

Head Energy Group

# Sustainability Report

**HEAD**  
ENERGY



2024



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## About this Document

The report is prepared by Head Energy's Sustainability Group, led by Head Energy's Chief Sustainability Officer, Anne Line S. Olsen. The carbon footprint referred to in the report has been developed in accordance with the GRI (Global Reporting Initiative). Head Energy's sustainability goals and strategy are based on data from 2022 (base year) and 2023. For health and safety, diversity and inclusion, the operational year 2023 is considered as the starting point (base year) for reporting. All goals, action plans, and strategies are based on Head Energy's latest analyses at any given time. Our work related to human rights (in relation to the Transparency Act), is also a part of our sustainability work and is therefore covered in this report. Analyses, goals, and strategies will be continuously reviewed throughout 2024 and beyond.

# Sustainability Impact.

## Sustainability impact.

Sustainability is to Head Energy a great opportunity to make positive impact, generate positive results, build trust and to strengthen our competitive advantage:



Sustainability will keep us one step ahead.










## Sustainability driving change.

Head Energy shall use sustainability actively to transform and modernize our company, set ourselves apart, and make Head Energy future-proof.



one step ahead.

### Our strategic targets

- 
**1. Health & Safety**  
 Head Energy shall have zero injuries and zero serious incidents
- 
**2. Competence**  
 We shall strengthen our professional environments with new, skilled employees every year
- 
**3. Growth**  
 Annual 20 percent growth in revenue
- 
**4. Profitability**  
 6,5 percent EBITDA annually
- 
**5. Sustainable Business Development**  
 Trippel bottom line as guidance and our own M&A model
- 
**6. Green transition**  
 50 percent of our revenue shall come from renewables and civil construction within 2030
- 
**7. Happy Employees**  
 8/10 or better at employee satisfaction surveys
- 
**8. Happy Clients**  
 8/10 or better at client satisfaction surveys
- 
**9. Ownership**  
 We shall recruit new shareholders among our employees every year
- 
**10. Preferred Employer**  
 Universum Engineering top 75 within 2028

# Management's review.

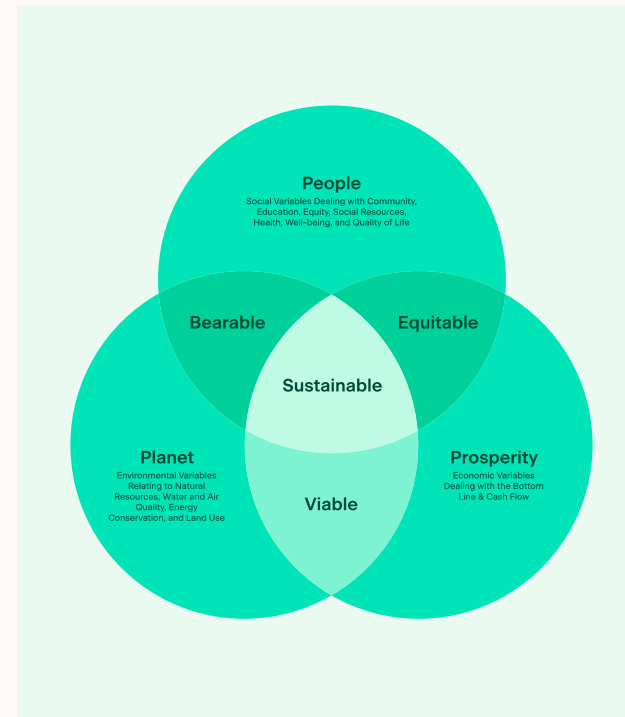
## Our strategic targets – Sustainable guidelines.

In our 2022 Sustainability Report we listed two new commitments for Head Energy's business operations: (i) positive impact, and (ii) sustainable solutions. Additionally, we promised to merge our new sustainability strategy into the overall strategy of Head Energy.

This work has been completed, and in the process, we have articulated ten strategic goals, representing guidelines for our strategic sustainability-work going forward.

Our ten strategic goals are based on the triple bottom line framework, to ensure holistic success metrics, harmonizing with the two new commitments introduced last year (positive impact + sustainable solutions).

If we categorize our ten strategic goals from a triple bottom line perspective, often referred to as the three P's – People, Planet and Prosperity – four targets are related to People; two targets are related to Planet; and two targets are related to Prosperity. The last two targets belong to more than one category: target 1, Zero harm / Health & Safety belong both to the People and the Planet categories; while Target 9, Ownership, belong to both the People and Prosperity categories.



## Planet

Head Energy has worked systematically to reduce its dependence on the oil & gas segment (strategic target # 6 – green transition) both for financial reasons, due to the cyclical nature of oil & gas, and for environmental reasons, believing that more sustainable energy sources are required, at the expense of oil & gas, to limit future global warming.

Strategic target # 5, sustainable business development, is a very useful approach in this respect, as all investments or business development initiatives in Head Energy are scored from a sustainability perspective, using Head Energy's bespoke M&A-model. As an example, Head Energy's most recent investment, Head Energy Geo, qualified using this approach, due to its use of green, hybrid machinery, its environmental geology department and because climate change and extreme weather, as well as more stringent building and land regulations in general, are likely to spur demand from geological surveys and competence. Besides, Head Energy Geo fills a hole in our building & construction menu.

## People

Head Energy is an employee-owned enterprise, with no external owners. Also, Head Energy is a pure consulting and engineering company, with a limited asset-base in terms of buildings, machinery and physical assets. As such, Head Energy is a "people company", where employees clearly represent Head Energy's most valuable "asset". It makes sense, in this respect, that four of Head Energy's strategic targets are directly related to the People category, while two more categories also include People and a second category. Investing in People is undoubtedly a must to reach most of Head Energy's strategic goals.

## Prosperity

Financial surplus (strategic target # 4) puts Head Energy in a position to reach Head Energy's social mission, making positive impact. Profits allows Head Energy to invest in its people (strategic target # 2 – competence), to become an attractive employer (strategic target # 10) and to make our customers satisfied (strategic target # 8).

Strategic target # 3, financial growth, puts Head Energy in a position to increase staff, invest in sustainable business development and create long-term value benefitting shareholders (employees) and society at large.

## Management's review.

Strong top-line growth and reasonable profitability has been Head Energy's focus from day 1 and is still the favored recipe. So far, Head Energy's growth formula has generated significant prosperity, created numerous jobs in several countries and allowed Head Energy to solve engineering challenges for an increasing number of attractive customers, allowing us to reach our ambition of becoming a trusted Scandinavian engineering & consulting group.

### 2023 in review

Our new strategic guidelines have generated increased awareness, and we are proud to note that sustainability is now on high on the agenda in all important decisions made by Head Energy.

This is Head Energy's second Sustainability Report, and we should briefly look at some highlights for 2023. In 2023 we have increased our commitment to high voltage engineering, both in Denmark and Norway, by hiring additional engineers and opening new offices in Denmark and launching a new entity in Norway. In addition, we have opened several new office locations in Sweden, and finally put Head Energy on the map in Trondheim. Moreover, we have acquired Head Energy Geo, as described above, and we have stepped up our effort in the Norwegian building & construction segment by appointing an advisory team, led by Head Energy's first building & construction division head.

We have made an effort to improve our gender balance. Although we have not appointed new female members to the executive management group in 2023, we have appointed more female board members, including the chairperson of the new unit Head Energy Nexus AS. Besides, Head Energy UP will have a female CEO from August 2024 and Head Energy DanGrid has employed its first female high voltage engineer. Several units have also hired engineers with a minority background.

These examples are not necessarily unique achievements but are listed to show that these issues are and should be on our agenda. Hopefully, in the not so distance future we can take gender balance and minority representation for granted if we continue our focus.

Morten Leikvoll  
CEO  
Head Energy Group



Nils E. Haukeland  
Executive Chairperson  
Head Energy Group



Morten Leikvoll CEO



Nils E. Haukeland Executive Chairperson

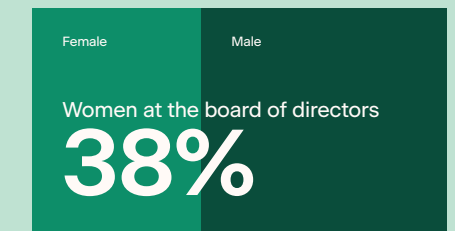
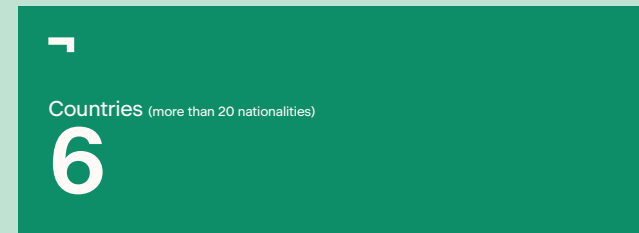
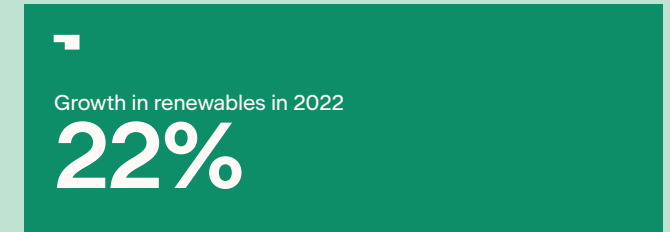
# Summary & Key Figures.

Head Energy is an independent Scandinavian engineering & consulting house providing a wide range of products to onshore and offshore industries. We work with reputed clients in Energy, Civil Construction & Infrastructure, and Industry.

We are employee owned, client focused and growth oriented.

<b>Vision</b> <b>one step ahead.</b> Our energy brings you one step ahead.	
<b>Ambition</b> Head Energy shall become a trusted Scandinavian engineering & consulting group.	<b>Values</b> Responsible • Inclusive Innovative • Honest
<b>Mission</b> We solve demanding projects.	<b>Commitment</b> Sustainable solutions. Positive impact.

<b>Market drivers</b> Changing energy markets • Industrial digitalization • Obsolete infrastructure Urbanization and smart cities • Electrification	
<b>Our business</b> Consulting • Engineering • Solutions	<b>Our market segments</b> Civil Construction • Energy • Industry



# Transparency Act.

## Statement on Transparency Act Assessments, according to Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act).

The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working condition.

## Description of the Company

Statement on Transparency Act Assessments, according to Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions.

The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in the production of goods and the provision of services, as well as ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working condition.

Head Energy has more than 850 employees, and offices in Bergen, Stavanger, Oslo, Trondheim, Gothenburg, Stenungsund, Esbjerg, Odense, Hamburg and Krakow.

Our vision is as challenging as it is simple – “One Step Ahead”.

We live by our core values  
– Responsible – Innovative – Honest – Inclusive

## Ownership

All shares in all units are held by employees.

## Accountability

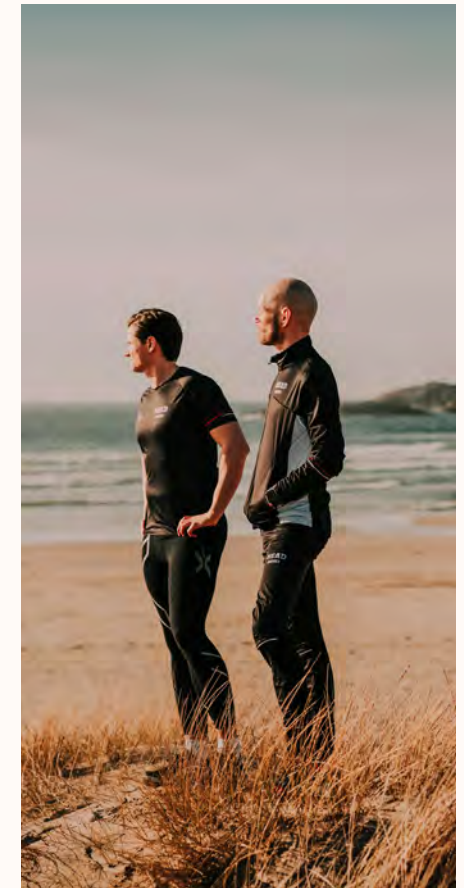
The Board of Directors defines Head Energy's participation and accountability in terms of transparency and adherence to the Transparency Act. The HSEQ manager leads the company's Management group in handling local guidelines and procedures in compliance with Section 5(a) of the Transparency Act. If any issues are discovered that may have actual or potential consequences for fundamental human rights and decent working conditions, the procurement responsible, with the assistance of the HSEQ manager, will immediately engage in dialogue with the supplier, either through their

procurement system or, if applicable, a corporate executive. This is done in compliance with Sections 4(c/d/e/f). Transparency Act. Head Energy is also certified according to ISO 45001 (health & safety), ISO 9001 (quality), ISO 14001 (environmental).

## 2023 Due Diligence Assessment

The 2023 review revealed that no specific negative impacts on human rights were identified at Head Energy. Consequently, it was concluded to continue refining our system for collecting and monitoring information from the supply chain. This enhancement aims to streamline the process, allowing for quicker and more efficient identification of potential negative impacts on human rights. This ongoing effort includes the onboarding a new procurement system, allowing easy access an overview in terms of supply chain status regarding fundamental human rights and decent working conditions status. The new system, coupled with our continuous quality control measures, are intended to heighten awareness across the supply chain.

Additionally, it was determined that further assessments are necessary to accurately define the scope of the supply chain, particularly to ascertain how extensively due diligence can realistically be conducted throughout the supplier value chain.



### Internal assessment

The majority of Head Energy’s deliveries are related to service provision (engineering services), where our employees primarily work under Nordic labor conditions and contracts (where fundamental human rights are well protected), our potential negative impacts on human rights are considered limited. Head Energy performs “pulse surveys”, using Winningtemp, a Swedish AI and science-based employee engagement platform. Our working environment is considered very good. From the 3rd. quarter of 2023, our largest offices, Bergen, Stavanger, Oslo and Esbjerg, will all have new and modern offices, contributing to a good and safe working environment. There have been no cases of serious injuries or accidents in 2023.

### External assessment

Head Energy AS is the holding and management company of the Head Energy group. Head Energy defines requirements to the operations of its subsidiaries within Engineering, Technology, Services and Consulting, and provides services related to; administration, marketing, accounting, HSEQ, strategy, sales and so forth, for its subsidiaries to focus on its core operational processes.

Adherence to our Ethical Framework applies to all personnel acting on behalf of Head Energy in all divisions and subsidiaries, including all employees, board members but also subcontractors / suppliers (supply chain).

In our General Terms and Conditions for purchase, our supplier commits itself to conduct its business activities in a fair, honest, responsible, ethical, and lawful manner and in strict adherence to all applicable laws and regulations

governing the ethical and legal conduct of business organizations. Our Ethical Framework (CoC) is an integral part of our contracts. In situation where Head Energy is not able confirm adherence to our terms and conditions, due to e.g. size of the supplier (power balance), minor online purchase or minor “one-off” purchases, the procurement responsible seeks other solutions to support an equivalent confirmation.

Head Energy’s Ethical framework is based on internationally recognized standards such as the Universal Declaration (UN) Guiding Principles on Business and Human Rights (UNGPR) the UN Global Compact, UN’s conventions on children’s rights, and ILO conventions. Additionally, it adheres to the OECD Guidelines for Multinational Enterprises.

The Ethical framework includes, among other things, requirements for:

- **Ethical trade, Compliance with local laws in the operating country, Zero tolerance for corruption and bribery, Zero tolerance for child labor (in accordance with ILO conventions 138 and 182). It also includes requirements for workers safety, good health, working environment, and workers fundamental rights, including requirements for wages, benefits, working hours, rest periods, and more.**

Head Energy adheres to and support the UN Sustainability Goals, hereunder a dedicated focus to continuous improvement on; clean energy solutions, gender equality, education, industry innovation, reduce inequalities, support sustainable management of water, sustainable cities and communities, responsible production, education and transparency.

For surveying both on ESG and Transparency Act, we use the software and support from CEMAsys Nordic AS. The aim is among others to confirm human right adherence in our supply chain. Going forward, Head Energy is in the process of upgrading our procurement system, also to include tools to better. Our suppliers are divided in to three main sections,

1. **Services or consultancy.**
2. **Delivery of goods (for the large part; pipes/structural steel and so forth).**
3. **Other suppliers.**

The first section is quite organized, typically banks, institutions, insurance, auditor, or other service or consultancy provider. The second section, delivery of goods, is divided into purchases over and under 100’ NOK, focusing on purchases over 100’ NOK. “One-time” or “one-off” suppliers are being dedicated less focus than recurring suppliers. The third section is suppliers not covered by section 1 or 2.

94,2% of the relevant suppliers confirms adherence to work on fundamental human rights and decent working conditions. Either through confirmation of our terms and conditions, through confirmation based on our supplier’s questionnaire (according to our vendor selection process), through the Transparency Act survey (CEMASys), or as part of our manually assessment. This covers more than 90% of Head Energy’s procurement of goods in terms of value.

### Risk determination

#### EU/EEA

In terms of risk assessing our activities towards EU/EEA suppliers, it is assumed that raw materials and materials

from countries within this area, are governed by national regulations that comply with the guidelines of the law. Therefore, it is assumed that human rights are safeguarded by adhering to the national rules, and no further investigation has been conducted.

### Non-EU/EEA

It has been identified some minor procurement from suppliers in Asia, typically online purchases of electronic parts from China (less than 0,01% of our purchases). For these purchases we have not been able to establish confirmation of adherence to either our ESG nor according to the Transparency Act. Head Energy will continue to seek substituting supplier if possible.





## Conclusion

No actual or potential negative consequences have been identified in the assessment conducted in June 2023. Neither within our company or at our suppliers/subcontractors.

The assessment has identified some areas that should be monitored and re assessed in time:

- The majority of supplier to Head Energy are local service providers. These suppliers are considered “low risk”, and we see no need for additional follow up in terms of the Transparency Act at this time.
- “One-time / one-off” purchases, where transparency and work on fundamental human rights and decent working conditions are not possible or are difficult to confirm, should be limited if possible.
- In terms of products, our large purchases are products mainly purchased from EU/EEA suppliers, hence they are also governed by EU legislation, that lower the potential risk in terms of Human right breach.
- We have received feedback that the supplier questionnaires are very comprehensive and time-consuming. It is covering questions related to both ESG, HSE and Quality, in addition to questions related to the Transparency act.
- Suppliers, often recognized as “large international corporations”, that we have not been able to receive adequate response from in our survey, and that often only deliver according to their own terms and condition, have been manually processed and assessed. This kind of suppliers typically report their own findings and measures through their own websites, or they are approved in Joint Qualification Supplier database(s), also covering human rights. There have been no negative findings in these assessments.

- The survey uncovered that some suppliers do not have adequate systems or measures to secure fundamental human rights and decent working conditions. However, these suppliers are mainly local (and often small) suppliers, that are already governed by Norwegian law.

## Measures going forward

Head Energy has concluded on 3 measures going forward.

1. Head Energy will fine-tune the questionnaires related to the Transparency Act and ESG to lower the barrier and reduce the time required for responses, with the aim of increasing the level of response, closer to 100%.
2. Increase the focus on the supply-chain of our suppliers, also within the EU/EEA, to further understand the whole value chain, and to determine a realistic extent of the supply chain, in other words, how far down the supplier value chain it is realistic to conduct due diligence assessments.
3. In situation where the supplier is not capable to establish confirmation of adherence to our ethical framework or other confirmation of adherence to fundamental human rights and decent working conditions, Head Energy will, whenever feasible, avoid purchase from this supplier, and seek to find alternative suppliers that confirm adherence.
4. Although, our suppliers confirm adherence of our Ethical framework (Code of Conduct, or CoC), covering fundamental human rights and decent working conditions, through confirmation by a purchase order and through our terms and conditions, we are working on establishing a separate CoC. This measure will also create additional focus, and emphasize our focus on fundamental human rights and decent working conditions.

For additional information or inquiries regarding Human rights and transparency, please use the contact form on our webpage.



Morten Leikvoll  
CEO  
Head Energy Group



Preben A. Onarheim  
COO  
Head Energy Group





# Carbon Footprint.

## Head Energy Carbon Emissions 2023

Climate change has emerged as one of the most significant global challenges of our time. The accumulation of greenhouse gases in the atmosphere, primarily carbon dioxide (CO<sub>2</sub>), has led to unprecedented shifts in weather patterns, rising temperatures, and a multitude of environmental consequences.

Acknowledging the urgency to curb emissions, organizations worldwide are increasingly adopting carbon accounting as a vital tool to understand and manage their environmental impact. 2022 was Head Energy Group's base year for carbon accounting and 2023 represents our first opportunity to measure development.

### Head Energy's Sustainability Commitment

Head Energy has long recognized its responsibility to reduce its environmental footprint and contribute to sustainable development. With a focus on providing comprehensive energy solutions, the company strives to deliver innovation while minimizing its impact on the planet. By embracing carbon accounting, Head Energy aims to gain a deeper understanding of its emissions profile, identify areas for improvement, and implement effective strategies to mitigate its impact on climate change.

### Carbon Accounting Methodology

To accurately assess and quantify its carbon footprint, Head

Energy employed a robust carbon accounting methodology aligned with internationally recognized standards. The company collected data from various sources, including its operations, supply chain, and employee activities. By calculating emissions associated with business travels, commuting, and the purchase of steel, Head Energy obtained a comprehensive overview of its carbon footprint for the base year of 2023.

### Business Travels: Navigating Emissions

Business travels constitute a significant component of Head Energy's carbon footprint. As a global company, travel is an essential aspect of its operations, facilitating collaborations, client interactions, and project management. However, it also represents a source of carbon emissions. This report provides an in-depth analysis of the carbon emissions associated with Head Energy's business travels, exploring both short-haul and long-haul flights, ground transportation, and accommodation.

### Commuting: A Sustainable Workforce

Another key driver of Head Energy's carbon footprint is employee commuting. With a diverse workforce dispersed across multiple locations, commuting emissions present both challenges and opportunities. By examining commuting patterns, alternative transportation options, and telecommuting practices, this report delves into Head Energy's efforts to reduce its carbon footprint related to employee commuting.

### Steel Purchases: Building Responsibly

The purchase of steel materials is an integral part of Head Energy's operations, particularly in EPCIC projects onshore and offshore. However, the production of steel is known to contribute to substantial carbon emissions. This report investigates Head Energy's steel procurement practices, analyzing the lifecycle emissions associated with the steel supply chain and exploring potential strategies to minimize its carbon impact.

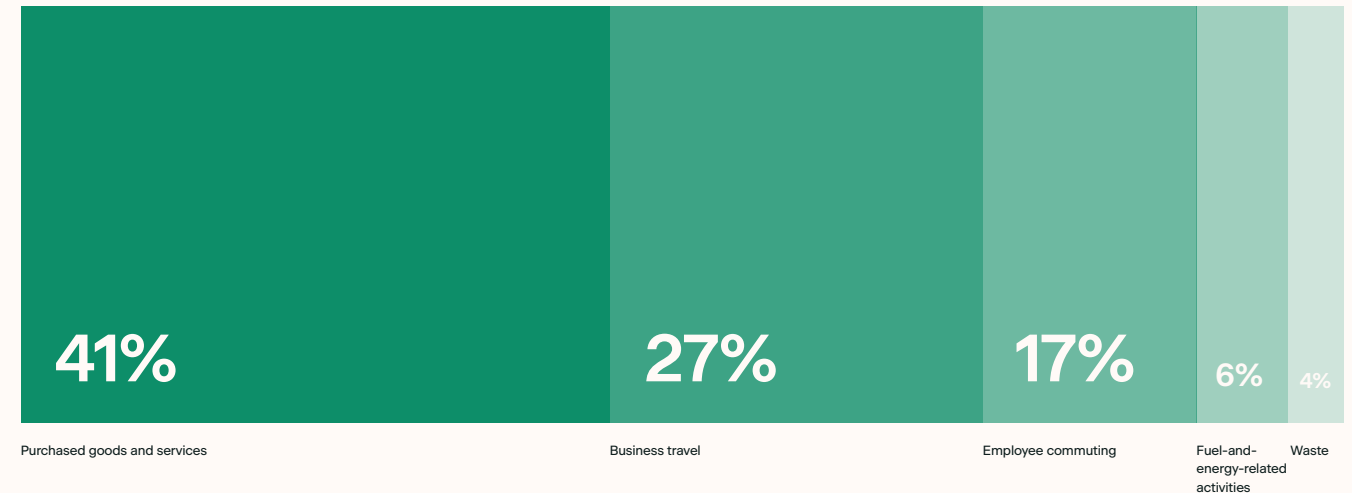
### 2023 – More Sustainable Growth

Head Energy Group delivered record revenues and solid

growth in 2023. In absolute numbers, this contributed to 20,7% higher CO<sub>2</sub> emissions compared to 2022. Considered that Head Energy has experienced a total growth in number of employees at over 26%, we have reduced CO<sub>2</sub> emissions per employee in 2023.

Further, due to modification projects being postponed in 2023, our emissions connected to purchase of steel has been substantially lower than in 2022.

In total, Head Energy Group has a 42,9% decrease in carbon emissions per employee from 2022 to 2023 (scope 1-2) and a 4,5% reduction in carbon emissions per employee from 2022 to 2023 (scope 1-3)



# Main Report Head Energy 2023.

## Key Figures GHG Emissions Locations Based

Category	Description	Unit	Total 2023
<b>Summary</b>			
Total Scope 1		tCO <sub>2</sub> e	26,1
Total Scope 2		tCO <sub>2</sub> e	5,9
Total Scope 3		tCO <sub>2</sub> e	291,2
<b>Total</b>		<b>tCO<sub>2</sub>e</b>	<b>323,3</b>
<b>Scope 1</b>			
<b>Transportation</b>			
Diesel (NO)		tCO <sub>2</sub> e	1,3
Diesel		tCO <sub>2</sub> e	13,6
Petrol		tCO <sub>2</sub> e	8,7
Petrol (SE)		tCO <sub>2</sub> e	1,0
Diesel (SE)		tCO <sub>2</sub> e	1,5
<b>Transportation Total</b>		<b>tCO<sub>2</sub>e</b>	<b>26,1</b>
<b>Scope 1 total</b>		<b>tCO<sub>2</sub>e</b>	<b>26,1</b>
<b>Scope 2</b>			
<b>Electricity location-based</b>			
Electricity Norway		tCO <sub>2</sub> e	4,3
Electricity Denmark 125		tCO <sub>2</sub> e	1,4
Electricity Sweden		tCO <sub>2</sub> e	0,0
Electricity Germany		tCO <sub>2</sub> e	0,1
Electric car Nordic		tCO <sub>2</sub> e	0,1
<b>Electricity location-based Total</b>		<b>tCO<sub>2</sub>e</b>	<b>5,9</b>
<b>Scope 2 total</b>		<b>tCO<sub>2</sub>e</b>	<b>5,9</b>
<b>Scope 3</b>			
<b>Purchased goods and services</b>			
Steel, stainless		tCO <sub>2</sub> e	96,5

Platic, avg.		tCO <sub>2</sub> e	-
Steel, unalloyed		tCO <sub>2</sub> e	15,0
Cable, unspecified		tCO <sub>2</sub> e	19,7
<b>Purchased goods and services Total</b>		<b>tCO<sub>2</sub>e</b>	<b>131,2</b>

<b>Fuel-and-energy-related activities</b>			
Petrol (WTT)		tCO <sub>2</sub> e	7,0
Electricity Germany (upstream)		tCO <sub>2</sub> e	0,1
Diesel (WTT)		tCO <sub>2</sub> e	7,6
Electricity Denmark (upstream)		tCO <sub>2</sub> e	1,1
Electricity Sweden (upstream)		tCO <sub>2</sub> e	0,0
Electricity Norway (upstream)		tCO <sub>2</sub> e	4,5
<b>Fuel-and-energy related activities Total</b>		<b>tCO<sub>2</sub>e</b>	<b>20,2</b>

<b>Waste</b>			
Residual waste, incinerated		tCO <sub>2</sub> e	11,3
Plastic waste, recycled		tCO <sub>2</sub> e	0,2
Paper waste, recycled		tCO <sub>2</sub> e	0,5
Corrugated cardboard waste, recycled		tCO <sub>2</sub> e	0,0
Glass waste, recycled		tCO <sub>2</sub> e	0,0
Metal waste, recycled		tCO <sub>2</sub> e	0,0
Organic waste, recycled		tCO <sub>2</sub> e	0,3
Plaster waste, recycled		tCO <sub>2</sub> e	0,0
<b>Waste Total</b>		<b>tCO<sub>2</sub>e</b>	<b>12,3</b>

<b>Business travel</b>			
Passenger transport	Taxi Denmark	tCO <sub>2</sub> e	0,7
Passenger transport	Taxi Sweden	tCO <sub>2</sub> e	0,1
Passenger transport	Bus Denmark	tCO <sub>2</sub> e	1,3
Passenger transport	Train Norway	tCO <sub>2</sub> e	2,5
Passenger transport	Train Abroad	tCO <sub>2</sub> e	0,3
Passenger transport	Taxi Norway	tCO <sub>2</sub> e	8,9
Passenger transport	Bus Norway	tCO <sub>2</sub> e	0,4
Passenger transport	Taxi Abroad	tCO <sub>2</sub> e	1,0
Passenger transport	Ferry Norway	tCO <sub>2</sub> e	0,7

Category	Description	Unit	Total 2023
Business travel	Passenger transport	Bus abroad	tCO <sub>2</sub> e 0,1
	Passenger transport	Taxi Germany	tCO <sub>2</sub> e 0,1
	Passenger transport	Bus Germany	tCO <sub>2</sub> e 0,0
	Mileage all. car (NO)		tCO <sub>2</sub> e 4,4
	Air travel, continental		tCO <sub>2</sub> e 39,3
	Mileage all. el car Nordic		tCO <sub>2</sub> e 0,1
	Air travel, domestic		tCO <sub>2</sub> e 24,1
	Taxi		tCO <sub>2</sub> e -
	Bus local (Nordic)		tCO <sub>2</sub> e -
	Car, petrol (avg.)		tCO <sub>2</sub> e 4,8
	Ferry local (Nordic)		tCO <sub>2</sub> e -
	<b>Business travel Total</b>		<b>tCO<sub>2</sub>e 88,8</b>
<b>Employee commuting</b>			
Employee commuting	Car, petrol (avg.)		tCO <sub>2</sub> e 27,5
	Car, diesel (avg.)		tCO <sub>2</sub> e 21,6
	Electric car (Nordic)		tCO <sub>2</sub> e 1,6
	Bus local (Nordic)		tCO <sub>2</sub> e 4,3
	Electric bike, Nordic		tCO <sub>2</sub> e 0,0
	Train (NO)		tCO <sub>2</sub> e 0,0
<b>Employee commuting Total</b>		<b>tCO<sub>2</sub>e 55,0</b>	
<b>Scope 3 total</b>		<b>tCO<sub>2</sub>e 307,5</b>	
<b>Total (Scope 1 + 2)</b>		<b>tCO<sub>2</sub>e 32,0</b>	
<b>Total emissions (Scope 1 + 2 + 3)</b>		<b>tCO<sub>2</sub>e 323,3</b>	

### Key Figures Energy

#### Scope 1

Transportation			
Diesel (NO)		MWh	5,6
Diesel		MWh	50,6

Petrol		MWh	34,2
Diesel (SE)		MWh	5,3
Petrol (SE)		MWh	6,4
<b>Transportation Total</b>		<b>MWh</b>	<b>102,1</b>
<b>Scope 1 Total</b>		<b>MWh</b>	<b>102,1</b>

#### Scope 2

Electricity			
Electricity Norway		MWh	689,4
Electricity Denmark 125		MWh	10,9
Electricity Sweden		MWh	1,1
Electricity Germany		MWh	0,4
<b>Electricity Total</b>		<b>MWh</b>	<b>701,9</b>

Electricity location-based			
Electric car Nordic		MWh	5,2
<b>Electricity location-based Total</b>		<b>MWh</b>	<b>5,2</b>
<b>Scope 2 total</b>		<b>MWh</b>	<b>707,1</b>
<b>Total energy</b>		<b>MWh</b>	<b>809,2</b>
		<b>GJ</b>	<b>2 193,1</b>

### Key Figures Energy

#### Scope 1

Transportation			
Diesel (NO)		liters	567,2
Diesel		liters	5 100,0
Petrol		liters	3 710,0
Petrol (SE)		liters	552,0
Diesel (SE)		liters	720,0

#### Scope 2

Electricity			
Electricity Norway		kWh	689 439,8

Category	Description	Unit	Total 2023
Electricity Denmark 125		kWh	10 918,8
Electricity Sweden		kWh	1 136,0
Electricity Germany		kWh	400,0
<b>Electricity Location-based</b>			
Electric car Nordic		kWh	5 170,0
<b>Scope 3</b>			
<b>Purchased goods and services</b>			
Steel, stainless		kg	29 423,0
Platic, avg.		kg	-
Steel, unalloyed		kg	7 643,0
Cable, unspecified		kg	3 095,0
<b>Fuel-and-energy-related activities</b>			
Petrol (WTT)		liters	3 710,0
Electricity Germany (upstream)		kWh	400,0
Diesel (WTT)		liters	5 100,0
Electricity Denmark (upstream)		kWh	15 098,8
Electricity Sweden (upstream)		kWh	1 136,0
Electricity Norway (upstream)		kWh	598 596,8
<b>Waste</b>			
Residual waste, incinerated		kg	11 258,0
Plastic waste, recycled		m <sup>3</sup>	73,0
Paper waste, recycled		kg	1 619,0
Corrugated cardboard waste, recycled		kg	-
Glass waste, recycled		kg	298,0
Metal waste, recycled		kg	284,0
Organic waste, recycled		kg	7 510,0
Plaster waste, recycled		kg	-
<b>Business travel</b>			
Passenger transport	Taxi Denmark	DKK	9 000,0
Passenger transport	Taxi Sweden	SEK	1 500,0

Passenger transport	Bus Denmark	DKK	17 000,0
Passenger transport	Train Norway	NOK	42 351,8
Passenger transport	Train Abroad	NOK	4 317,2
Passenger transport	Taxi Norway	NOK	153 814,2
Passenger transport	Bus Norway	NOK	6 440,0
Passenger transport	Taxi Abroad	NOK	17 326,0
Passenger transport	Ferry Norway	NOK	12 408,0
Passenger transport	Bus abroad	NOK	1 986,2
Passenger transport	Taxi Germany	DKK	1000,0
Passenger transport	Bus Germany	DKK	500,0
Mileage all. car (NO)		km	64 950,0
Air travel, continental		flight trip	323,0
Mileage all. el car Nordic		km	22 270,6
Air travel, domestic		flight trip	323,0
Taxi		km	-
Bus local (Nordic)		pkm	-
Car, petrol (avg.)		km	29 545,0
Ferry local (Nordic)		pkm	-
<b>Employee commuting</b>			
Car, petrol (avg.)		km	83 478,1
Car, petrol (avg.)		liters	5 872,0
Car, diesel (avg.)		km	126 948,2
Electric car (Nordic)		km	305 964,8
Bus local (Nordic)		pkm	64 140,2
Electric bike, Nordic		km	19 509,0
Train (NO)		pkm	6 800,0

### Key Figures GHG Emissions Market Based

<b>Summary</b>			
Total Scope 1		tCO <sub>2</sub> e	26,1
Total Scope 2		tCO <sub>2</sub> e	267,2
Total Scope 3		tCO <sub>2</sub> e	291,2
<b>Total</b>		<b>tCO<sub>2</sub>e</b>	<b>584,5</b>



# Words from the CSO.

## Sustainability - Our Ambitions.

A sustainable development is one that meets the needs of the present without compromising the ability of future generations to meet their own needs. (UN)

In 2023, Head Energy has taken significant steps in our internal sustainability efforts. This journey has been both challenging, requiring time and resources to master a complex field, but also incredibly inspiring.

We have introduced new reporting routines and systems across all departments and countries to comply with GRI standards. We have established quarterly sustainability meetings and positioned sustainability work within the group as a leadership responsibility, alongside finance and personnel management. Our new sustainable business strategy will guide our future development and growth, as we recognize that sustainability equates to competitiveness. This means we will continue to adopt sustainable practices, efficient work processes, and create an inclusive and safe work environment for all employees.

Our success in sustainability depends entirely on the engagement, competence, and values of our employees. Thus, we will keep sharing positive sustainability stories within our company, such as the second-hand markets for clothes, furniture, and tools in Stavanger and Bergen, and the leasing of electric bikes for our employees.

We are also proud of our social responsibility efforts, supporting activities for children and cultural events that foster inclusive and vibrant cities, and our international aid projects in Tanzania. In 2024, we will continue to implement and build on sustainable initiatives from 2023, and we will focus on continuous improvement and innovation in all departments. The people in our organization are the key to our success – together, we will develop more sustainable solutions.

**Together, we are Head Energy's competitive edge.**

Anne Line S. Olsen  
Chief Sustainability Officer  
Head Energy Group

# Stakeholder & Materiality Analysis.

## Stakeholder Analysis

Our stakeholder engagement highlights our commitment to actively listen to and engage with our stakeholders. Our stakeholder analysis is based on a continuous dialogue with clients, vendors and employees, supplemented by data from customer surveys, employee surveys, and interdisciplinary collaboration.

Through ongoing dialogue, we aim to understand our stakeholders' positions, concerns and expectations. This continuous interaction informs our sustainability efforts, projects, and processes, ensuring alignment with stakeholder interests and views. The insights gained from these ongoing dialogues inform our due diligence processes and double materiality assessment. Engaging with our stakeholders is essential for understanding how to prioritize our company's sustainability efforts.

The assessment considered stakeholders' influence, dependency, and potential impact on our operations, reputation and financial results. This approach ensures a diversity of perspectives, enabling a thorough analysis of the most material sustainability challenges for our stakeholders. Moreover, the analysis facilitates continuous improvement in our sustainability performance, strengthens stakeholder relationships, and drives meaningful progress towards a more sustainable future.

## Double Materiality Assessment

For the 2023 sustainability report, Head Energy has for the first time conducted a double materiality assessment (DMA). Based on the stakeholder importance, considering both Head Energy's impact on the environment and the society (inside out), a financial assessment (outside-in) considering the risks Head Energy and our business is exposed for, the 94 topics of the materiality analysis of CSRD, we built a matrix that scored the different topics and sub-topics, resulting in the following topics and sub-topics to be considered most important for Head Energy.

### ESRS E1 Climate change:

Climate change adaptation, Climate change mitigation & Energy

### ESRS E2 Pollution: Pollution of air

### ESRS S1 Own workforce – Working conditions:

Health and Safety & Secure employment

### ESRS S1 Own workforce – Equal treatment and opportunities for all:

Gender equality and equal pay for work of equal value

### ESRS S2 Workers in the value chain – Working conditions:

Health and Safety & Secure employment

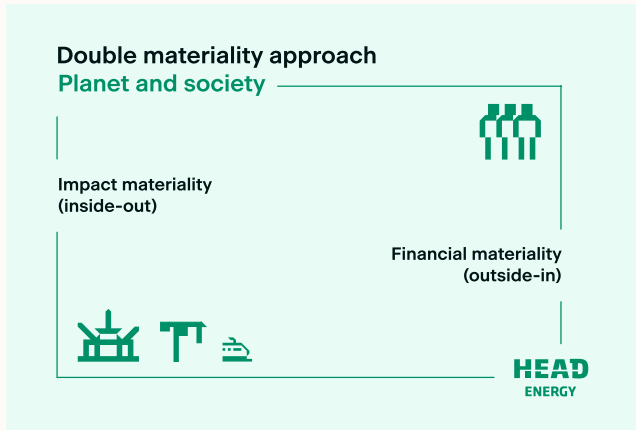
### ESRS S4 Consumers and end-users – Information related impacts for consumers and/or end users:

Privacy

### ESRS G1 Business conduct: Management of relationships

with suppliers including payment practices





## About the materiality assessment

Head Energy Group consists of 15 subsidiaries under the holding company, Head Energy AS. The subsidiaries mainly operate as individual business units with a high grade of autonomy over commercial approach and client management and follow-up.

To be fully compliant with the CSRD standards for reporting, each business unit in Head Energy Group should conduct a double materiality assessment.

For the 2023 sustainability report, Head Energy Group has only conducted a double materiality assessment for the holding company, Head Energy AS, covering our business in general.

However, we are aware that to be fully compliant in future reporting, every operating business unit in the group must conduct its own assessment.

## Materiality topics and our business

### ESRS E1 Climate change

Energy, Climate change adaptation and climate change mitigation is closely linked to Head Energy’s main business areas. Head Energy operates within energy production and civil construction.

Head Energy Solve is Head Energy Group’s maintenance & modifications setup and conducts multi-discipline modifications of processing facilities both on- and offshore. Through purchase of steel, Head Energy Solve is the largest driver of emissions in the group. Further, several Head Energy units are directly or in-directly involved in projects with a high direct or indirect CO2 footprint or with a high potential for reducing emissions.

Head Energy’s civil construction business is dedicated to form sustainable and future proof cities and communities. To mitigate climate change, we work with solutions for handling flooding, sustainable transportation and commuting, and energy efficient housing.

### ESRS S1 & S2 Own workforce & Workers in the value chain

Head Energy is mainly competence & know-how driven enterprise. Our people are our most important assets, and we are dependent on being considered a safe, long-term employer. Our employees’ safety is our top priority, and our goal is to have zero injuries and/or serious incidents.

Head Energy is certified according to ISO-standards concerning Health & Safety Management and our H&S manual shall be known and available for all employees.

This applies to workers in our value chain as well, as we are

dependent on safe and reliable suppliers, sub-suppliers and clients.

### ESRS S1 Equal treatment

Equal opportunity and gender equality is a high priority for Head Energy. Historically, Head Energy has a clear majority of male employees in total and especially at all management levels. It is a clear goal for Head Energy to promote gender equality and at the same time secure that equal pay for work of equal value is secured.

### ESRS E2 Pollution

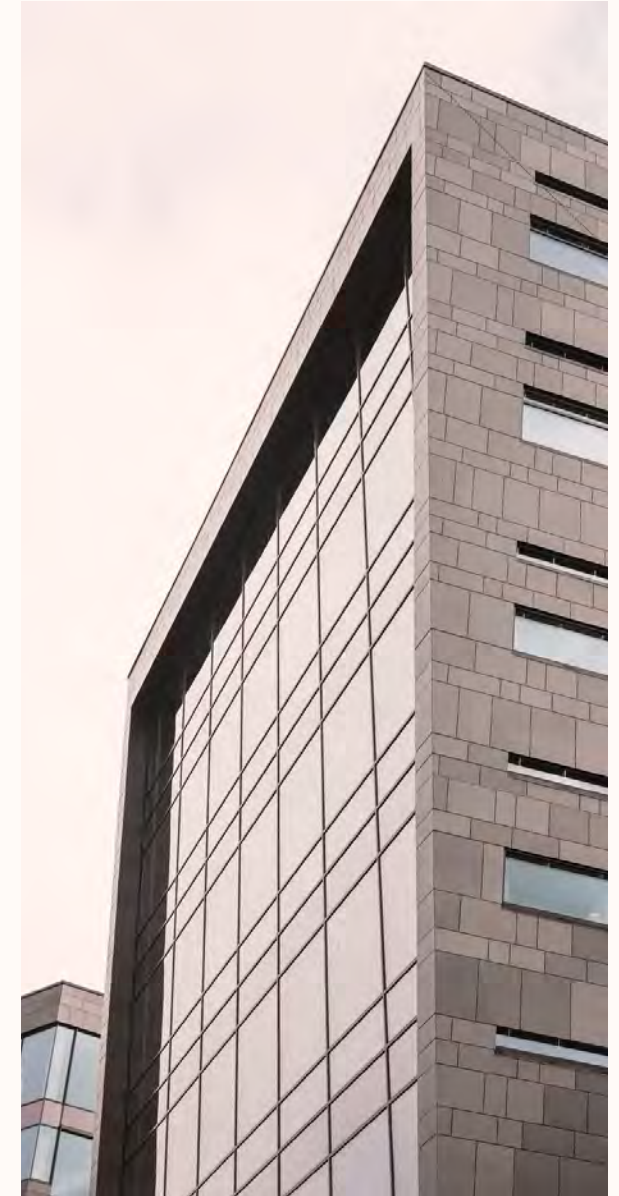
Head Energy is growth oriented and always looking to expand our business. Our clients are located all over Scandinavia and our business and locations reflects this. Head Energy employees conduct a substantial number of business travels by plane during a normal year. This is one of the main drivers of CO2 emissions from our business. We are looking to reduce our carbon footprint related to business travels and to find sustainable alternatives.

### ESRS G1 Business conduct

We are dependent on our suppliers and sub-suppliers in our value chain to guarantee the safety of our employees and to secure that our deliveries towards our clients holds the expected quality. Our reputation is also dependent on our business conduct and that all suppliers in our value chain is held to the highest standards in terms of ethics and adheres to both local and international legislation.

### ESRS S4 Consumers and end-users

Head Energy handles a substantial number of candidates and employee profiles on a daily basis. This means that our handling of sensitive information must be of the highest quality in terms of IT-security.



# Stakeholder Analysis.

Stakeholders (who are affected by us and who affects us)

	Relevant externalities	The stakeholders expectations to Head Energy AS	Dialogues with stakeholder groups	Details/handling	Materiality	Risk
Regulatory authorities	• Requirements/restrictions	• Compliance with laws and regulations	• Internet	• Latest Rules & Regulations saved in M-files	32	Low
	• Reporting	• Sustainability and environmental considerations	• Laws and regulations (e.g. "Lovdata")	• Matrix and HSEQ-R-HE-0008	0	
	• National legislation	• Collaboration and reporting	• Input from customers and suppliers	• Compliance matrix to be used if expedient. Saved in M-Files	0	
	• International legislation	• Health and safety	• Input from PWC, Simployer, Virke, etc.		0	
	• Transparency	• Data security and privacy	• Monthly report, forecasts, trends and changes		0	
Community	• Landlords & neighbours	• Creating job opportunities	• Continuous dialogue		16	Low
	• 3rd party stakeholders affected by our work	• Legal compliance, environmental compliance, safeguard their interests. etc.	• Communication		32	
	• Charity	• Sponsorship programs	• Events		16	
	• Community involvement	• Aid projects – Haydom	• Sponsorship		16	
	• Students	• Protection of human rights	• Apprentice program		8	
	• Lobby organizations	• Protection of industry and human rights	• Regular meetings / dialogue		16	
	• Local sports organizations and events	• Support for cultural events	• Partnership meetings (Seaman Church)		8	
Customers	• General requirements	• Ethical and sustainable practices/value chain	• Continuous dialogue	• Agreements to be found in M-files.	64	Medium
	• Deals/contracts	• Good business ethics	• Customers surveys	• Frame Agreements are noted as a Risk in the risk register (e.g. loss of Frame agreement(s))	0	
	• Project-based contracts	• Expertise and knowledge	• Feedback	• Surveillance of business opportunities through public portals	0	
	• Long-term contracts	• Quality and reliability	• Personally customer service	• Doffin, TED, Mercel, – relevant opportunities to be distributed in organisation.	0	
	• Special requirements from large customers	• Customer service and competitive pricing	• Meetings and events	• Use of Meltwater for surveillance (several key employees are involved and monitor this canal)	0	

Stakeholder & Materiality Analysis.

Stakeholders (who are affected by us and who affects us)

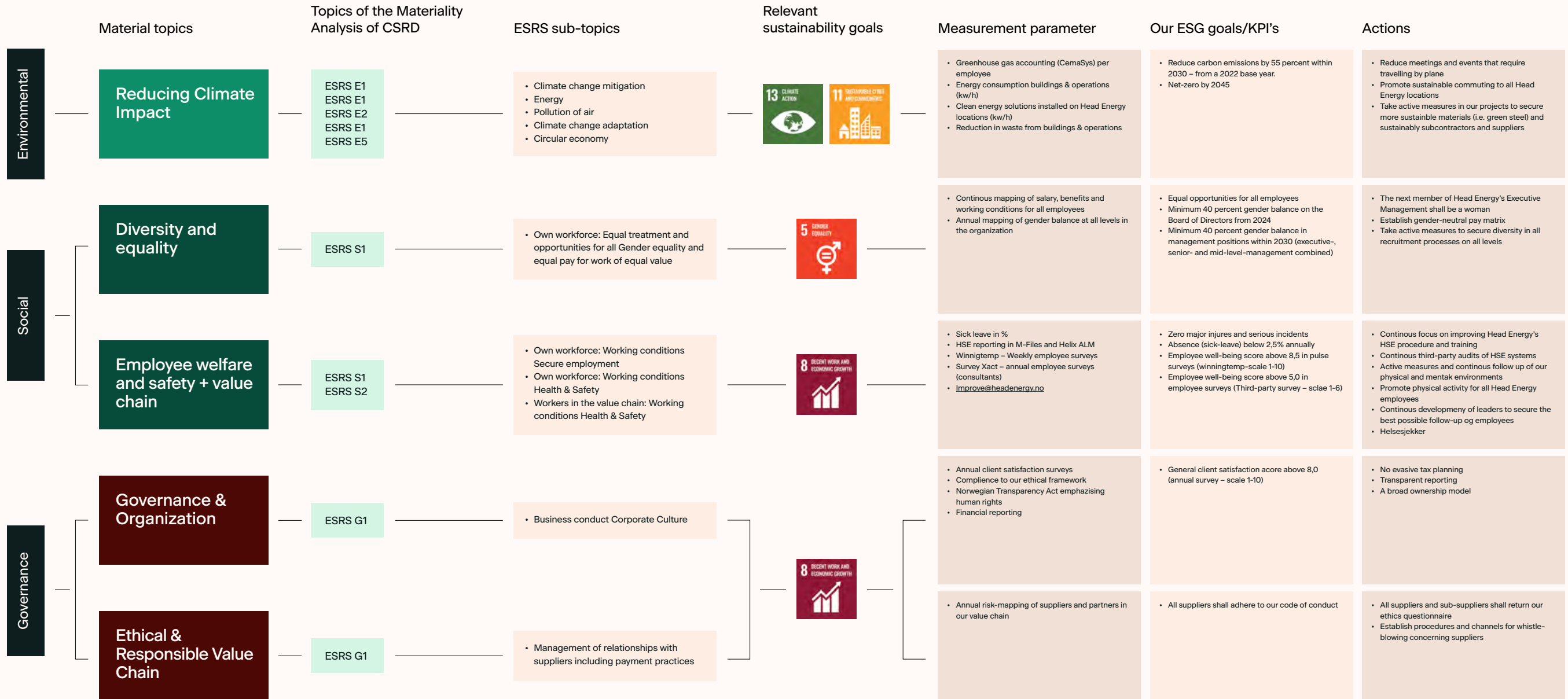
	Relevant externalities	The stakeholders expectations to Head Energy AS	Dialogues with stakeholder groups	Details/handling	Materiality	Risk
Suppliers and subcontractors	• Responsible supply chain	• Responsible supply chain	• Continuous and open dialogue	• List of suppliers to be managed and saved in M-files	48	Medium
	• Service	• Reduction of climate and environmental footprint	• Evaluation and Audits	• Registered as a risk in risk register	0	
	• Products	• Business ethics	• Tender processes		0	
	• EU-member companies	• Innovation and product development	• Contract negotiations	• List of approved suppliers to be saved in M-files for each subsidiary	0	
	• Protection of human rights	• Product quality and safety	• Project follow-up	• Rating and classification of all vendors in M-files. Challenging during Covid	0	
Employees	• Competence	• Opportunities for learning and competence development	• Continuous dialogue	• Annual survey saved in M-files. Specific KPI's in the survey	80	Medium
	• Work environment	• Diversity, equality and inclusion	• Employees surveys	• If necessary, tasks for improvement are generated	0	
	• Diversity	• Good work environment, work-life balance	• Regular meetings	• Below target KPI, is handled as a risk in the risk registered	0	
	• Safety	• Employee benefits and rights	• Trough Safety delegates and Work Environment Group (WEG)		0	
	• Equality	• Competitive salary	• Social group (employee) and corporate sports teams/ engagement		0	
Shareholders and investors	• Owners (large)	• Financial results	• Continuous dialogue	• 4-6 Board meetings	80	Medium
	• Owners (small)	• Financial results	• Continuous dialogue		24	
	• Investors	• Sustainability and social responsibility	• Management meetings	• KPI monthly reports	0	
	• The Board	• Robust business model	• Board meetings	• Financial reports	64	
		• Managment competence	• General meetings		0	
	• Risk management	• Monthly reports		0		
Press	• Responsible supply chain	• Responsible supply chain			32	

Stakeholder & Materiality Analysis.

Stakeholders (who are affected by us and who affects us)

	Relevant externalities	The stakeholders expectations to Head Energy AS	Dialogues with stakeholder groups	Details/handling	Materiality	Risk
Subsidiaries	• Consulting	• Robus business model	• Continuous dialogue	• Overall procedures. Saved and updated in M-files – “pushed” to all subsidiaries when revised.	64	Medium
	• Engineering	• Robus business model	• Continuous dialogue	• Overall procedures. Saved and updated in M-files – “pushed” to all subsidiaries when revised.	64	
	• Advisory / other	• Leadership and govoenance, Communication and transparency	• Management meetings, Weekly meetings, Employees surveys	• Weekly follow-up meetings. If needed, escalation to BoD meeting. (saved in M-files)	48	
	• Eiendom	• Holistic Strategy			16	
Competitors	• Main competitors	• Good business ethics	• Market analysis and benchmarking	• Shared in relevant meetings (minimum Friday meetings)	16	High
	• Peripheral competitors	• Collaboration and reporting	• Industry associations and networks		4	
	• Industry associatons	• Market behavior	• Dialouge in meetings with tenders		8	
	• Project collaborations		• Trade shows / fairs		24	
	• Alliances / partners	• Good business ethics			24	
Labor unions	• NITO	• Rights	• Dialogue through employees that are members (no formal agreements with trade unions at present)		16	Medium
	• LO / Fellesforbundet m.fl.	• Welfare, Working conditions	• Meetings with unions		32	
	• TEKNA	• Working conditions	• Work Environment Group (WEG)		16	
	• Industri energi	• Salary			16	
Bank / insurance		• Occupational safety			0	Low
	• Compliance	• Risk management	• Meetings		24	
	• Insurance limitations	• Communication and collaboration	• Annual reports		0	
	• Recruitment	• Transparent financial reporting	• Monthly reports		0	
		• Financial stability	• Audits		0	
	• Reliable payment			0		

# Materiality Assessment.

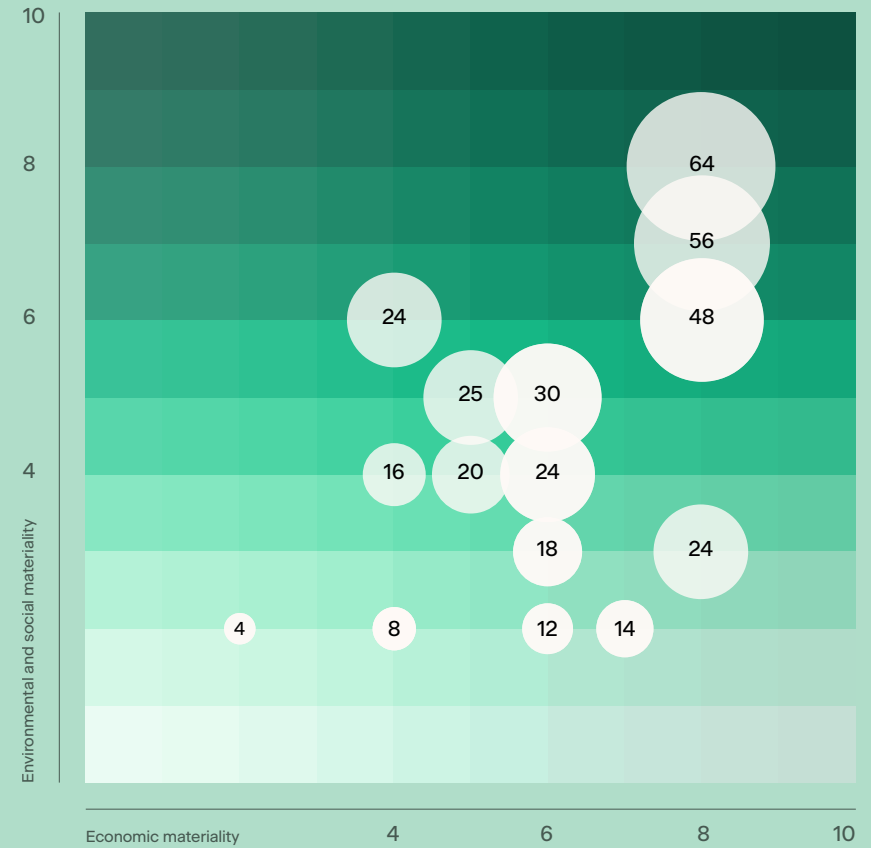


# ESRS Topics & sub-topics.

■ Upstream  
■ Downstream  
■ Own operations

ESRS	Topic	Sub topics and Sub-Sub Topics	Economic materiality	Environmental and social materiality	Sum	Relevance in the value chain
ESRS E1	Climate change	Climate change adaptation	8	8	64	Downstream, Own operations
ESRS E1	Climate change	Climate change mitigation	8	7	56	Upstream, Downstream, Own operations
ESRS S2	Workers in the value chain	Working conditions Health and safety	8	6	48	Upstream, Downstream, Own operations
ESRS G1	Business conduct	Management of relationships with suppliers including payment practices	8	6	48	Upstream, Downstream, Own operations
ESRS S1	Own workforce	Working conditions Health and safety	6	5	30	Upstream, Downstream, Own operations
ESRS S1	Own workforce	Equal treatment and opportunities for all Gender equality and equal pay for work of equal value	6	5	30	Upstream, Downstream, Own operations
ESRS E1	Climate change	Energy	5	5	25	Downstream, Own operations
ESRS E2	Pollution	Pollution of air	4	6	24	Downstream, Own operations
ESRS S1	Own workforce	Working conditions Secure employment	8	3	24	Upstream, Downstream, Own operations
ESRS S2	Workers in the value chain	Working conditions Secure employment	6	4	24	Upstream, Downstream, Own operations
ESRS S4	Consumers and end-users	Information-related impacts for consumers and/or end-users Privacy	6	4	24	Downstream, Own operations
ESRS S4	Consumers and end-users	Personal safety of consumers and/or end-users Health and safety	5	4	20	Downstream, Own operations
ESRS S1	Own workforce	Other work-related rights Privacy	6	3	18	Downstream, Own operations
ESRS G1	Business conduct	Protection of whistle-blowers	6	3	18	Upstream, Downstream, Own operations
ESRS S2	Workers in the value chain	Working conditions Adequate wages	4	4	16	Upstream, Downstream, Own operations
ESRS G1	Business conduct	Corporate culture	7	2	14	Upstream, Downstream, Own operations
ESRS G1	Business conduct	Corruption and bribery Incidents	7	2	14	Upstream, Downstream, Own operations
ESRS S1	Own workforce	Working conditions Working time	6	2	12	Downstream, Own operations
ESRS S1	Own workforce	Working conditions Adequate wages	6	2	12	Downstream, Own operations
ESRS S1	Own workforce	Working conditions Social dialogue	4	2	8	Downstream, Own operations
ESRS S1	Own workforce	Working conditions Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	4	2	8	Upstream, Downstream, Own operations
ESRS S1	Own workforce	Working conditions Work-life balance	4	2	8	Downstream, Own operations
ESRS E5	Circular economy	Waste	2	2	4	Downstream, Own operations
ESRS G1	Business conduct	Corruption and bribery Prevention and detection including training	2	2	4	Upstream, Downstream, Own operations

## Granulated visualization of the ESRS topics & sub-topics.



# UN Sustainability Goals.

Head Energy Group acknowledges that due to our fossil-fuels background, we are part of the problem and must step up our efforts and heighten our ambitions in making meaningful climate and sustainability impact.

We also view sustainability as a great opportunity to make a positive impact, to generate positive results, to build trust and to strengthen our competitive advantage.

Our sustainability work aligns with the United Nations Sustainable Development Goals (SDGs), which integrate environmental, economic, and social development (ESG).

Based on our double materiality assessment, we have narrowed our main UN SDG down to four relevant sustainability goals to align with our own ESG goals:



By focusing on these goals, we aim to address key areas that contribute to a sustainable future. Head Energy is committed to actively working towards these goals, integrating them into our operations, and collaborating with stakeholders to make a positive difference. Through our sustainable strategy, we strive to create value not only for our business but also for society and the environment.

The prioritization has been based on where Head Energy has the greatest potential to influence society towards a more sustainable direction. The selection is justified by the stakeholder and materiality assessment conducted prior to the sustainability report. This chapter summarizes the activities and results related to our material sustainability topics, specific measures, and goals for further work at Head Energy.



# Our ESG Goals.

Extracting the findings from the stakeholder- and materiality analysis and aligning with the UN Sustainability Goals and the 1,5°C ambition, Head Energy Group has embraced the following sustainability goals:



## Environmental

## Social

## Governance

### 1. Reducing Climate Impact

- I. Reduce carbon emissions by 55 percent within 2030 – from a 2022 base year.
- II. Net-Zero by 2045

### 2. Diversity & Equality

- I. Equal opportunities for all employees.
- II. Minimum ~40 percent gender balance on the Board of Directors from 2024
- III. Minimum 40 percent gender balance in management positions within 2030 (executive-, senior- and mid-level management combined)

### 3. Employee Welfare & Safety + value chain

- I. Zero major injures and serious incidents.
- II. Absence (sick leave) below 2,5% annually.
- III. Employee well-being score above 8,5 in pulse surveys (Winningtemp – scale 1-10)
- IV. Employee well-being score above 5,0 in employee surveys (Third-party survey – scale 1-6)

### 4. Governance & Organization

- I. General client satisfaction score above 8,0 (annual survey – scale 1-10)

### 5. Ethical & Responsible Value Chain

- I. All suppliers shall adhere to our code of conduct

# ESG Strategy.

## An ambitious transition to make us future proof

2022 was the base year for reporting on emissions for Head Energy. Although we are happy to see a decline in emissions for 2023, we are aware that this is partly due to delays in realization of projects within oil & gas that would require

Oil & gas related activities will still be a very significant part of our business in the next 10–20-year period. To be able to achieve our goals, we must therefore take active measures do decrease emissions from activities related to oil & gas, but also continue to develop our business within renewable energy production and sustainable development of cities and transportation.

Further, Head Energy's most valuable asset are our employees. To make sure we are able to stay competitive and to stay a preferred employer for highly skilled engineers, technical personnel and project managers, we must deliver on all aspects connected to health & safety, and uphold a strong, positive corporate culture. towards a more sustainable future.



## Environmental

### 1. Reducing Climate Impact

- I. Reduce carbon emissions by 55 percent within 2030 – from a 2022 base year.
- II. Net-Zero by 2045

## How:

Head Energy has set clear goals for reducing our emissions. Purchase of, among others steel for our EPCIC projects, business travels, commuting and energy consumption, constitutes our main categories for emissions.

### Green Steel

Purchase of steel is the main driver of carbon emissions from Head Energy Group's operations. To meet our goals of reducing climate impact we must work with our suppliers and sub-suppliers to build a market and robust supply chains that promote more sustainable steel products that also meets demands for quality and longevity. This work must naturally include a continuous dialogue with the end customer.

### Sustainable Design

Through our civil engineering units, we partake every day in projects that will affect how people live, travel, work, and shop in the future. Both as an ambitious actor and a trusted supplier and partner, we aim to set ourselves apart and be known as a climate conscious company, with solutions and services that not only is for the benefit of our clients, but also the environment and future generations.

### Conscious construction, re-use and waste management

Head Energy Group's civil construction setups play key-roles in urban development projects and large urban refurbishment projects. Through conscious re-use and maintenance of materials we can contribute to lower CO<sub>2</sub> emissions and less waste from future projects.

### Business travel and commuting

Being conscious of the impact of air travel and eliminate un-necessary travels is an important measure to reduce our total carbon emissions. Digital meetings, clean energy transportation and good planning are keys to reducing our total emissions from travel.



#### Actions:

- Reduce meetings and events that require travelling by plane.
- Promote sustainable commuting to all Head Energy locations.
- Commit to a validated goal for reducing emissions by end 2024.
- Take active measures in our projects to secure more sustainable materials (i.e. green steel) and sustainability conscious sub-contractors and suppliers

Social

## 2. Diversity & Equality

- I. Equal opportunities for all employees.
- II. Minimum ~40 percent gender balance on the Board of Directors from 2024
- III. Minimum 40 percent gender balance in management positions within 2030 (executive-, senior- and mid-level management combined)

### How:

#### Focus on Diversity

Head Energy has had mostly male employees on all levels, including executive management and the Board of Directors, since the launch in 2010. This is mainly due to engineering professions being male dominated, and how the company has grown largely by investing in new start-ups and entrepreneurs, and the general demography in oil & gas and civil engineering in the 2010s.

The world, however, is rapidly changing. Today, gender balance in engineering and technology educations is moving towards more equal representation. Considering this development has come even further in financial & management related educations, the workforce of tomorrow will be more diverse than in the 2010s.

Head Energy also recognizes how a more diverse and gender balanced workforce will strengthen our capabilities in making good and sustainable strategic decisions and make us more attractive as an employer.

To be seen as an attractive employer for a diverse pool of resources, we must present equal opportunities and benefits, regardless of gender and background.

We must also secure that we have a gender representation on management levels that reflect the society in general and our candidates.



#### Actions:

- The next member of Head Energy’s Executive Management shall be a woman.
- Establish gender-neutral pay matrix.
- Take active measures to secure diversity in all recruitment processes on all levels.

Social

### 3. Employee Welfare & Safety + value chain

- I. Zero major injures and serious incidents.
- II. Absence (sick leave) below 2,5% annually.
- III. Employee well-being score above 8,5 in pulse surveys (Winningtemp – scale 1-10)
- IV. Employee well-being score above 5,0 in employee surveys (Third-party survey – scale 1-6)

## How:

### A preferred holistic employer

Our focus on health & safety has always been at the highest level. Being an aspiring and rapidly growing engineering company, we know that a flawless HSE record is a prerequisite.

We are proud of our HSE record and continuously work to improve our procedures and adapt to more complex and challenging projects.

Head Energy Group is ISO-certified according to ISO-standard 45001 Health & Safety Management.

Head Energy has also defined health beyond avoiding injuries and good working conditions. To us, health includes the mental aspect, and we regard good mental health and happy and motivated employees as a great asset.

We have over 10 years of experience with extensive employee surveys, and we have good procedures in place for follow-up and actions. We also have in place proven systems for reporting.

### Active Employee

We believe that the correlation between physical activity, mental health and high-performance is important to address for us as an employer. Head Energy today plays an active role in stimulating to physical activity for our employees by facilitating gym-classes and access to gym facilities, encourage common participation in running events and other activities, as well as cultural and diversity focused events.

We support and sponsor sports and events in our communities and sponsor sports and activities for youth to support future generations.



### Actions:

- Continuous focus on improving Head Energy’s HSE procedures and training.
- Continuous third-party audits of HSE systems
- Focus on good physical working conditions and a positive working environment.
- Active measures and continuous follow up of physical and mental working environments
- Continuous development of leaders to secure the best possible follow-up of employees.

Governance

## 4. Governance & Organization

I. General client satisfaction score above 8,0 (annual survey – scale 1-10)

### How:

#### Transparency and Sharing

Credibility is a currency and for Head Energy it is a core priority to build and earn the trust of our employees, clients, and stakeholders in general. We are transparent and honest in our reporting, both internally and externally.

We conduct annual client satisfaction surveys to monitor our deliveries towards our clients. Measuring our clients trust in us as a supplier, employer and partner gives a clear indication of our reputation.

We have a clear and inclusive model for profit sharing among shareholders and have a clear goal of recruiting new shareholders from our staff each year. With a broad ownership model, we create an environment of self-motivated employees, a strong community, and good habits of open and pro-active reporting.

Head Energy shall do no evasive tax planning and follow local laws and regulations. We are part of the society and smaller communities and must always set a good example for ourselves, clients, partners and competitors.



#### Actions:

- No evasive tax planning
- Transparent reporting
- A broad ownership model and new (additional) shareholders each year

Governance

## 5. Ethical & Responsible Value Chain

I. All suppliers shall adhere to our code of conduct

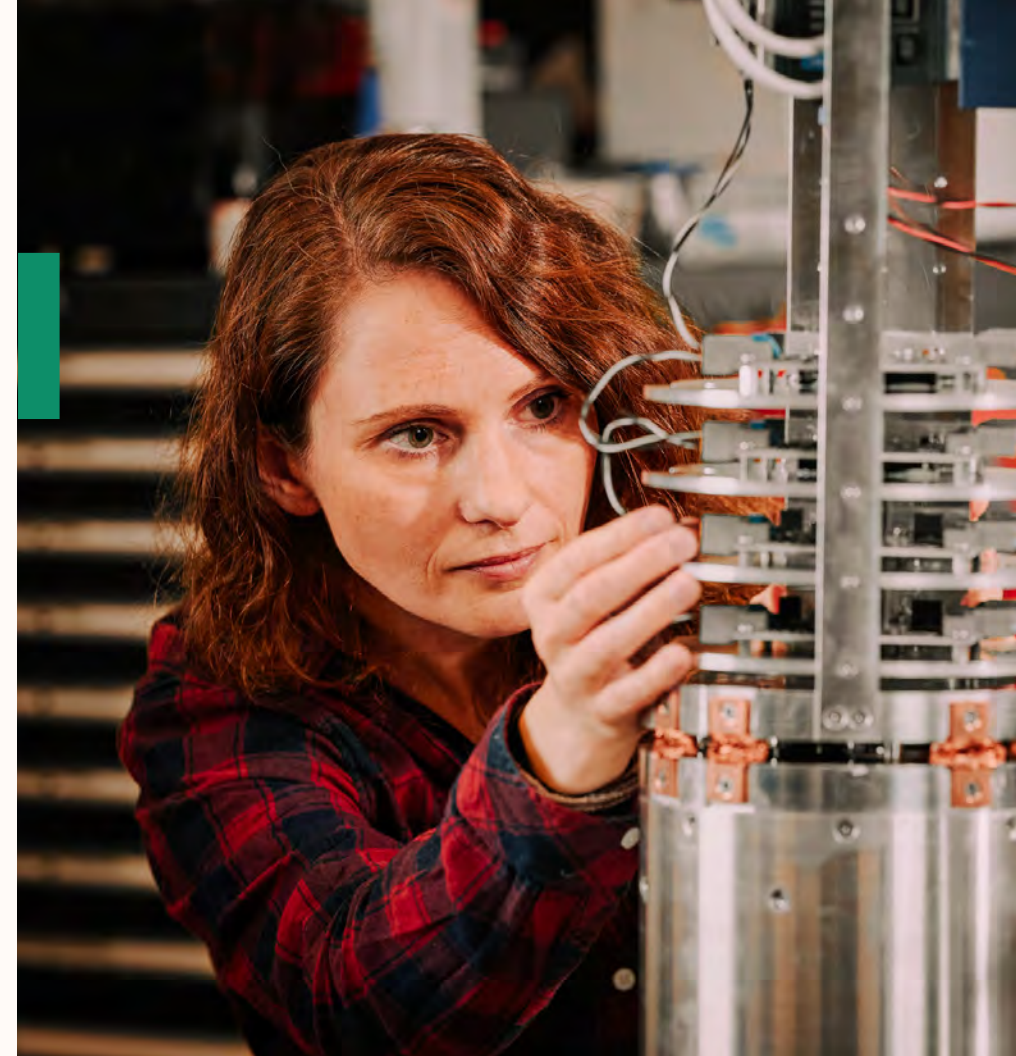
### How:

#### Leading the way

Head Energy must secure that our suppliers and partners share our beliefs and our dedication to sustainability. An ethical and responsible value chain will be an absolute demand from our clients, and it will be necessary to maintain a good reputation.

We are not only measured by our actions, but also by who we do business with and their values and actions.

We must secure safe channels for reporting and whistleblowing and promote an open and quality focused culture.



#### Actions:

- All suppliers and sub-suppliers shall return our ethics questionnaire
- Establish easy access to procedures and channels for whistleblowing for our suppliers.

# Sustainability Stories.



## Renovation of Stavanger Cathedral

2023

Head Energy has played an active role in the renovation of Stavanger Cathedral for several years. Starting with advisory services for fire protection and then delivering construction management services. Our construction management team will be involved until the end of the renovation project in August 2025.

Stavanger Cathedral dates back to 1125 and is the oldest standing cathedral in Norway. It has kept most of its medieval characteristics and the renovations project combines conservation and refurbishing with upgrading the technical standard of the cathedral.



## Solar power at Haydom Lutheran Hospital

2023

Head Energy has a long-lasting engagement with our employee Dagfinn Berg and development work at the Haydom Lutheran Hospital in Tanzania.

In 2023, Head Energy co-financed installation of solar power at the nursing school Haydom Institute & Health Science (HIHS). Solar power is vital to secure stable electricity at the hospital's premises and in reducing costs and CO2 emissions from diesel generators.

Head Energy continues to support Dagfinn Berg's important work in Tanzania in 2024.



## Proud sponsor of Norway's national team in sitting volleyball

2023

We are proud sponsors of the Norwegian national team in sitting volleyball who will participate in the European championship in Stavanger in 2025.

The Norwegian Volleyball Federation (NVBF) is a frontrunner in fully including the para-teams in the federation.

Sitting volleyball is among the largest para-sports and has a rich history in Norway. After failing to qualify for the 2000 Paralympics, the team eventually disbanded. Since 2014 there has been a significant increase in the number of active players and Head Energy is proud to join the road to the Stavanger 2025 championship.



## Investing in sports and culture

Head Energy believes that healthy and happy employees are worth investing in. We facilitate activities on several levels on all our locations to promote an active lifestyle and a strong, social working environment.

We have weekly yoga-sessions at our offices in Norway that require no gear or previous experience. We part-take in relays and running events, arrange padel tennis competitions, and support local initiatives in sports.

Head Energy believes in the importance of physical activity and inclusion for young people. We have a sponsorship program to support sports and culture for youth and sponsor a summer sports camp in cooperation with our employees and other volunteers.

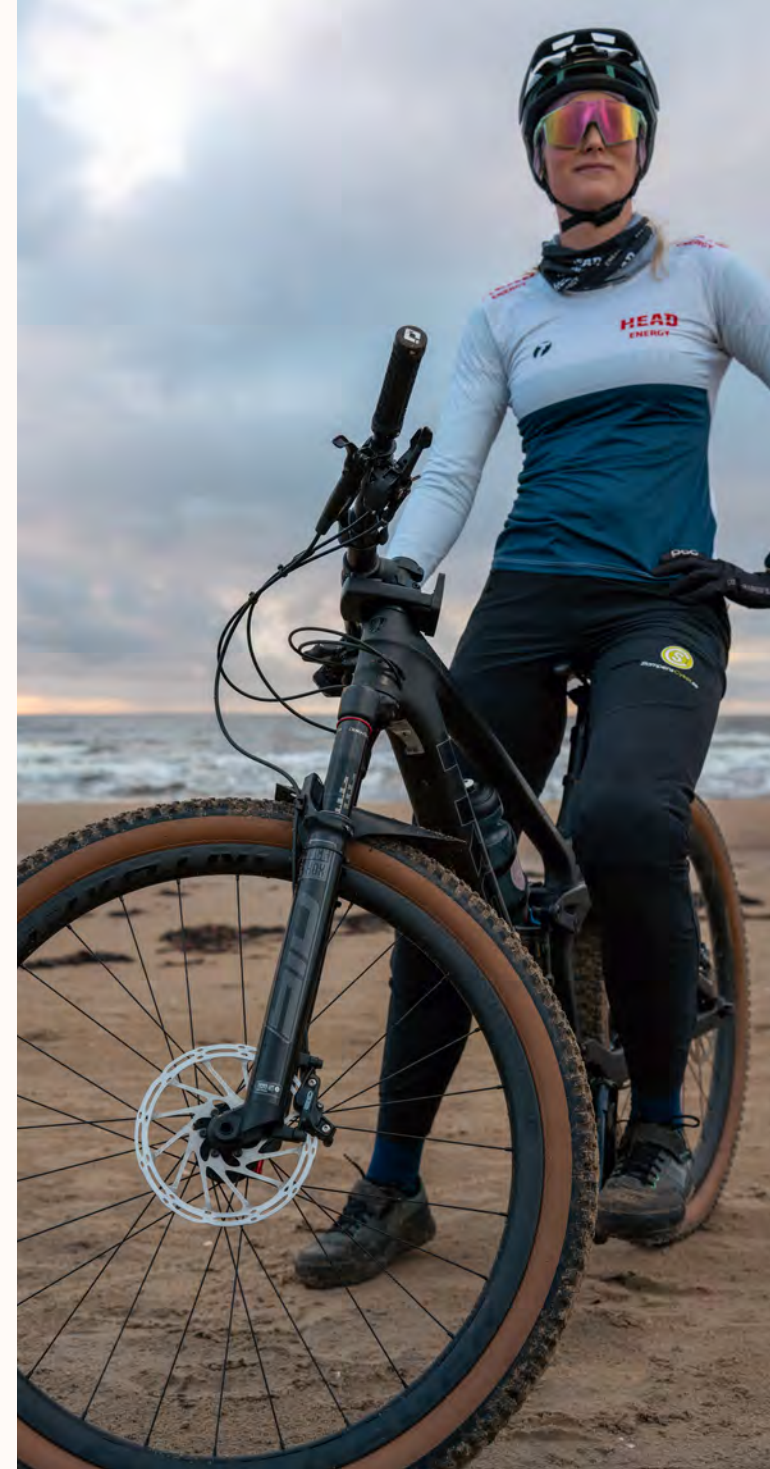
We are also proud partners of the annual Mablis music festival in Stavanger. This is a truly inclusive festival for all ages and with a dedicated sustainability approach.



## Second-hand market and sustainable merchandise

We are proud of our second-hand markets in Stavanger and Bergen, where our employees can buy and sell clothing, tools and gear, and sometimes even get vintage scoops for free. This is a small but powerful initiative to promote the importance of re-use, re-cycling and circular economy.

We make conscious decisions when we invest in merchandise and clothing for our employees, prioritizing quality products with good durability made by reputable producers.





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