continue our efforts to increase energy efficiency in our operations in alignment with our Energy Efficiency Policy.

Fuel consumption for company vehicles makes up the majority of our Scope 1 emissions as technicians commuting to and from client sites accounts for a large part of our ground transportation.

With the extensive geographical reach of our services, a move towards a fully electrical vehicle fleet presents significant challenges. However, we remain committed to reducing our reliance on fossil fuels as we explore potential solutions that that maintain service delivery and foster business growth.

Our offices were running on 96.4% renewable energy by the end of 2023, and we expect to reach a target of 100% green electricity by 2025 or sooner, including newly acquired companies.

We are additionally addressing Scope 3 emissions, particularly business air travel, which remains a main contributor to our overall emissions. We continue our commitment in limiting air travel to activities that are directly related to revenue generation and other essential trips, and we aim to select more sustainable airlines based on carbon offsetting schemes and sustainability ratings.

The increased air travel is primarily linked to our growing business in the APAC, particularly Taiwan, where we mobilised a large number of technicians from Europe and the UK. However, in 2023, we recruited locally in Taiwan to address the issue, and we plan to further expand the workforce in 2024.

Our commitments are also supported by our regionalisation structure and local sourcing of personnel and materials. Adapting to local content where feasible will decrease transport emissions, such as freight of materials, and minimise business travel.

In 2023, we used separate carbon offsetting schemes from Cathay Pacific's Fly Greener Programme, certified under the Gold Standard, to offset our business air travel in alignment with our Carbon Offsetting Policy.



Climate Change Impacts, Risks and Opportunities

Positive Impacts:

Installation, maintenance, and repair of renewable energy assets

Negative Impacts:

Greenhouse gas emissions from business activities

Risks:

Transition climate risks

Physical chronic and acute climate risks

Climate scenario analysis

We recognise the need to evaluate climate-related risks and opportunities based on the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. By proactively assessing our physical and transition risks and opportunities and incorporating necessary mitigation into our business strategy, we aim to reduce uncertainties and our exposure to climate change.

In 2023, SRE held its first Climate Risk Assessment (CRA) workshop to discuss different climate scenarios and the characteristics of low-carbon and high-carbon scenarios. The CRA evaluated climate risks alongside normal risk management practices, considering the vulnerability level combined with financial, legal, regulatory, and strategic impacts.

As a result, it provided an overall rating of each scenario, including short-, medium-, and long-term horizons. Six items were identified as posing the most material risks and opportunities to SRE.

By refining our approach and staying informed about the latest climate science and market trends, we aim to maintain resilience and drive progress towards a sustainable, low-carbon future.

Transition risks and opportunities

Transition market risks

Costs to transition to lower emissions technology, such as decarbonising our transport fleet

Shifts in consumer and customer preferences and increased competition within renewables

Transition market opportunities

Access to new and emerging markets in more areas of renewable energy

Shifts in consumer and customer preferences, including market expansion with the growing markets of renewables

Physical risks and opportunities

Acute and chronic risks

Impact to site personnel on operating locations due to extreme weather developments

Acute and chronic opportunities

Shifts in consumer and customer preferences due to increasingly intense climate hazards

Actions

In 2024, we will continue our efforts to reduce Scope 1 and 2 emissions, incorporating an internal carbon price from JS&S to drive positive change.

In addition to carbon offsetting of our business air travel, we implemented our new business travel policy, focusing on greener alternatives and aiming to significantly reduce emissions through initiatives such as regionalisation, local recruitment, and greener alternatives to air travel where possible.

To align with our strategy, we commenced a regionalisation structure and expanded to the Nordics via local presence in Sweden. In 2024, we will further expand our global presence with the acquisition of companies that support our regional model.

SRE remains committed to improve data capturing, also in cooperation with suppliers, aiming for a common standard to measure life cycle carbon footprint with the use of updated methodologies and technology, increase transparency, and track GHG emissions. Such improvements are already demonstrated in this report.

We aim at further developing hard targets for Scope 1 and 2 emissions reductions, prioritising green fuels. This includes electrifying our vehicle fleet, starting with company cars provided to office staff which we expected to be fully electric in 2024, having electricity 100% sourced or covered by renewable energy or renewable energy certificates, and remove natural gas use where feasible.

We plan to develop and adopt these targets with validation from the Science Based Target Initiative and NetZero Standard to secure science-aligned climate actions that meet the Paris Agreement. This also includes transparent climate reporting to an external provider.

As we expand our marine services, we expect that a transition to greener offshore vessels will eventually become possible, however, this will be reliant on on technology advancements and infrastructure availability.

Additionally, accessing the JS&S Sustainable Development Fund will further support our commitment and actions to sustainable development.



Energy Consumption

Data Point	Unit	2023	2022	Delta	Acquired companies
Direct energy consumption (GHG, scope 1)	MWh	2,178	5,417	(59.8%)	1,562
Energy sources used for thermal heat and power generation					
Natural gas	MWh	148.8	218.9	(32%)	19.6
Energy sources used for mobile combustion					
Company vehicles, Diesel	MWh	1,219	1,070	13.9%	1,522
Company vehicles, Gasoline	MWh	46.4	44.2	5.1%	16
Company vehicles, Gas (LPG)	MWh	0	0	-	3.84
Support vessels, Diesel	MWh	736.9	4,088	(81.3%)	0
Indirect energy consumption (GHG, scope 2)	MWh	109.8	64.2	70.9%	28.1
Power sourced for own consumption					
Renewable electricity	MWh	87	-	-	23.5
	%	96.4%	-	-	81%
Carbon electricity	MWh	10.5	-	-	4.59
	%	3.6%	-	-	19%
Heat sourced for own consumption	MWh	12.3	12.5	(1.6%)	0
Total direct and indirect energy consumption	MWh	2,288	5,481	(58.3%)	1,590
Electrical vehicles in the company vehicle fleet	%	8.33%	0%	-	-



Total direct energy consumption decreased by 59.8% in 2023 compared to 2022, driven by reductions in natural gas usage and fuel for mobile combustion. Diesel consumption for support vessels decreased by 81.3% due to a decrease in marine services, affecting both SRE chartered vessels and fuel purchases. Additionally, some data on diesel consumption was reclassified from scope 1 to scope 3 emissions.

Total indirect energy consumption increased by 70.9% in 2023 compared to 2022, primarily due to increased power usage at new office locations integrated into SRE. Despite the increase, 96.4% of this power consumption comes from renewable sources.

Greenhouse gas emissions and intensity – Scope 1, 2, and 3

Data Point	Unit	2023	2022 ¹	Delta	Acquired companies
Direct GHG emissions (scope 1)	Tonnes CO2e	534.2	1,378	(61.2%)	363.2
Stationery combustion	Tonnes CO2e	30.4	44.7	(32%)	3.52
Mobile combustion	Tonnes CO2e	503.9	1,333	(62.2%)	359.7
Indirect GHG emissions (scope 2)					
Location-based ⁴	Tonnes CO2e	6.12	5.21	17.4%	12.89
Market-based ⁵	Tonnes CO2e	2.2			1.65
Indirect GHG emissions (scope 3)²	Tonnes CO2e	2,813	1,466	91.9%	242
Product emissions (C1, C2)	Tonnes CO2e	115.1	122.1	(5.7%)	33.8
Transport emissions (C4, C6, C7) ³	Tonnes CO2e	2,698	1,343	100.8%	208.2
Service emissions (C5)	Tonnes CO2e	0.15	0.07	107%	-
Process emissions (C8)	Tonnes CO2e	0.29	0.21	40.8%	0.08
Total GHG emissions (scope 1, 2, and 3)					
Location-based ⁴	Tonnes CO2e	3,354	2,854	17.5%	618.1
Market-based ⁵	Tonnes CO2e	3,350			606.9
GHG intensity (scope 1 and 2), revenue (GBP)	Tonnes CO2e/£1M revenue	11.3	35.2	(67.9%)	-
GHG intensity (scope 1, 2, and 3), revenue (GBP)	Tonnes CO2e/£1M revenue	70.5	72.3	(2.5%)	-

¹ The 2022 data is revised to include estimates for additional data sources as those included in 2023, primarily product emissions and transport emissions. This follows the improvements in data capturing.

² Our emissions by source categories for scope 3 is additionally based on the 15 different scope 3 subcategories of the GHG Protocol (C1-C15). The subcategories C3 and C9-C15 are not relevant for SRE.

³ The total amount spent on carbon offsets was GBP 7,004 in 2023.

⁴ Total GHG emissions including scope 2 GHG emissions measured using the location-based method, cf. the GHG Protocol. Estimated for 2022.

⁵ Total GHG emissions including scope 2 GHG emissions measured using the market-based method, cf. the GHG Protocol. No use of renewable energy certificates, purchase agreements or similar in 2022.

Greenhouse gas emissions and intensity – Scope 1, 2, and 3 (ctd)

Scope 1 GHG emissions decreased by 61.2% in 2023 compared to 2022, driven by major decreases in both stationary combustion and mobile combustion. On the other hand, applying the location-based method, the scope 2 GHG emissions shows an increase from 2022 to 2023 by 17.5%, driven by the increased electricity consumption, cf. Energy Consumption.

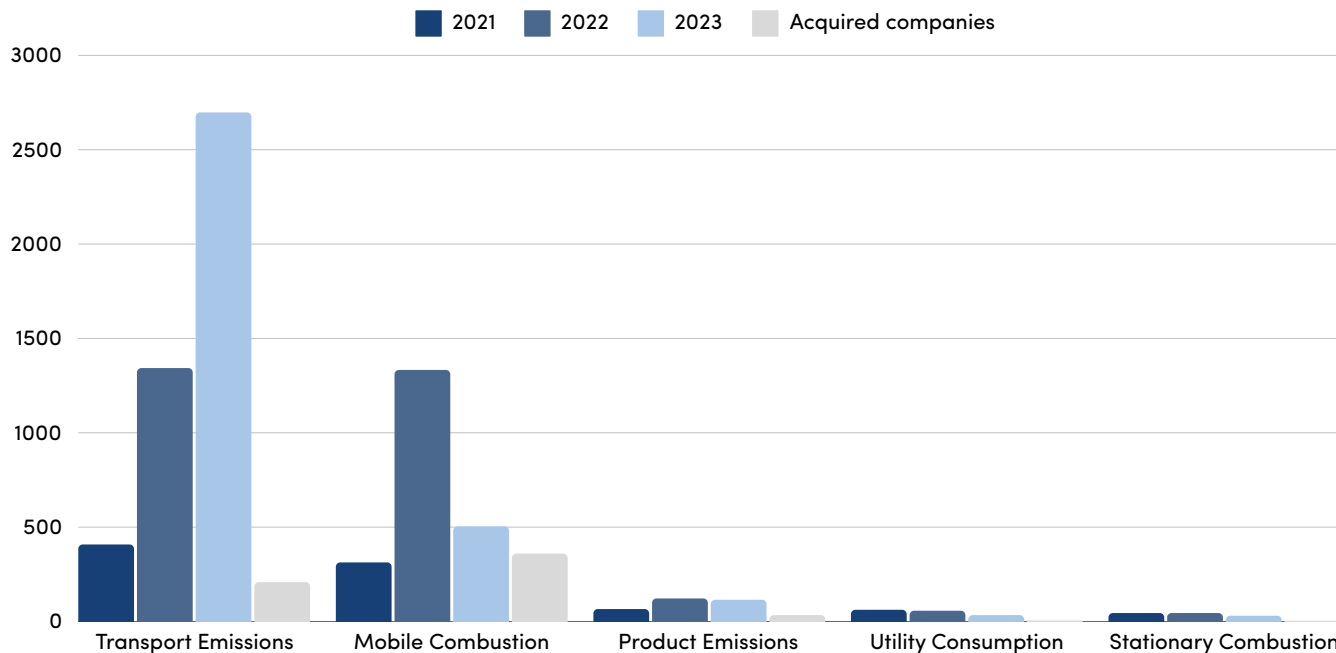
The total scope 3 GHG emissions increased by 91.9% from 2022 to 2023. The main driver was the 100.8% increase in transport emissions was primarily due to the overall increase in business activities and internationalised growth, and the decision to include fuel as part of vessel charters rather than direct purchase.

The GHG intensity for scope 1 and 2 decreased by 67.9% from 2022 to 2023, again due to the change in vessel fuel purchase.

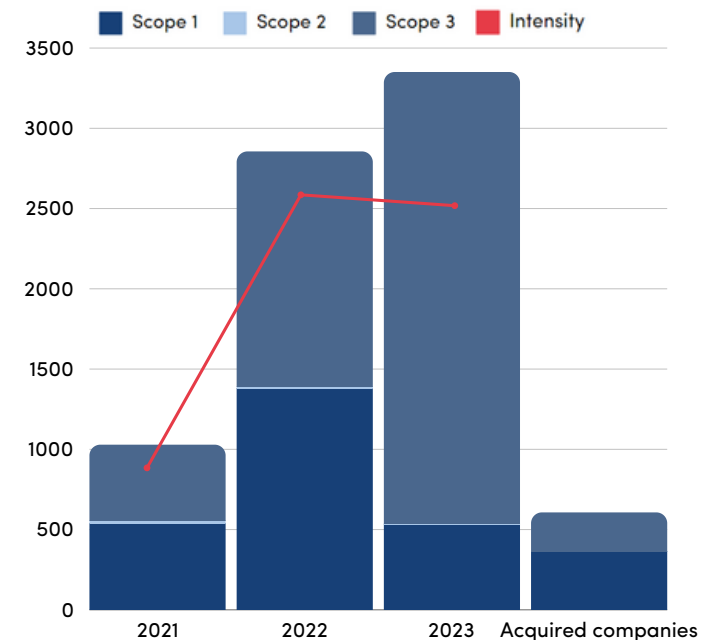
Although, our combine absolute GHG emissions across scope 1, 2, and 3 increased, our emissions intensity (tonneCO₂e / £M revenue) decreased by 2.5%. This positive performance shows that we can grow the business while creating less pollution per unit of revenue.

With our ongoing initiatives we expect to continually decrease our GHG emissions intensity, however, this may be challenging in 2024 as we integrate the recent acquisitions into the business.

Emissions by source



Absolute and intensity performance



Biodiversity and ecosystems

Our approach and policies

Swire Renewable Energy acknowledges the critical role of biodiversity in sustainable development and ecosystem resilience. To support this, our integrated biodiversity policy addresses our operations' direct impact on biodiversity and ecosystems. The aim is to minimise potential adverse impacts, protect biodiversity under our influence, and promote stewardship of natural resources.

We believe in leaving nature in a better state than we found it, leveraging renewable energy assets to positively impact biodiversity. While SRE is not solely responsible for these assets, we support the direct actions of our stakeholders and act where we can.

We adopt a holistic approach to sustainability and acknowledge the threat of climate change to biodiversity and how it is interconnected with life on land and life below water. We believe that our primary contribution is in our efforts to combat climate change and prioritise resource circularity, supporting ecosystem-wide projects by stakeholders and through our actions.

Biodiversity and Ecosystems Impacts, Risks and Opportunities

Positive Impacts:

Support biodiversity restoration and preservation, research, and innovative initiatives

Negative Impacts:

Disturbances to habitats via our services on operating sites

Actions - transition plan

While not identified as a crucial material issue, we recognise the impact of renewable energy assets on ecosystem protection and habitat restoration. We aim to strengthen our biodiversity policy and integrate these principles into operational activities to avoid, minimise, and mitigate impacts.

We support our stakeholders' efforts in achieving net-positive biodiversity impact through collaboration and partnerships, prioritising actions within the context of climate change. We plan to participate in industry-specific working groups related to biodiversity and conservation, and we want to support relevant projects facilitated by our carbon offset programmes.

In due course, with the development of standardised and appropriate measurement and reporting frameworks, we aim to establish specific, transparent, and recognised metrics guided by frameworks such as the EU's biodiversity strategy for 2030, TNFD, and national requirements.

Biodiversity assessments will be conducted where relevant to our operations.



Resource use and circular economy



Our approach and policies

SRE strongly contributes to a renewable future and circular economy by maintaining and repairing renewable energy assets, extending their operating lifetime.

To enhance the promotion of circularity and waste management in our business, our ESG policies additionally enable a responsible resource use and a circular economy. These policies cover Sustainable Procurement, Sustainable Waste Management, Sustainable Water, and Sustainable Food. Although sustainable water and food consumption are deemed immaterial to our business, we adhere to these policies to manage resources responsibly, support natural resource use, avoid climate change contributions, and protect biodiversity.

We strive to increase recycling and reuse to minimise negative impacts throughout the value chain, including carbon emissions. Our ambition is to extend the operational lifetime of both upstream supplies and renewable energy assets.

Resource use and circular economy Impacts, Risks and Opportunities

Negative Impacts:

Resource use – procurement of materials
Waste generation from equipment and workwear

Procurement – responsible sourcing and resource use

Sustainable procurement is an opportunity to manage environmental and social risks in our value chain, encourage innovation, and strengthen supplier relationships. We prioritise sourcing materials sustainably and responsibly, favoring suppliers that minimise environmental and social impacts and support our sustainable development goals.

Our Sustainable Procurement Policy is adopted in conjunction with the Supplier Code of Conduct and Human Rights Policy which provide a framework for procurement decisions and supplier expectations.

The majority of our upstream carbon emissions from resource use stem from procuring workwear, PPE, and tools. Those materials are vital to our business and to deliver our services, and we identify a major responsibility to secure its sustainable development.

We aim to reduce consumption, increase reuse, and ensure quality and durability of selected materials. We also encourage local sourcing to align with our decarbonisation strategy and regional company structure (see more on p. 12).

In our procurement processes, we aim to source from sustainable suppliers that ensures long-life cycle materials and circularity levers to achieve our sustainable development goals.

Resource recovery and recycling

Responsible waste management is essential for protecting natural resources and ensuring health and well-being of the communities in which we operate. It is our policy to turn today's waste into a resource for tomorrow, contributing to a circular economy. We implement practices to reduce, replace, reuse, recycle, and recover waste from our operations and encourage stakeholders to adopt sustainable waste management approaches. We comply with waste-related regulations in all operating countries and manage potential hazardous waste responsibly and transparently.

We are committed to:

- Increase the use of recycled materials.
- Reduce waste through responsible management and increased recycling.
- Support the transition to a circular economy.
- Reduce waste leakage into the environment, focusing on lentic, lotic, and oceanic plastic.

We aim to ensure material recovery and recycling of internal waste into new supply chains when materials reach their end-of-life stage. Our investments in blade repair services additionally extend the lifespan of blades, promoting the agenda of making renewable energy assets fully circular. We support important solutions to the biggest circularity challenges in our industry, such as the recyclability of wind turbine blades and other components.

All functional areas within SRE play an important role in achieving our circularity ambitions and enabling our related goals.

Actions

We plan to reassess and ensure that all key suppliers are aware of our Supplier Code of Conduct and relevant policies.

In the near future, we will reassess and refresh our supplier selection process and criteria to incorporate relevant sustainability matters more extensively.

We continue our efforts to increase sustainable procurement of materials and optimise waste management. This includes collaborating with suppliers and service providers to incentivise circular methods, maximise material value, and prolong their lifetime.

Moving forward, we want to expand our processes company-wide to a broader spectre of internal waste management opportunities, aligning with waste-related regulations, our sustainability strategy, and policies. This also includes better data capturing and reporting of supplies and waste.

We recognise the financial opportunities in sustainable procurement and improved waste management and plan to introduce "save money to reduce carbon" in our procurement strategy.

We will seek industry-wide and cross-sector collaborations to enhance circularity and implement industry best practices. This includes evaluating opportunities to reuse materials in other SRE projects or ensuring they are reused or refurbished by our suppliers or other industry developers.

SRE remains committed to managing hazardous and potential substances of concern responsibly and transparently.

Although our internal waste generation was less than 0.05% of our total emissions and immaterial to report with regards to the DMA and impacts, we acknowledge that this may change going forward, also with data improvements. We want to promote circularity principles throughout the lifecycle of our material usage.



Social

► Own Workforce

Our people are our greatest asset, and our aim is to be an employer of choice by providing an inclusive environment where all employees are treated with respect and can reach their full potential. We are committed to creating a safe workplace and a strong safety culture.



Own Workforce

Human and Labour Rights

Our approach and policies

We consider human and labour rights as fundamental for sustainable business operations and freedom. Respecting the rights and dignity of our employees, supply chain workers, and local communities is paramount. The most material risk related to human rights lies within our supply chain and interactions with third parties in a global context.

Our Human Rights policy, alongside our Supplier Code of Conduct, Code of Ethics, and Health & Safety policy, outlines our commitments to upholding human rights, including labour rights. It emphasises diversity and inclusion, labour practices, health and safety, and employment, including freedom of association and collective bargaining or joining unions in accordance with local law without fear of reprisal, intimidation, or harassment. The policy applies globally to our own workforce, and those with whom we do business are encouraged to comply with it. The overall responsibility of implementation and oversight of this policy is of the management.

We adhere to internationally recognised human and labour rights principles and guidance in the United Nations' Guiding Principles on Business and Human Rights. Our policy is informed by the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. While complying with national laws, we prioritise human rights standards.

SRE maintains a zero-tolerance stance on modern slavery in line with the UK Modern Slavery Act and implement preventative robust systems and controls across our business and value chain. In cases of identified human rights impacts, we are committed to taking prompt and effective actions, aligned with our disciplinary and grievance measures.

Social protection of employees

SRE is equally committed to safeguarding the labour conditions of our own workforce through social protection. This includes support for sickness, unemployment, employment injury, parental leave, and retirement.

We provide various employee benefits and leaves, including family leave, compassionate leave, and bereavement leave, in accordance with local regulations and collective bargaining agreements. In 2023, we updated our family leave policy to align with industry standards and local legislation. Additionally, we ensure basic insurance coverage and immediate assistance for employees facing severe illness, unemployment, and disability in alignment with local practices.

We offer competitive salaries aligned with current market rates using external benchmarking tools, and ensure a fair and non-discriminatory compensation structure.

Additionally, we are standardising contracts to promote fairness and equity among technicians. With the upcoming launch of Smartklik, a time registration platform, we bring efficiency in contract management and project oversight.

We prioritise social protection by adhering to local laws and benchmarking benefits to ensure competitiveness in the markets where we operate.

Actions

SRE remains proactive in engaging with stakeholders to identify and address potential human rights violations in compliance with internationally recognised human rights standards. As in 2023, this is a sustaining effort going forward.

Additionally, we continuously update policies to strengthen labour and employment rights, promote transparency, and endorse our commitment to actively safeguard human rights standards within our own workforce.

Regular assessments of our benefits and compensation packages are conducted to enhance competitiveness and adapt to market changes.

People

Impacts, Risks and Opportunities

Positive impacts and Opportunities

Secure employment, social protection, and adequate employment terms

Career progression

Secure human and labour rights

Diversity benefitting business and our success

Risks

Technician pool scarcity - having the right people with the right skills at the right time and place

Health & Safety

Our approach and policies

SRE is committed to leading health and safety standards in the renewable energy sector. Embracing a Zero Harm approach, we prioritise a safe working environment and expect collective responsibility from our workforce.

Our Health, Safety, Environment, and Quality (HSEQ) policy sets standards for how we ensure the health and safety of our employees and sustainable development of our operations. The policy is overseen by our HSE, Sustainability & Risk Director, ensuring leadership and accountability at all levels.

Key goals include:

- Measuring and reporting transparently on safety performance, based on zero harm goals.
- Providing a safe working environment within the business and on sites.
- Promoting a strong safety culture within the business.
- Encouraging staff to adopt healthy behaviours and habits.
- Adhering to stringent safety performance requirements in the selection and management of contractors and service providers.

With a 12-month total recordable injury frequency at 1.4 in 2023 and a lost time injuries of 0, our safety measures exceed industry averages, reflecting our dedication to health and safety.

Our management systems, certified to ISO 9001, 14001 and 45001 standards, underscore our commitment to robust HSEQ practices, with plans to extend certification to more locations.

In 2024, we continue with the significant improvements in our approach to health and safety that proactively identifies and addresses any potential hazards or harms.

Actions

Following the proactive approach throughout 2023, SRE updated and developed various HSEQ documents and practices, including policies, risk assessments, and inductions.

We want to explore Extended Reality (XR) technology to improve quality of safety practices by allowing remote attendance and advancing our safety culture.

SRE continuously works to increase the proactive approach to safety by increasing awareness and improving safety behaviour. Efforts in 2024 include a Zero Harm safety campaign with a monthly focus divided into four different focus areas: Access on the turbine, Working on the turbine, Assembling the turbine, and Mobilising to the turbine. This is to increase awareness around these topics in addition to regular safety messages and communication.

To build on the success of 2023, in 2024 we will enhance safety standards with seven non-negotiables aimed at fostering a culture of responsibility and continuous improvement.

We continue the implementation of a new HSEQ system to improve reporting and investigation, and effectively monitor safety observations.

In 2024, we plan to implement an updated Integrated Management System with standardised documents across operations and improved interface.

Health & Safety Impacts, Risks and Opportunities

Positive impacts and opportunities

A safe workplace both in the field and at office
Industry leadership on safety measures





Health & Safety Indicators

The lost time injury rate showed a massive reduction in 2023 compared to 2022, and our ambitious target of 0 (zero harm) close to being met. We are additionally proud to share that the total recordable injury rate decreased quite significantly in 2023 compared to 2022, showing our tremendous progress in fundamental HSE practices and safety system.

Our significant progress is due to re-focussing our efforts, including a companywide commitment to safety observations and safety walks, a much more rigorous safety culture, and transparency in safety reporting. While our working hours increased significantly compared to 2022, we have managed to improve our safety numbers and make our workplace much safer, beating the industry average.

Data Point	Unit	Target	2023	2022	Delta	Acquired companies
Lost time injury (LTIs)	Number	0	0	1	(100%)	0
Lost time injury rate	Injuries per million hours worked	0	0	1.88	(100%)	0
Total recordable injury (TRIs)	Number	0	1	8	(87.5%)	2
Total recordable injury rate	Injuries per million hours worked	0	1.4	15.04	(90.69%)	12.36
Behavioural assessments ¹						
Safety walks	Number	90	93	14	564.3%	40
Safety observations	Number	3000	928	65	1327.7%	838
Fatalities	Number	0	0	0	-	0
Hours worked	Thousand hours worked		625	532	17.5%	162

¹2024 targets

People Development

Our approach

At SRE, people are our greatest asset. We prioritise the development and growth of our employees to drive the energy transition and organisational success. SRE wishes to be a workplace with great opportunities for professional and personal development, and we offer equitable learning opportunities to all employees.

We offer diverse learning opportunities, emphasising on-the-job training and supplemented by formalised training initiatives tailored to employees needs.

In 2023, we launched an online learning platform to our office staff to further develop their skills and create individual learning opportunities. Our technician staff is additionally provided with the opportunities to upskill and attend project-specific training.

Our new HR system, Bob, streamlines HR processes and includes performance management features for efficient workforce management. Employees receive continuous individual feedback and undergo performance and development appraisals (PDAs) to align goals and ensure both personal and professional growth. Going forward, Bob will also provide a 360° view of our people by incorporating their complete career timelines, goals, and achievements into a performance review.

We remain committed to attracting and retaining a team of skilled employees. Simultaneously, we recognise the importance of nurturing top talent and have expanded our technician pool by welcoming apprentices to our ranks in both UK and Denmark.

Actions

We plan to enhance employee development through a comprehensive competency matrix and detailed job descriptions for all positions, clarifying responsibilities, expectations, and development priorities.

Initially, we have focused on integrating all office staff into our HR system, Bob, to pave the way for a seamless integration of our technician workforce. In due course, we also plan to establish goals, growth plans, and regular one-on-one meetings to support employee progress and success.

Aligned with the integration of our workforce and the implementation of features of Bob, we plan to use the system for regular reviews and PDAs, at least annually, for all employees, streamlining the PDA process across the organisation, including newly acquired companies.

In 2023, we initiated the first steps of developing our new internal training centre to provide efficient and flexible training of our highly specialised technicians that meets both internal and external needs. This work continues in 2024.

Employee Engagement

Own channels to raise concerns

At SRE, building a culture of trust is a top priority. We have established various reporting mechanisms for employees to raise concerns and seek support, ensuring a fair, just, and safe environment for everyone. These mechanisms include the HSE Reporting System, regional HR representatives, workers' representatives, the Occupational Health Organisation (OHO), Designated Person Ashore (DPA), and the Whistleblower System (detailed on p. 32).

We actively promote these channels through our intranet, emails, and website, ensuring employees are aware of how to raise concerns related to working conditions, equal opportunities, and other work-related rights.

Workers' representatives within the OHO address employee concerns, conduct workplace assessments, and facilitate open communication. Although primarily focused on Denmark, a similar approach will be taken in other regions.

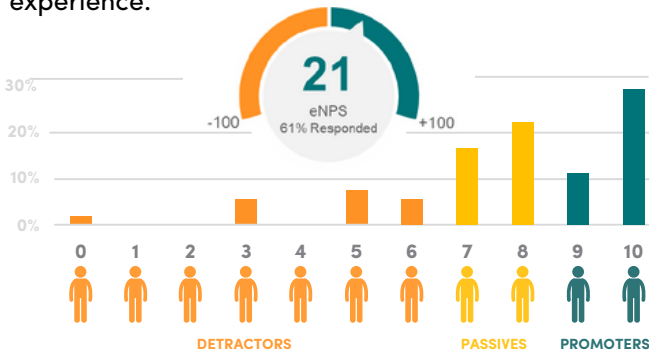
The DPA function allows our technicians to report any HSE or operational concerns they may be uncomfortable raising directly with their line manager or the client. The DPA is completely independent of the operation and handles all reports with discretion and confidentiality and ensures that senior management thoroughly investigates all cases and takes appropriate actions.

Engaging with our own workforce

At SRE, we actively engage with employees through workplace assessments and surveys to gather insights, feedback, and concerns, fostering dialogue and identifying areas for improvement.

Our workplace assessments cover all employees, prioritising their well-being and satisfaction by evaluating their working environment and perceptions. Conducted in collaboration with the Occupational Health Organisation (OHO), these assessments are comprehensive and span across all offices and regions. In 2023, the feedback from these assessments was the basis for new initiatives and action plans aimed at enhancing our shared working environments, which are followed up on at regular meetings to ensure effective implementation.

We also conducted an employee Net Promoter Score (eNPS) survey, measuring on a scale from 0 to 10 how likely employees would be to recommend SRE as a workplace. Achieving a score of +21 reflects positively, particularly for a service business like ours. Analysis revealed that 39% of employees fell into the passive group, scoring 7-8. By focusing on this group, we aim to generate more promoters and, most importantly, create a better and more productive working environment for all by improving their experience."



To build a committed technician workforce, the Technician Management Team launched a campaign to recruit permanent technicians, ensuring stability and security. This approach not only meets business needs but also provides a supportive environment for technicians to engage in a sustainable career with us.

In 2023, we held our first Technician Engagement Days to deepen understanding of technicians' needs and challenges and reaffirm our commitment to their well-being. In 2024, we will host our first Technician Recruitment Day in Portugal to engage with the local talent pool and further engage in permanent positions.

As we look ahead to the challenges and opportunities that the future will bring, our foremost priority remains unwavering: to uphold a high standard of service while fostering a culture of safety and security wherein our employees can thrive.



Actions

We plan to conduct a new workplace assessment and workforce engagement survey to reassess our action plan and focus on topical priorities.

Moreover, SRE aims to streamline our strategic approach and processes across our own workforce to capture synergies in our engagement efforts.

We continue to engage with our existing and potential technicians through recruitment and technician days.

We also plan to develop a frontend engagement forum for technicians, creating an interactive platform for easy access to relevant documents, communication channels, and a single point of contact.



Diversity & Inclusion

Our approach and policies

SRE values a diverse and inclusive workforce to foster innovation, improve decision-making, and ensure a fair workplace. These principles are embedded in our sustainability strategy and supported by our diversity and inclusion policy.

We aim to:

- Recruit and promote based on merit and work to eliminate bias in all its forms and create an equal opportunity workplace for all.
- Incorporate the principles of diversity and inclusion in employment-related policies to ensure accountability and responsibility across the company.
- Provide flexibility in work conditions in accordance with our flexible working policy to contribute to a more inclusive working environment.

We are committed to creating an inclusive and supportive environment for all, regardless of age, gender, gender orientation, sexual orientation, relationship and family status, disability, race, ethnicity, nationality, religious and/or political beliefs.

We target equal gender distribution across the company and aim to increase the share of women in management, from people leaders and above, and in our technician workforce.

All field technicians, performing work of equal value and with acknowledgement of country-specific variations, receive equal pay regardless of gender, disability, or age. We have a clearly defined competency matrix which, based on courses, educational background, and training, determines pay for each role in each market.

Our policies on discrimination, harassment, victimisation, and bullying, along with grievance and disciplinary proceedings, outline our commitment to providing an inclusive working environment with equal opportunities and respect in the workplace.

Actions

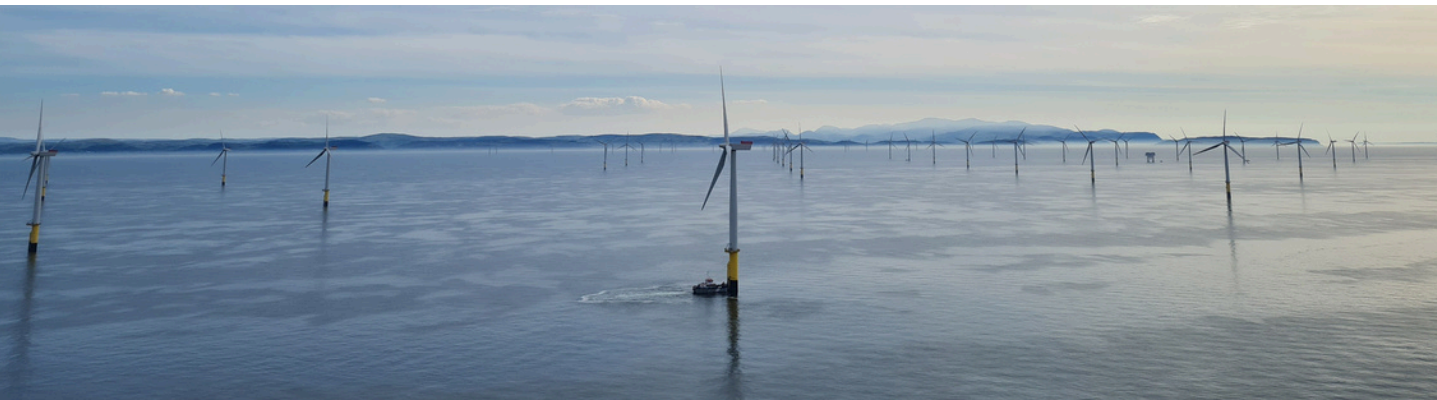
SRE plans to update and develop our diversity and inclusion strategy as well as policy with more specific targets and actions covering more areas related to this matter.

We aim at identifying how diversity and inclusion actions are included in other HR practices and embedded across the business, including development and implementation of initiatives where appropriate.

We celebrated International Women's Day, highlighting the importance of this day with regards to progress towards gender equality and continued efforts, and we additionally plan to run a campaign focusing on diversity, equity, and inclusion in the near future.

Although recognising the limited pool of women for technician roles in the wind industry, we plan to improve recruitment practices and identify how to attract more women. For instance, in Grimsby, we welcomed six new apprentices in September 2023, including two women. These apprentices further reflect our commitment to developing future industry experts.

We are equally committed to equal pay and will report on the gender pay gap to comply with EU requirements, eliminating pay discrimination and ensuring equal pay for work of equal value to workers of all genders.



People

Data Point	Unit	Target	2023	2022 ¹	Delta
Number of employees					
Total number of employees (as of 31 Dec)	FTEs		413	314	31.5%
By region ²					
Europe	FTEs		255	230	10.9%
Nordics	FTEs		35	2	1,650%
UK & Ireland	FTEs		117	82	42.7%
Asia-Pacific (APAC)	FTEs		5	1	400%
Africa	FTEs		1	0	-
By contract type					
Permanent employment	FTEs		156	126	23.8%
Temporary employment	FTEs		127	96	32.3%
Contractors	FTEs		130	92	41.3%
By age group					
Under 30 years old	FTEs		56	38	47.4%
Between 30 and 50 years old	FTEs		290	210	38.1%
Over 50 years old	FTEs		67	66	1.5%
Average number of employees in 2023	FTEs		424	-	-
Sickness absence	%	≤ 2.75%	2.6%	2%	0.6%p
Permanent Employee Turnover					
Total employee turnover rate	%	<10%	28%	-	-
Total voluntary employee turnover rate	%	<10%	11.6%	-	-
Employee satisfaction survey results					
Employee net promotor score	Index -100 to 100		+21	-	-
Response rate	%	80%	61%	-	-
Human rights cases	Number	0	0	0	0
Employees covered by collective bargaining or union agreement	%		29.1%	42.5%	(13.4%p)

Overall, the number of employees increased by 31.53% at the end of 2023 compared to 2022. In alignment with our regional structure, which starts to show in our numbers of employees globally, FTEs in the different regions shuffle around with the increase in some regions and decrease in others. This aligns with our approach to source and employ locally, as well as our increased global business activities in the different regions. The most significant increases were in the Nordics, the UK & Ireland, and APAC, which were primarily a result of fully integration of our acquired company in the Nordics, Sweden and increased activities and FTEs in the UK. SRE additionally opened its first office and recruited our first technicians in Taiwan, APAC.

We aim to reduce our employee turnover rate to less than 10% to maintain a stable workforce. In 2023, the total turnover rate reached 28%, primarily due to essential restructuring. However, the voluntary turnover rate was 11.6%, closer to our target and reflecting better employee satisfaction.

While restructuring caused a high total turnover rate, the voluntary turnover rate indicates positive employee satisfaction. We will focus on minimising restructuring impacts and improving retention to meet our goals.

¹ 2022 data is amended to the CSRD disclosure requirements and now includes temporary workforce as well as contractors to cover total own workforce (in number of FTEs only). In the previous sustainable development report, only our employed employees were included.

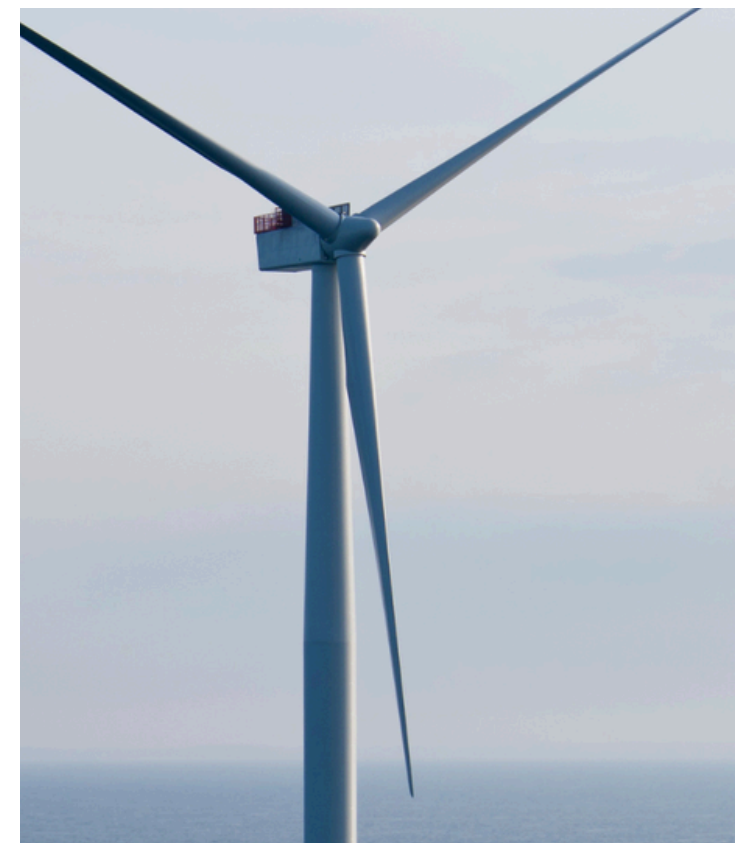
² SRE operates with a regional model and divide our headcounts into Nordics (Sweden, Norway), Europe (Denmark, Poland, Portugal, Croatia, Hungary, Latvia, Lithuania, Malta, Romania, Serbia, and Spain), the UK & Ireland, Asia-Pacific (Taiwan, Thailand), and Africa.

Management, Executive Management, and Board of Directors

Data Point	Unit	2023	2022 ¹	Delta
Executive Committee				
Members Nationality	Number	6	6	0
Europe	Number	1	2	(1)
The UK	Number	4	3	1
APAC	Number	1	1	0
Average age	Years	45	47	(2)
Board of Directors¹				
Members Nationality	Number	3	3	0
Europe	Number	1	1	0
The UK	Number	1	1	0
APAC	Number	1	1	0
Average age	Years	55	55	0

Gender Diversity

Data Point	Unit	Target	2023	2022	Delta
Board of Directors, members	Number		3	3	-
Gender with lowest representation (female)	%	40% (2030)	0%	0%	0%p
Executive Committee, members	Number		6	6	0%
Gender with lowest representation (female)	%	40% (2030)	16.7%	33.3%	(16.6%p)
People Leaders, members	Number		18	12	50%
Gender with lowest representation (female)	%	40% (2030)	38.9%	33.3%	5.6%p
All people leaders and above	Number		27	21	28.6%
Gender with lowest representation (female)	%	40% (2030)	29.6%	28.6%	1%p
Total workforce	Number		413	314	29.9%
Gender with lowest representation (female)	%		14%	15.1%	(1.1%p)
Office	Number		113	80	33
Gender with lowest representation (male)	%		49.6%	43.8%	5.8%p
Technicians	Number		300	234	62
Gender with lowest representation (female)	%		1.33%	1.28%	0.05%p



We have a diversity target of 40% female employees for people leaders and above, an even gender distribution as defined by Section 99b of the Danish Financial Statements Act. The target is tracked at three levels: people leaders, executive committee, and board of directors. For our total workforce, it remains more difficult to determine an adequate target for our gender distribution mainly due to our technician workforce. We want to increase the number of female technicians which counts for 4 employees in 2023 compared to 3 in 2022. At the same time, the gender distribution among office employees remains in perfect balance with a slight increase in males in 2023.

Governance

► Business Conduct

SRE is committed to being a responsible employer, acting professionally, fairly, and conducting business with integrity in accordance with the highest standards.

Business Conduct

Corporate governance and business conduct policies

At SRE, our ambitious growth plans are coupled with a strong commitment to maintaining a solid corporate culture and ensuring fair and ethical practices across our value chain. This commitment is backed by our corporate policies.

Our Code of Ethics mandates good business practices within SRE and across our value chain, addressing crucial topics such as bribery and corruption, facilitation payments, gifts and hospitality, sustainable procurement, political and charitable donations, and conflicts of interest. This policy forms the cornerstone of our ethical framework, reinforcing our dedication to upholding the highest standards of conduct.

Additionally, our Whistleblowing policy encourages the reporting of illegal or unethical activities, ensuring transparency and accountability within our organisation. The protection of whistleblowers and thorough, objective investigations underscore our commitment to ethical conduct.

Furthermore, our Supplier Code of Conduct sets clear standards and expectations for our suppliers, ensuring alignment with our values on legal and regulatory compliance, labour rights, health and safety, environmental protection, and grievance mechanisms. By holding ourselves and our partners to these standards, we uphold our commitment to responsible business practices and sustainable growth.

Prevention and detection of bribery and corruption

SRE acknowledges the risks of bribery and corruption in global operations, especially during expansions or acquisitions. To mitigate these risks, we implement measures for prevention, detection, and management of misconduct on an ongoing basis.

Annual assessments ensure compliance with UK bribery act principles and other regulatory requirements, such as the EU Directive on whistleblower protection. Our whistleblowing system is one of several channels to detect all forms of misconduct, including bribery and corruption.

Senior management actively promotes responsible business conduct, overseeing compliance through governance structures such as the Risk Committee and Audit Committee. The Senior Team also receive regular compliance training covering topics such as anti-bribery, conflicts of interest, and global competition law.

Our revised Code of Ethics requires all employees to sign and adhere to it, ensuring accountability and mitigating the risks of unethical behaviour and misconduct. Adherence to this code fosters strong values and ethical conduct throughout our operations.

To further strengthen our approach, we plan to launch a global campaign on anti-bribery and anti-corruption to raise awareness and provide guidance and training to all employees.



Governance Impacts, Risks and Opportunities

Positive impacts and opportunities

Healthy corporate culture driving responsible business conduct and corporate governance

Protection of whistleblowers

Good management of suppliers and compliance with our code of conduct

Management of relationships with suppliers

Our suppliers have a major impact on our sustainability performance, and we encourage them to sign our Supplier Code of Conduct. While it is our responsibility to ensure access to this policy, we expect our suppliers to diligently comply with it. Our policies establish clear and consistent practices essential for effective collaboration with our suppliers.

We believe in collaborative partnerships and strive for close cooperation with our suppliers to minimise our combined environmental and social impacts and promote sustainable development.

In 2024, we plan to formalise processes for due diligence screenings to monitor our suppliers and customers effectively, supporting the identification and management of potential bribery or corruption cases. Additionally, we plan to assess and refine our processes for supplier assessment and selection.

Our standard procedures mandate all contractors, suppliers, and business partners to undergo evaluations verifying their ethical practices (p. 19). These assessments include steps taken to mitigate slavery and human trafficking risks within their operations and supply chains. Evaluation requests apply to both new and existing suppliers.

Data ethics

Ethical conduct is paramount in all our endeavours, and our approach to data ethics is no different.

SRE is committed to protecting the privacy and security of personal data belonging to our customers, suppliers, employees, and other third parties in compliance with the EU General Data Protection Regulation (GDPR). We ensure that appropriate measures are in place to prevent accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to personal data. Data is handled in a compliant and ethical manner, with correct and lawful treatment.

Any potential breaches are managed by our Data Protection Manager to minimise associated risks. Our Data Protection and Breach policy maintains confidence in the organisation and supports successful business operations.

Political Engagement

As stated in our Code of Ethics, we do not make political contributions in any form, whether to political parties or causes or to support individual candidates.

Additionally, we do not appoint or engage serving politicians or candidates in any capacity. SRE, as a normal business activity, may lobby government entities either directly or through trade associations to promote policies that encourage business and achieve workable legislation, particularly to promote the accelerated build-out of renewable energy and the goals of the Paris Agreement.

Fair Payment Terms

In our dedication to transparency and sustainability, fair and prompt payment terms and collaboration are crucial for building robust relationships with our valued suppliers.

We calculate the average days to settle invoices from the start of contractual or statutory payment terms and in 2023, our average payment period was 28.2 days, reflecting our commitment to reasonable payment timelines. Our key suppliers are our subcontractors who form part of our own workforce and provide services on renewable energy assets. They are considered the most vulnerable due to their dependence on our payments. We prioritise to pay our subcontractors within 3-5 days of receiving an invoice.

We strive to have clear and standardised payment terms by supplier category which underscore our dedication to transparent financial dealings. We have a consistent payment culture, and these are aligned with our established standard terms, emphasising our commitment to reliability.

For transparency, any outstanding legal proceedings related to late payments are acknowledged, demonstrating our responsibility in resolving issues promptly. In 2023 we had 0 situations with legal proceedings for late payments.

Whistleblower cases and good business conduct

In 2023, 0 cases were reported through our whistleblower scheme.

Data Point	2023	2022	Delta
Whistleblowing cases	0	0	0

Appendix

Summary of targets and progress on the UN Sustainable Development Goals



7. Affordable and clean energy: ensure access to affordable, reliable, sustainable, and modern energy for all

7.1 – by 2030, ensure universal access to affordable, reliable, and modern energy services

We facilitate renewable electricity and a stable supply of renewable electricity as one of the lowest levelized cost of energy sources. We improve our customers' business cases and manage their renewable assets with our highly skilled and professional personnel, engineering experts, and technology development of our services. We aim for industry leadership, servicing and managing renewable assets throughout their whole lifecycle and extending their lifetime.

7.2 – by 2030, increase substantially the share of renewable energy in the global energy mix

As a global service business, we enable a global transition towards renewable energy, commissioning and servicing 218 wind farms on a global scale. We enhance international cooperation that facilitate access to clean energy, inclusive of international financial flows to developing countries, in support of our services and global span. We support infrastructure and upgrade technology for supplying sustainable energy sources. We are supplied by 96.4% of electricity from renewable energy sources at our own operating sites.

8. Decent work and economic growth: promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all

8.1 – sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries

We grow our business on a global scale both organically and by acquisitions, including developing countries. We expand our business and services and adhere to minimum employment requirements to create more jobs and decent work opportunities for the local population.

8.5 – by 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

All technicians in the field, where such perform work of equal value and with acknowledgement of country-specific variations, receive equal pay despite of gender, disabilities, and age. We have a clearly defined competency matrix which, based on courses, educational background, and training, determines pay for each role in each market. We additionally ensure competitive salaries for all our employees and other benefits, depending on the local market conditions.

8.7 – take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child in all its forms

We recognise our responsibility to respect human rights and our human rights policy serve as guiding principles and outlines our expectations to all our stakeholders together with our supplier code of conduct. We endorse and advocate for mandatory human rights, also in supplier screening, and we work to end forced labour, modern slavery, and child labour as part of our being fully socially responsible company in the energy industry.

8.8. – protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

People are our most important asset, and we continually work to promote safe and secure working environments for all workers with our main objective of zero harm. Our employees are encouraged to stop work if they experience unsafe working conditions and feel unsafe. With a 12-month total recordable injury frequency [TRIF] at 1.4 in 2023 and a lost time injuries at 0, our safety measures surpass the published industry average. We additionally fully support and commit to respecting our employees' rights to freedom of association, collective bargaining, and other unions.

Summary of targets and progress on the UN Sustainable Development Goals



12. Responsible consumption and production: ensure sustainable consumption and production patterns

12.5 – by 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse

We, as a company, play a vital role in the circular economy. We extend the lifetime of the renewable energy assets with our end-to-end services and ensure responsible decommissioning and waste management for future reuse. We aim for sustainable consumption in our own operations – both office and field – and continually introduce new initiatives to ensure that we increase recycling and reduce new purchases. We return used equipment and workwear, where possible, to our suppliers to support the circular economy, reuse, and increase emissions avoided.

12.6 – encourage companies, especially large and transnational companies, to adopt sustainable practices and integrate sustainability information into their reporting cycle

We introduce sustainable procurement and responsible procurement processes in supplier assessment and selection. We value transparent communication with our stakeholders and encourage Sustainable Development Reporting and practices across our value chain. We, too, provide information about our sustainability performance, progress, and strategy.

13. Climate action: take urgent action to combat climate change and its impact

13.2 – integrate climate change measures into national policies, strategies, and planning

We carefully monitor our greenhouse gas emissions, and our ambition is to minimise such emissions while we simultaneously increase growth of our business. We support the Paris Agreement with renewable energy asset management that combats climate change and increases renewable energy sources.

17. Partnerships for the goals: strengthen the means of implementation and revitalise the global partnership for sustainable development

17.17 – encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

We generally seek collaboration and a partnership approach to sustainable development, and we engage with both our suppliers and customers on how we can improve our sustainability efforts – both in our own operations and across the value chain. Particularly, how we, together with our customers, can drive the sustainable energy transition and how we, together with our suppliers, can increase a circular economy and ensure sustainable consumption.

Accounting Principles

Greenhouse gas emissions and intensity – Scope 1, 2, and 3

Disclosure of our climate data and methods follows the calculation guidance of the GHG Protocol, uses emission factors from Defra, covering all greenhouse gases, and generally aligns with the TCFD recommendations.

Scope 1 (Direct GHG emissions): The scope 1 emissions cover the direct GHG emissions from company facilities, company vehicles, and company processes, including mobile and stationary combustion, and are the emissions that we are in direct control of.

Scope 2 (Indirect GHG emissions): The scope 2 emissions cover the indirect GHG emissions from sourced energy sources that cover own use and purchase but are not in direct control of, including heat, cooling, and power for own consumption.

Scope 3 (Indirect GHG emissions): The scope 3 emissions cover indirect GHG emissions from upstream and downstream activities in our value chain, including product emissions (C1, C2), transport emissions (C4, C6, C7), service emissions (C5), and process emissions (C8).

GHG Intensity by revenue: The GHG intensity by revenue (GBP) is, in both cases, calculated as the total GHG emissions (market-based) divided by total revenues.

Health & Safety indicators

Lost time injury rate: The lost time injury rate (LTIR) is calculated as the number of lost time injuries per one million working hours. Lost-time injuries are defined as injuries that result in incapacity to work for one or more working days in addition to the day of the incident.

Total recordable injury rate: The total recordable injury rate (TRIR) is calculated in the same way as LTIR but in additionally includes restricted work cases and medical treatment cases.

Fatalities: The number of fatalities includes the number of employees who lost their lives as a result of work-related incidents.

Hours worked: The number of hours worked is based on full-time equivalent working hours of our total workforce, and there is no distinction between contractors and employed employees.

People

Number of employees: The number of employees is determined as the number of employees at the end of a month and converted into full-time equivalents (FTEs). Contractors are external workers who do not have an employment contract with SRE.

Sickness absence: Sickness absence is calculated as the ratio between the number of sick days and the planned number of annual working days and covers total sickness absence during 2023.

Turnover: The employee turnover rate is calculated as the number of permanent employees who have left the company relative to the average number of permanent employees in the financial year.

Management, Executive Management, and Board of Directors

Average age: Average is calculated as the average number of years of the group members and rounded to integers.

Gender Diversity

People leaders and above: People leaders are defined as all people with direct reports (line management responsibilities), while our Executive Committee consists of the CEO, CFO, COO, CCO, Senior HSE, Sustainability and Risk Manager, and Head of Corporate Development. Board of Directors represents the board for SRE Holding A/S and consists of members from our Executive Committee, the CEO and CFO, a and member from JS&S.

Total workforce: Total workforce by gender represents the gender distribution of the total workforce in SRE including our employed office staff and technicians, temporary office staff and technicians as well as our contractors.

Amendment of 2022 data: The data for 2022 are amended to the CSRD disclosure requirements and now include temporary workforce as well as contractors to cover our total own workforce. In the previous sustainable development report, only our employed employees were included.



SWIRE RENEWABLE ENERGY

Swire Renewable Energy AS
Lyshøjen 4, 8520
Lystrup, Denmark

swire-re.com