



ESG Report

2023



1 Overview

1.1 Introduction

Contents

In 2023, we made significant strides in sustainability and operational excellence. We achieved a 23% decrease in scope 1 emissions and a 13% decrease in scope 2 emissions. However, scope 3 emissions increased by 41%, mainly due to increased travel for our global operations, and the procurement of materials for equipment to be added to our rental fleet. The implementation of our new Sustainable Logistics Policy, which embeds carbon intensity considerations across our global project delivery model, was a key step in our ongoing environmental stewardship and resulted in a 87% reduction in the carbon intensity of our logistics. Additionally, achieving 100% waste recycling across our facilities highlighted our commitment to sustainable practices.

Our efforts extended beyond our immediate operations, as we supported over 70 offshore energy projects, including important advancements in offshore CCS and green hydrogen. Our contributions to the Project Greensand CCS Development in Denmark and our first overseas STEM event in Angola were particularly notable, reflecting our role in advancing industry decarbonisation strategies and fostering talent globally.

Looking ahead to 2024, Aquaterra Energy is committed to furthering our positive impact. We aim to launch additional products and services to support the energy transition, increase revenue from sustainable projects, and striving to reduce our scope 3 emissions by 7%.

Internally, our focus on people development remained strong. We continued to invest in our graduate and apprenticeship programs, nurturing engineering talent and supporting our team members in achieving Chartered status. The year also saw the launch of our integrated learning

platform and the recruitment of five new STEM ambassadors, enhancing our commitment to fostering talent and innovation.

In terms of governance, we upheld rigorous corporate governance practices in 2023, achieving zero reportable incidents globally. We implemented key policies such as our Corporate Social Media policy and enhanced due diligence processes to ensure accountability, transparency, and ethical conduct across all our operations.

As we reflect on our achievements and look forward, Aquaterra Energy remains dedicated to driving sustainable innovation and maintaining our role in the global energy landscape. We are grateful for our team's dedication and contributions throughout 2023, and together, we aim to continue progressing towards a sustainable future.








George Morrison
CEO



1.2 2023 Highlights

We've had another year of remarkable accomplishments that reflect our dedication to sustainability, people, and operational excellence. Here are a few standout achievements:

-  Achieving Zero to Landfill for all UK operations, demonstrating our commitment to environmental stewardship and sustainable waste management.
-  Hosting a record number of STEM events and increasing our number of STEM Ambassadors, highlighting our ongoing efforts to inspire and educate the next generation of engineers.
-  Completing our first STEM event for women in engineering overseas in Angola, attended by over 200 students, underscoring our dedication to promoting diversity and inclusion in the engineering field.
-  Welcoming a record number of external auditors in 2023, showcasing our commitment to transparency, accountability, and continuous improvement.
-  The implementation of our sustainable logistics policy reduced the carbon intensity of our logistics by 87%.

These milestones are a testament to the hard work and dedication of our entire team and our unwavering commitment to making a positive impact on the world.



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Simon Hatson
QHSE and Sustainability Director
Aquaterra Energy



1.3 About Us

From seabed to surface, oil and gas to wind and hydrogen, Aquaterra Energy is the offshore energy industry's first choice for offshore products, systems, and projects around the world. Our commitment to engineering excellence and our practical experience in the field shapes everything we do.

Our people understand the complex engineering needed to make drilling operations, field developments and offshore renewable projects work, and get under the skin of every single project to find the right way to deliver the right products and the right support, as efficiently as possible.

Our expert team of analysts, designers and engineers continually push boundaries, challenging themselves to find the best possible solutions and amplifying each other's skills and experience – to enhance the skills and experience of our customers' own people.

From highly-engineered products to conceptual design, analysis, construction, installation, service and maintenance, Aquaterra Energy's engineers and analysts create the solutions that customers need, while delivering operational improvements, efficiency gains and supporting decarbonisation efforts – everywhere we can.

Founded in 2005, we have supported customers in the North Sea, South East Asia, West Africa, the Caribbean, and Australia. We are headquartered in Norwich, UK, and have additional offices in the UK, Norway, Australia, South East Asia, and Egypt.



1.4 Our products and services



Platforms

Designed to minimise build and implementation times, reduce CAPEX, emissions and time to first operation, our flagship offshore platform Sea Swift is trusted by operators all around the world. Its modular and flexible nature means it can be adapted to meet any number of field development needs, it has a wide range of benefits, making it the perfect solution for oil and gas, offshore carbon capture and storage (CCS), offshore wind, and offshore green hydrogen developments.

Wells and risers

Our work across riser systems, riser analysis and efficient well initiation is underpinned by our deep engineering expertise ensuring that whatever solution we design, develop, and install meets the needs of each client and each application. As an oil and gas OEM – we offer a range of integrated system packages to enhance operations, save rig time and accelerate time to first oil. We provide our global client base with riser and conductor analysis services, surface rise system packages, subsea high-pressure riser system packages, completion and workover riser system packages, plus surface and subsea connectors and a wide range of additional rental tools and equipment via our Aquaterra Express service.

Decommissioning and late life solutions

We provide complete solution packages to support decommissioning and late life operations globally. This includes tooling and services for platform well abandonment, subsea well abandonment, topside and jacket removals, and subsea removals.

Green hydrogen

We recognise the immense potential of green hydrogen, especially when paired with offshore wind energy. To address the challenges faced by wind developers, such as grid saturation and low power prices, we're providing innovative solutions that co-locate electrolyzers with offshore wind assets. By leveraging both new and legacy offshore infrastructure, we can place electrolyzers where the wind is strongest, ensuring a steady supply of renewable electricity for hydrogen production.

Our expertise extends to repurposing existing offshore platforms, pipelines, and terminals initially built for the oil and gas sector. By transforming these assets for green hydrogen production, we help operators avoid the costly and environmentally damaging process of scrapping usable infrastructure.

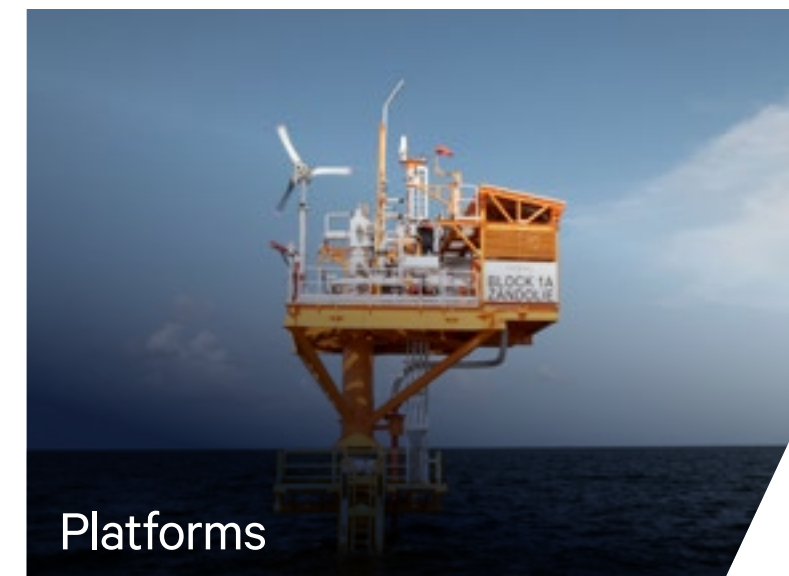
Offshore wind

As turbines grow taller, waters get deeper, and floating projects come closer to commercial feasibility, it has never been more important to apply intelligent offshore engineering principles to the offshore wind sector. Our offshore heritage means that we are perfectly placed to develop and implement innovative installation technologies; supporting project developers, vessel owners and service companies to maximise their value in the offshore wind supply chain.

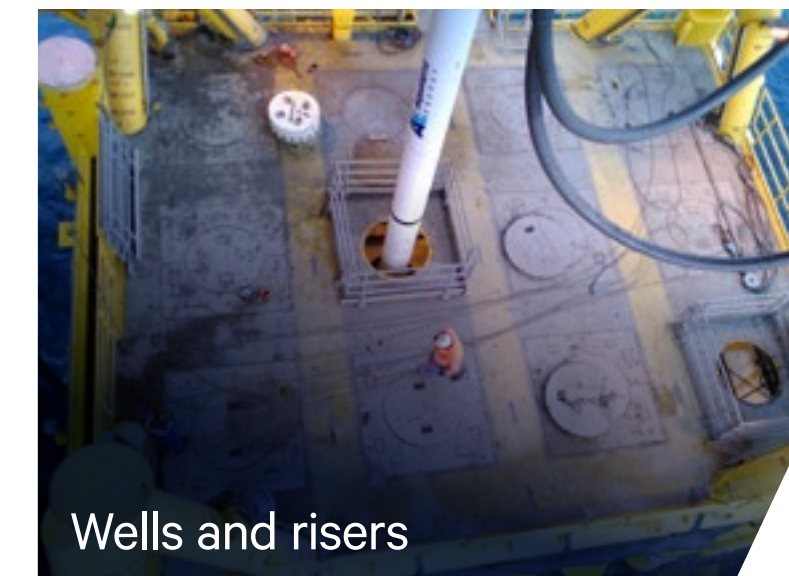
Carbon capture and storage (CCS)

Our portfolio of equipment and solutions helps oil and gas operators worldwide accelerate time to first oil, reduce rig time, and drive cost efficiencies. We are now leveraging this experience and expertise to accelerate the offshore carbon capture and storage (CCS) industry.

Our offshore CCS solutions support operators with drilling new CCS wells, the re-entry and abandonment of existing wells to support repurposing for CO2 storage, CCS platform projects, and importantly, the long-term CO2 management.



Platforms



Wells and risers



Decommissioning and late life solutions



Green hydrogen



Carbon capture and storage (CCS)



Offshore wind

1.5 Our approach to ESG

At Aquaterra Energy we are committed to conducting our operations responsibly. We proactively look for ways to minimise environmental impacts and ensure social responsibility and corporate governance relating to our employees, sites, clients, communities, and supply chain worldwide. We seek independent assessment and reporting of our provisions and performances to ensure that we remain on track to deliver our commitments.

About the UN (United Nations) Sustainability Development Goals (SDGs)

The UN Sustainable Development Goals (SDGs) were adopted by all UN member states in 2015 as part of the 2030 Agenda for Sustainable Development. Since then, they have been adopted by public and private organisations alike as a unifying framework for action on the world's interlinked environmental and social challenges.



Our ESG Pillars

	<p>Planet</p> <ul style="list-style-type: none"> • Enabling the energy transition • Carbon intensity • Pollution • Sustainable procurement and use of resources • Water consumption
	<p>People</p> <ul style="list-style-type: none"> • Customer responsibility • Employment standards • Equality, Diversity, and Inclusion • Labour standards • Quality education • Sustainable communities
	<p>Principles of governance</p> <ul style="list-style-type: none"> • Anti-corruption • Corporate governance • Occupational health, safety, and well-being • Risk management • Tax transparency

Our guiding principles

- 01** Transparent, best in class operations
- 02** A commitment to minimising our own impact on the environment
- 03** An innovation mindset to develop new technologies for our clients to create operational efficiencies and support their decarbonisation efforts
- 04** Continuous development of our people, supply chain and communities
- 05** Leave where we operate better than when we found it, by engaging with in-country suppliers to offer learning and employment opportunities

We aim to exemplify these principles throughout our activities, whether relating to environment, social or governance or – to use less formal nomenclature – our Planet, People and Principles of Governance (PPP) approach.

2 Planet

2.1 Our ESG objectives

We are proud of our ongoing commitment to sustainability. Throughout 2023, we have continued to seek new ways to improve our operations and support our journey to Net Zero. We also continue to assist our customers with their own decarbonisation efforts, while progressing our industry support for energy transition strategies - particularly in offshore carbon capture and storage, and the development of the offshore green hydrogen industry.

2023 in numbers

Tonnes CO2e	2020	2021	2022	2023
Scope 1 emissions	20.16	185.6	31.9	24.4
Scope 2 emissions	49.83	3.8	3.8	3.3
Scope 3 emissions	2895.97	1938	1113.6	1577.6

1605.5 tCO2
emissions from our operations

5
offshore CCS projects supported, out of 70 offshore energy projects

100%
of our waste was recycled

87%
reduction in the carbon intensity of our logistics due to the implementation of our Sustainable Logistics Policy

11 tCO2
saved in staff travel emissions from our electric vehicle salary sacrifice scheme



Our objectives for 2023

- Partially achieved
- Achieved

- Zero incidents causing harm to our people or to the environment arising from our operations
- Carbon calculator expansion/roadmap into Platforms & Renewables Services
- Delivery of our Zero to Landfill commitment for 2023
- Inclusion of the reduction Scope 1 & 2 emissions, as well we as the delivery of Zero to Landfill for 2023, into the company bonus system for all employees
- Inclusion of sustainability skills and competencies into all existing and new competency profiles
- Implement a logistics management process to mirror the provisions for business travel to build in the consideration of carbon intensity into all logistics options within product and project delivery/procurement policy and supporting processes

New objectives for 2024

- Launch of additional products and services that support the energy transition
- Increase revenue from energy transition projects by 100%
- Zero incidents causing harm to the environment arising from our operations
- Reduce our scope 3 emissions by 7%
- Utilisation of our carbon calculator within our platforms products and services, demonstrating emission savings from our solutions/approach
- Maintain our Zero to landfill status

2.2 Focus area: Supporting the energy transition

Transforming our business to support the energy transition remains a fundamental focus in an ever-evolving landscape. Throughout 2023, our innovation efforts concentrated on further refining our existing solutions to facilitate greater efficiencies that lead to reduced emissions in our customers' projects, as well as continuing our momentum with emerging energy landscape technologies, including offshore CCS and green hydrogen.



In focus Anne Haase, Energy Transition - Commercial and Strategy Director

CCS is set to be a game-changer in the global transition to net zero. Over the past few years, we have been honing our skills and knowledge to really make a mark in the sector. This project is a fantastic opportunity for us to combine our rich offshore heritage and energy expertise to facilitate large-scale CO2 storage. Being a part of Project Greensand is exciting – it is an ambitious project leading the charge in implementing CCS at the speed and scale we need.



Principles in action:	SDGs supported:
2, 3	   

Industry Decarbonisation

Throughout 2023 we remained committed to driving positive change within the Oil and Gas energy industry and actively supported our client's decarbonisation efforts.

A highlight was completing the design of a second 100% autonomously powered Sea Swift platform, this time it was for a supermajor offshore Angola and used just solar.

By working closely with solar panel specialists, we calculated the optimal number of panels that would be needed for autonomous power – which was required due to its distance from the host platform (subsea cable was not an option), as well as a desire to reduce the safety risks associated with personnel travelling offshore for maintenance visits. The power system we implemented meant the platform was 100% autonomously powered using solar energy and as such, will emit no Green House Gas emissions for the electricity generation. The platform is currently being installed and is expected to be operational by September 2024.

From an innovation standpoint we were pleased to announce the expansion of our riser and connector portfolio with a dedicated system to support CCS projects.

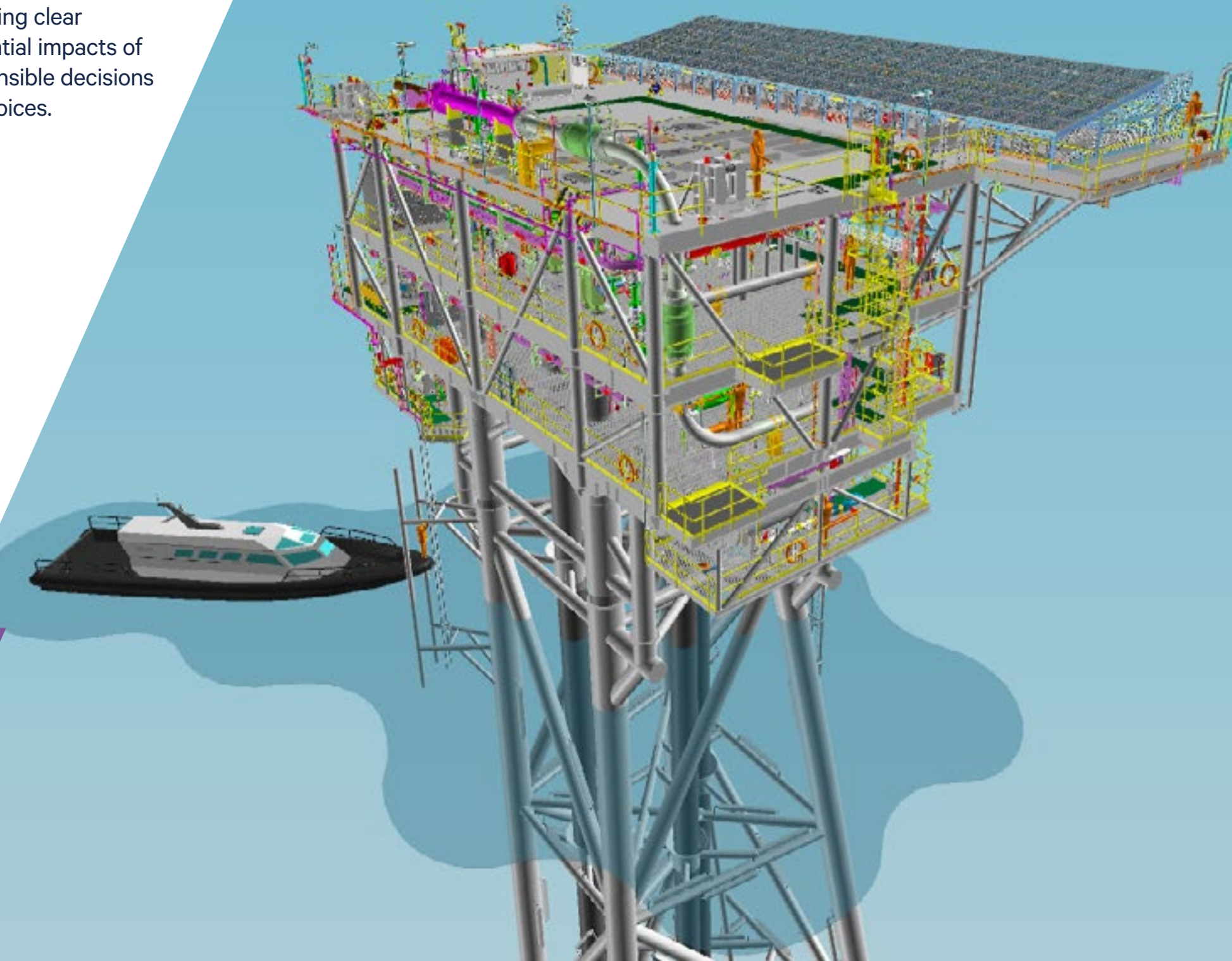
The end-to-end solution will allow operators to safely perform workover and intervention operations in low temperature and high-pressure CCS subsea sites, without concern for gas leakage. We designed the patent pending technology to address the distinct issues and complexities that can occur when working with stored and pressurised CO2, for example sweet corrosion and ultra-low temperatures that standard low-alloy carbon steels cannot safely deal with.

Carbon Calculator

Our carbon calculator has continued to be embedded into our project management and delivery processes across our Oil & Gas projects and is used to support efficiencies and reductions in emissions – whether it be from finding a less carbon intensive material or reducing operational rig time, to emission savings in transportation options.

By using our products and services we were able to demonstrate 10,126 tonnes of CO2 savings for our customers on various offshore projects.

In 2023 we set ourselves an objective to expand our carbon calculator into our Platforms, this work has been completed and is now in operation serving the business and our clients by providing clear information in relation to the potential impacts of company projects to enable responsible decisions within our design and logistical choices.



2.2 Focus area: Supporting the energy transition cont.

Principles in action:	SDGs supported:
2, 3	   

Offshore Carbon Capture and Storage

2023 has been a significant year in progressing our efforts to support offshore carbon capture and storage projects. We were happy to end the year with five offshore CCS projects in progress.

We are working with several operators to support them with potential legacy well issues using our well-re entry and tieback engineering services which have been traditionally used for Oil & Gas services. We are assessing legacy wells for risks which CCS injection will pose to storage on a geological timeframe and supplying solutions and technologies for re-abandoning and re-entering.

In November, we were delighted to be awarded a contract with INEOS to support with the life extension of an existing offshore platform for CO2 injection as part of the Project Greensand CCS Development, offshore Denmark. Greensand is the most mature CO2 storage project in Demark. It aims to store up to 1.5 million tonnes of CO2 per year by 2025, making it a key project in meeting the International Energy Agency’s sustainable development scenario goal of 5,635 megatons of CO2 stored globally per year by 2050.

Sustainability skills and competencies of our employees

In 2023, we prioritised equipping our staff with the necessary skills and competencies to support our global sustainable operations. We implemented targeted training programs and workshops to enhance their knowledge of our sustainable practices and technologies. These competencies were then systematically embedded into their competency profiles, ensuring that our workforce is not only capable but also committed to driving our sustainability goals, as well as those of our customers, forward.



In focus Industry Recognition

Reflecting on accomplishments last year, we were particularly proud to be winners of the Internationalisation and Diversification award at the 36th Offshore Achievement Awards (OAAs). The OAAs recognise the outstanding achievements in the energy industry, and we were winners due to our efforts in not only growing our business internationally, but our diversification into renewables and supporting the energy transition.

Additionally, we were proud finalists for the OWI Awards and the prestigious Platts Global Energy Awards, both within Energy Transition categories, further solidifying our industry leadership in driving the energy transition. These achievements exemplify our ongoing efforts to pioneer sustainable solutions and reinforce our position as a catalyst for positive change within the energy industry.



2.3 Focus area: Operations

Principles in action:	SDGs supported:
2, 3	   

Manufacturing of company assets

We have consistently worked to broaden and enhance our supply chain, enabling us to manufacture closer to the end point where our equipment is needed. Whenever possible, we aim to manufacture in the country where the equipment will be used. This strategy not only reduces the emissions associated with manufacturing and transportation but also fosters local content, benefiting the communities in which we operate.

Of course, the consideration of environmental impacts in only one part of the decision-making process alongside other factors such as technical capabilities, time, cost, and client requirements, but including it within the project delivery strategy remains core to our overall project delivery processes.

The procurement of materials for the fabrication our new riser system was partially responsible for the increase in our scope 3 emissions for 2023. During the year, an increased proportion of our projects were based within the Middle East and as such required us to engage heavily with our local supply chain in that area with some long term, trusted suppliers. As an example, by fabricating our equipment in Dubai for a Middle Eastern project, as opposed to the UK, we can save approx. 1019g of CO2e of emissions per kilometer via air freight, or 13g of CO2e emissions per kilometer via cargo ship (see graph below).

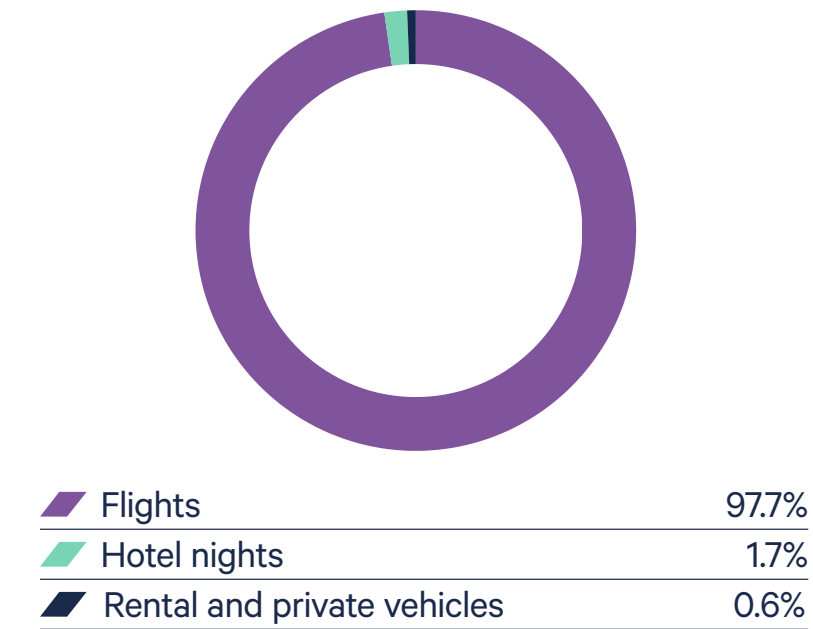
Additionally, this year we reviewed and updated our supplier terms and conditions to include sustainability requirements, encompassing both environmental and societal considerations. This ensures that our supply chain partners align with our commitment to sustainable and ethical practices and contribute positively to the communities they serve.

Staff travel

Our staff travel throughout 2023 increased by 84% due to the nature of our projects overseas and the need for our people to be overseas supporting these. This has contributed to an increase in our scope 3 emissions.

In 2022, through the implementation of our New Business Travel Policy we have provided our teams who are required to travel to pick from the efficient route, with the lowest carbon impacts. In 2023 we have been embedding this policy into our business, it has generated 4847.76kg of Co2e savings to date.

Breakdown of staff travel



Decarbonisation Plan

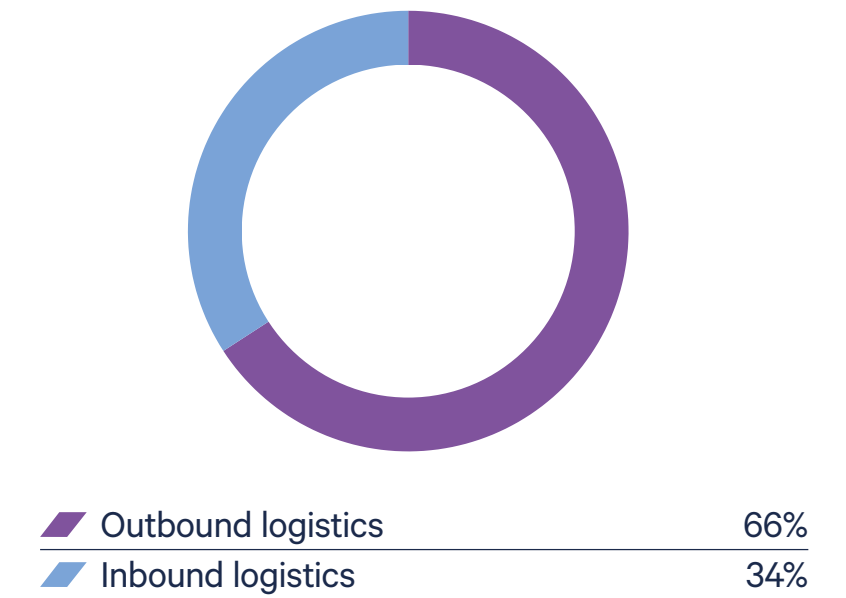
In 2022 as part of our plan to reach Net Zero by 2030, or sooner, we published our Decarbonisation Plan. This was in replace of an official plan to Net Zero whilst we await the availability of external verification for our industry.

This is an iterative document, and our 2023 version can be [found here](#). A detailed summary of our scope 1, 2 and 3 emissions for 2023 is included.

Global transport of company assets

In 2023, we implemented a new Sustainable Logistics Policy, prioritising carbon intensity in project delivery. As a result, we reduced our logistics' carbon intensity by 87%, despite an increase in total tKM for both inbound and outbound logistics. Continuous data from our logistics providers allows us to make informed decisions on manufacturing locations and asset movement worldwide. Emissions from global transport of our assets are as follows:

Breakdown of global transportation of company assets



Waste Management and Recycling

Reducing the waste produced from our operations and improving its handling are key elements of our ISO14001:2015 certification, and we made a commitment to zero landfill by 2023.

We are delighted to announce that this target was achieved and 100% of our waste avoided going to landfill in 2023. To meet this objective, we identified additional waste streams for the outstanding 4% of waste. These included:

- Further optimisation of our in-office recycling with the introduction of recycling facilities for coffee cups, food waste, wrappers, and stationery
- At our Operational Base we introduced additional recycling streams for all of our PPE plastic

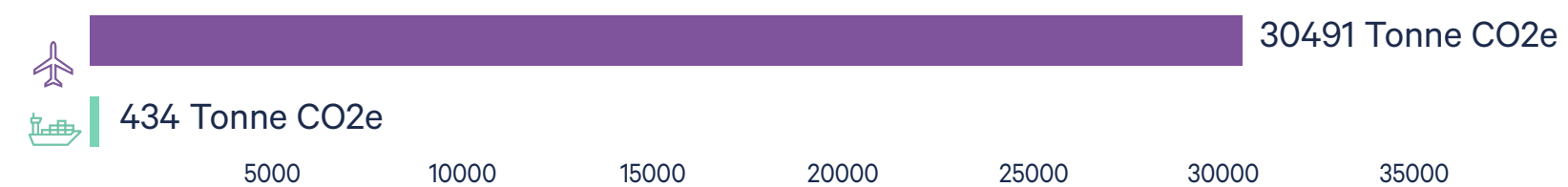


It is fantastic to have achieved our target of Zero to Landfill for 2023.

Simon Hatson
QHSE and Sustainability Director
Aquaterra Energy



Middle East project CO2 emissions savings



3 People

3.1 Our ESG objectives

Looking back on 2023, our cohesive team continued to uphold our commitment to excellence, consistently pushing boundaries to achieve remarkable outcomes. At the core of our operations, our people remained our most valuable asset, driving our successes throughout the year. Recognising the pivotal role of personal and professional development in our company's growth, we prioritised initiatives aimed at nurturing the skills and talents of our staff.

Beyond our company walls, we remain dedicated to empowering individuals within our communities, striving to create pathways for success. 2023 saw us ramp up our STEM activity to engage the future generation, and we raised the bar even higher by delivering our first ever STEM activity overseas in Angola.



132
global employees

8
company-supported charities

9.86%
employee turnover

11,000
hours of training for our people

15%
of female employees

6
graduates and apprentices welcomed

113%
increase in STEM activity

433
hours of local content generated

2023 in numbers

Employee gender



Length of service



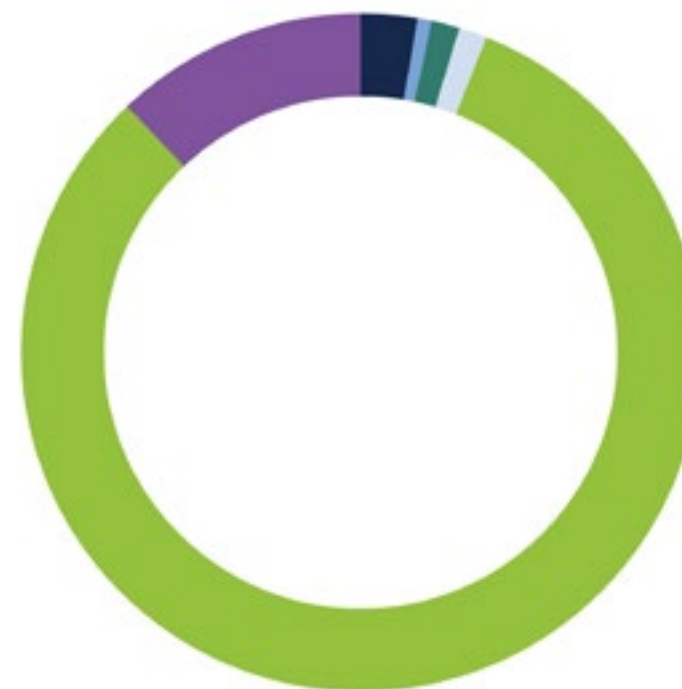
Age



Managers – gender split



Ethnicity



White	81.9%
Unreported	12.1%
Asian, Asian British	2.7%
Other ethnic group	1.3%
Mixed or multiple ethnic groups	1.3%
Black, Black British, Caribbean or African	0.7%

Our objectives for 2023

- Achieved
- Delayed to 2024

- Launch new integrated learning platform
- Recruit five new STEM ambassadors
- Run 12 STEM activities
- Introduce a paid volunteer day for all staff
- Build at least two new relationships with schools / colleges to support STEM activity
- Launch new staff benefits platform
- Launch HR self-service platform to enable staff to manage their own data
- Increase our knowledge sharing activities via local content by 100%

New objectives for 2024

- Launch HR self-service platform to enable staff to manage their own data
- Build an accessible course library of training opportunities within the HR self-service
- Continue to provide STEM activities to local schools and colleges
- Support two developing engineers through their Chartership Application via IMechE
- Develop a new appraisal process as part of the continuous improvement plan

3.2 Focus area: People development

Principles in action:	SDGs supported:
4	 

At Aquaterra Energy, nurturing talent and fostering personal development is of utmost importance. We take pride in our accredited graduate and apprenticeship programs, providing aspiring professionals with valuable opportunities to kick-start their careers. Moreover, we wholeheartedly support our engineers in their pursuit of Chartered or professional accreditation, prioritizing the significance of continuous growth and expertise in our field.

Graduates and Apprentices

Our graduate scheme at Aquaterra Energy remains dedicated to cultivating exceptional engineers, continuously challenging them to tackle complex problems and innovate for operational enhancements and efficiencies. In 2023, we proudly welcomed four new graduates into our program. Each recruit has committed to achieving chartered status, aligning with our tradition of guiding graduates towards this esteemed milestone.

In addition to our graduate program, we continue to invest in engineering and design apprenticeships, welcoming two apprentices from local technical colleges in 2023. We were delighted by the recognition that one of our Engineer Apprentices received at the 2023 EEEGR awards, where Bretton Pickering, our Apprentice Design Engineer, was honored with the ‘Young Person of the Year Award’.

We have also extended opportunities to placement students and interns. In 2023, we welcomed a student from the University of East Anglia for a one-year placement within our renewables team. This student is working on exciting and innovative projects within the offshore CCS and green hydrogen space.

Mentoring

As part of our commitment to training we have continued to expand our mentoring scheme. We now have 6 mentors within our business who support graduates throughout their chartership journeys with the ImechE and the ICE, as well as other members of our wider team who are looking to progress within their personal careers.

Engineering Construction Industry Training Board (ECITB)

As a levy payer, we work closely with the ECITB. In 2023, we were thrilled to be re-accredited as a Gold Level business for our commitment to the ECITB’s Skills and Training Charter, and our dedication to the training and development of our employees, as well as our support of the global skills agenda. This recognition underscores our continuous efforts to enhance the capabilities of our workforce and align with international standards.

In 2023, 26% of our staff benefited from ECITB grants for various courses, ranging from Bolt Torquing to a Hydrogen course provided by the Renewable Energy Institute. These opportunities have significantly contributed to the professional growth and technical proficiency of our team. Additionally, one of our Graduate Project Engineers, Ben Pond, was nominated as a finalist for Graduate of the Year at the ECITB Awards, highlighting the talent and dedication within our business. Our ongoing collaboration with the ECITB ensures that we remain at the forefront of industry advancements and continue to support the global skills agenda effectively.

Learning and Development

The Company’s Leadership and Development Review Programme (LADR) continued in 2023. The senior leadership team met to review the achievements and contributions of a number of staff with a view to offering opportunities to enhance their career pathways. The LADR process this year was enhanced by the introduction of a Coaching Model to support employees in naming their career aspirations, articulating any barriers either current or anticipated, and identifying behaviours that will support their career journey.

Professional membership successes

We are proud to highlight the professional achievements of our team members in 2023, demonstrating their dedication to excellence and continuous improvement:

Alexander Sims, one of our Senior Project Engineers, achieved the status of ‘Chartered Engineer’ with the Institution of Civil Engineers. This reflects Alexander’s expertise, commitment, and the high standards upheld within our engineering team.

Kerrie Greenfield, our HR Advisor, also reached a professional milestone by obtaining her Level 5 Associate Diploma in People Management. This accomplishment underscores Kerrie’s dedication to advancing her skills and enhancing our HR capabilities.

These successes not only represent individual accomplishments but also contribute to the overall strength and capability of our teams. We remain committed to supporting the professional growth and development of our staff, fostering a culture of excellence and continuous learning.




In focus Bretton Pickering, Apprentice Design Engineer

Bretton joined Aquaterra Energy in September 2022, and from the outset, it was evident that he possessed an exceptional aptitude for his role. His proficiency in swiftly adapting to the CAD (Computer-Aided Design) packages was impressive. Our apprentices are set a series of 10 modeling and drafting tasks to ground their technical knowledge before starting live project work. These tasks increase in complexity, with a baseline completion time of 16 weeks. However, Bretton completed these tasks in just 14 weeks, meeting the high standards we expect from our experienced engineers.

On live projects, Bretton consistently takes on challenging work, pushing his technical knowledge and understanding. Beyond his day-to-day role, Bretton has actively mentored and supported our university graduates in using CAD programs, drafting engineering drawings, and following best practices. Bretton is also a committed and enthusiastic STEM Ambassador. For example, he attended a careers day hosted by UTCN in Norwich, where he is an alumnus. His commitment to volunteering in these activities demonstrates his passion for inspiring and educating the next generation of engineers. We were delighted for Bretton when his skills and dedication to supporting future engineers were recognised at the 2023 EEEGR awards, where he won Young Person of the Year.

3.2 Focus area: People development cont.

Principles in action:	SDGs supported:
4	 

Supporting STEM

Supporting and empowering the next generation of engineers continues to remain a top priority for our business. 2023 was a record-breaking year for our STEM activities. Not only did we successfully hit our objective recruiting an additional five STEM ambassadors, but we also delivered our biggest ever year of STEM activities. Some of the highlights included:

- Attendance at the City College Apprenticeship Fair
- Participating in a Reduce, Reuse, Recycle workshop with pupils at Charles Darwin Primary School
- Hosting the students from The Norwich School as they presented the findings from their CREST Gold Project entitled: “Designing a Tension System for a Blowout Preventer”. The students were mentored by our Offshore Analyst Sogil Phillip and gave an excellent polished presentation to a group of Aquaterra Energy’s senior management and technical engineers.
- Participation in the New Anglia Careers Hub SME Enterprise Day where our STEM Ambassadors provided mini engineering workshops for attendees.

2023 was also a record-breaking year for welcoming work experience students into our business. We supported nine students from local schools, where they shadowed and supported teams across marketing, operations, offshore analysis, design and projects.



In focus Inspiring the next generation of Angolan engineers

In September 2023, as part of our in-country local content commitment for an ongoing platform project some of our team flew to Angola to deliver our first ever in-country STEM activity. It took place at a local school in Zango Zero with our in-country partners EMC – Engineering Management Company, Lda. It was organised with the support of the incredible Youth Council of Angola, and it was fantastic to share our knowledge and help to actively grow the future of engineering in Angola.

So much fun was had on the day and some fantastic structures built out of spaghetti and marshmallows!

Knowledge sharing, learning and development, and creating value are fundamental parts of our strategy when working in-country on our offshore energy projects and we are looking forward to doing more of these events in the future.

3.3 Focus area: Wellbeing and community engagement



Throughout the year we supported more than 10 different events and fundraising opportunities, which raised a total of £10,500 for charity. This included a charity golf day, sponsored walks, sponsored skydives and a charity football tournament.

Financial wellbeing

Principles in action:	SDGs supported:
1, 4	

In May, we welcomed our Financial Partner, Lucas Fettes, into the business to provide an onsite Coffee and Learn session on Financial Wellbeing. The session included insightful information on financial personality types and how they influence behavior, life stages and the changing nature of financial priorities, basic taxation concepts, and tips on how to protect and build wealth.

Additionally, we continue to offer all staff access to a range of retail discounts through our partner, Reward Gateway. These initiatives are just some that underscore our commitment to supporting the financial wellbeing of our employees, helping them manage their finances more effectively and improve their overall quality of life.

Professional Development Wellbeing

Principles in action:	SDGs supported:
1, 4	

Continuing Professional Development is vital for the professional health of the business and for employee career development. During 2023 staff completed over 11,000 hours of training ranging from mandatory monthly online training to degree courses and technical qualifications.

We launched Aquaterra Engage, an integrated learning platform using SharePoint technology to house training materials, webinars, “lunch and learns” and links to training courses for all staff. Aquaterra Engage also offers staff an introduction to becoming a STEM Ambassador and links to the STEM Learning website.

Our commitment to our Graduate, Trainees and Apprentices continues as we support them to attain their professional development goals. The group meets monthly to share their learnings, they do this by presenting on a topic each month that is linked to the professional attributes/competencies that they will need to evidence as the progress to Chartership status. The sessions are led by senior engineers and sponsored by our Technical Director.

Physical wellbeing

Principles in action:	SDGs supported:
1, 4	

In January 2023, we launched a new Cycle to Work Scheme in partnership with Cycle Scheme, refreshing our salary sacrifice scheme for employees. As part of our Awareness Days series, we celebrated Veganuary by providing vegan treats to our office-based staff and highlighting vegan-friendly eateries near each of our offices.

We also enhanced safety at our Operations Base in Great Yarmouth by installing a defibrillator. In support of our Menopause Policy, we held an awareness session focusing on how best to support family members or colleagues, covering employment equality and discrimination law, and discussing reasonable adjustments for employees.

To promote health, we arranged on-site Mini Medicals at our Head Office and Operations Base. These quick and convenient health assessments provided employees with an overview of their current well-being. Additionally, we offered free on-site acupressure massages, which were very well received and quickly oversubscribed.

In November, our male employees participated in Movember, raising awareness about men’s health issues. These initiatives underscore our commitment to supporting the physical wellbeing of our staff, ensuring a healthy and supportive work environment.

Emotional Wellbeing

Principles in action:	SDGs supported:
1, 4	

In May, we focused our Awareness Series on Mental Health Awareness, highlighting the presence and support of our in-house Mental Health First Aiders. We were delighted to train two additional MHFAs to further support our employees. In October, we celebrated World Mental Health Day by encouraging staff to join their colleagues for a lunch to “talk,” fostering open discussions and support among teams.

In September, we supported National Inclusion

Week by highlighting our inclusive practices, including our ED&I Awareness Day calendar and our Diversity & Inclusion and Unconscious Bias training. We also launched our “Voices Heard” feedback portal, enabling staff to provide feedback and share ideas on how the company can improve in the area of D&I. Additionally, we conducted an Equality, Diversity, and Inclusion Survey, the results of which were discussed with our Employee Forum. This discussion led to a request for more training and awareness on the subject of Neurodiversity.

These initiatives demonstrate our commitment to emotional wellbeing, ensuring that our staff feel supported, included, and valued within the workplace.

Community engagement

Principles in action:	SDGs supported:
1, 4	

In addition to our work in supporting local educational institutes, throughout 2023 we continued to support our local chosen charities:



Nelson’s Journey, who provide support for children and young people who have experienced the death of a significant person,



MIND, the mental health charity for England and Wales.

Each year our social and charity committee plan a range of events that we sponsor and for our staff to participate in and raise additional funds for. Our staff are also encouraged to take part in, or organise their own fundraising for additional charities and organisations that they are involved with. For this we offer a corporate matching policy, whereby we match the funds raised up to a maximum of £100.

4 Principles of governance

4.1 Our ESG objectives

Ensuring the highest standards of governance in our operations is at the core of our ethos. We adhere to meticulously documented and audited procedures, processes, and management systems, ensuring accountability, transparency, and ethical conduct in all our endeavors, aligned with industry best practices. Regular evaluation and enhancement of these systems are paramount, enabling us to consistently operate at peak efficiency and effectiveness.



Our robust corporate governance practices serve to safeguard the interests of all stakeholders, encompassing customers, clients, shareholders, and the communities in which we operate. We recognise that our employees are integral to this journey, and as such, we ensure their alignment with our company vision, mission, and values. These foundational principles were reviewed throughout 2022 and successfully reintroduced to our employees early in 2023, fostering a culture of shared commitment to excellence and integrity.



2023 in numbers

0 reportable incidents from our global operations	7 external audits	8 supplier audits	333 due diligence activities conducted
96% close out of all S.A.F.E cards raised	152 operational and site inspections by board members	3 new or revised policies launched with our staff	100% of our staff completed money laundering, anti-bribery and cyber security training

Our objectives for 2023

-  Not achieved
-  Achieved

-  Implement external whistleblower hotline
-  Leadership/board training on Corporate Criminal Offence legislation
-  Risk and Audit Committee to meet a minimum of 4x per year
-  Implement a Corporate Social Media policy
-  Review of Corporate Ts&Cs to include social and environmental clauses in supplier contracts
-  Implement firewall upgrades to improve availability and resilience
- Upgrading our wireless hardware to the latest wireless standard

New objectives for 2024

-  Increase operational site inspections by 20%
-  Revision and enhancement of the Cost of Quality process to improve its effectiveness within project delivery and reduce waste / loss from the organisation
-  Integration of the carbon calculator and its outputs into company projects to support our clients to deliver against their own commitments & targets
-  Re-issue financial controls policy and process
-  Risk and Audit committee process to be reviewed and increase scheduled meetings by 100%

4.2 Focus area: QHSE

Principles in action:	SDGs supported:
1, 2, 4, 5	    

Ensuring occupational health and safety remains paramount as we expand our operations worldwide, both onshore and offshore. Aligned with the stringent standards of our ISO45001:2018 registered management system, we are dedicated to continuously enhancing our occupational health and safety (OHS) provisions through our annual QHSE improvement program.

In reaffirming Aquaterra Energy’s proactive stance on OHS and environmental management, our board commits to conducting and reporting on a minimum of three operational observations and two management site inspections. This proactive approach underscores our unwavering commitment to safeguarding the well-being of our workforce and ensuring the highest standards of occupational health and safety across all our operations.

We are proud to report that in 2023 we had zero reportable accidents arising out of our global operations.

S.A.F.E Committee

At Aquaterra Energy, we have operated our S.A.F.E (Safety Awareness for Everyone) Committee for many years. This committee, comprising representatives from all disciplines and levels of the organisation, discusses all matters related to Occupational Health & Safety for our onshore and offshore activities.

Last year our S.A.F.E committee identified five safety campaigns to further support our staff. As with other years, these safety campaigns are completed by our graduates during their rotation with the QHSE team. The campaigns covered eye safety, the importance of SAFE cards, hand safety, lessons to be learned, and recycling.

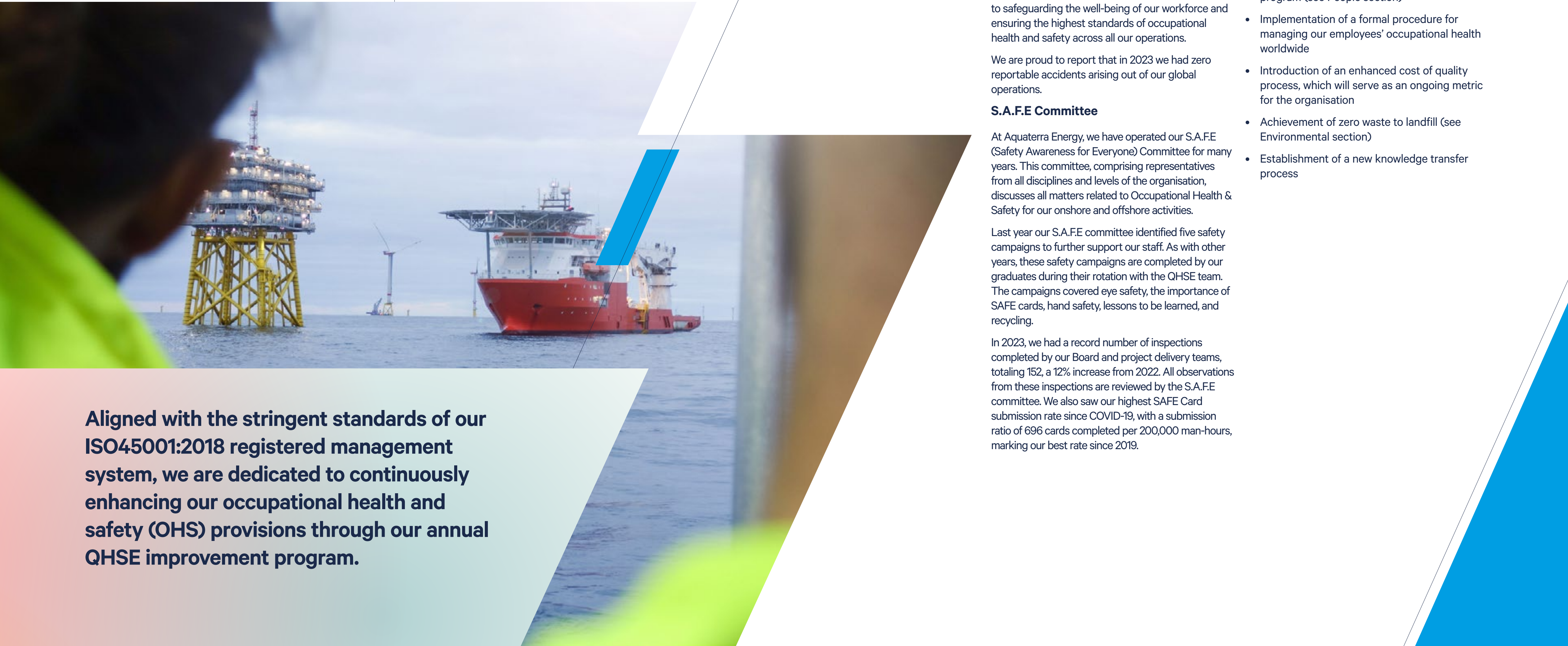
In 2023, we had a record number of inspections completed by our Board and project delivery teams, totaling 152, a 12% increase from 2022. All observations from these inspections are reviewed by the S.A.F.E committee. We also saw our highest SAFE Card submission rate since COVID-19, with a submission ratio of 696 cards completed per 200,000 man-hours, marking our best rate since 2019.

QHSE improvement plan




A vital component of our operating management systems is the commitment to continuous improvement. Each year, we develop and implement an enhancement program to ensure our provisions evolve alongside the organisation’s strategies and technologies. In 2023, this approach led to several key updates, including (but not limited to):

- Development of a new procedure for managing risks and opportunities
- Creation and delivery of our wellbeing program (see People section)
- Implementation of a formal procedure for managing our employees’ occupational health worldwide
- Introduction of an enhanced cost of quality process, which will serve as an ongoing metric for the organisation
- Achievement of zero waste to landfill (see Environmental section)
- Establishment of a new knowledge transfer process

Aligned with the stringent standards of our ISO45001:2018 registered management system, we are dedicated to continuously enhancing our occupational health and safety (OHS) provisions through our annual QHSE improvement program.



4.3 Focus area: Audits and Risk Management

Principles in action:	SDGs supported:
1, 2, 5	  

Audits

Regular audits conducted by relevant authorities are vital in validating the effectiveness of our company provisions and support us in our commitment to continuous improvement. Each audit, regardless of its focus, provides a valuable opportunity to assess our practices against industry benchmarks and regulatory standards. This process informs our strategic decisions and execution plans, while also contributing to our internal lessons-learned systems.

In addition to audits by our appointed ISO registering body and financial auditors, we undergo assessments by our clients and other key stakeholders, including Ecovadis, Achilles Oil and Gas Europe, Achilles UVDB, and Magnet JQS. These external audits ensure alignment with our commitment to excellence, sustainability, and transparency, reinforcing our dedication to meeting the expectations of our stakeholders and industry peers.

In 2023, we underwent seven external audits and conducted eight audits of our own clients and suppliers, including those based in the Middle East, Italy, and the UK. We also performed 35 internal department audits in accordance with our ISO requirements, to ensure our management and systems are compliant.

Risk Management

When it comes to risk management, our primary aim is to effectively manage our business and associated risks to best serve our stakeholders' interests. Reflecting on 2023, we remained committed to proactively adapting to the evolving landscape of our industry and the cultures in which we operate, both at a corporate and project delivery level.

Throughout the year, our Group Risk & Audit Committee convened regularly to prioritise and mitigate the financial, commercial, and operational risks facing the company. Comprising both non-executive and executive directors, this committee ensures a comprehensive assessment of risk factors.

We set an objective to increase the frequency of Committee meetings to at least once per quarter for 2023. This proactive measure aims to bolster our risk mitigation efforts and ensure a more agile response to emerging challenges. Our committee convened three times to address critical risks and strategise solutions, which meant we did not meet our target of four. In 2024 we will be reviewing this process and look to implement new procedures and process to ensure our risk and audit committee is meeting much more frequently.

Additionally, in a move to further enhance transparency and accountability, we are proud to announce the implementation of an external whistleblower hotline accessible to all our employees worldwide. This initiative reflects our commitment to fostering a culture of integrity and ethical conduct across our organisation.

Such comprehensive risk analysis remains integral to our adherence to ISO45001:2018 standards and is instrumental in the successful delivery of our global projects.



These external audits ensure alignment with our commitment to excellence, sustainability, and transparency, reinforcing our dedication to meeting the expectations of our stakeholders and industry peers.

4.4 Focus area: Financial, policies and processes and cyber security

Principles in action:	SDGs supported:
1	

Financial

We adhere to all accounting standards required by law. Both at the group and subsidiary levels, we undergo annual financial audits by independent audit firms. Additionally, we comply with national and international tax laws, working closely with our tax advisors to ensure compliance across all tax jurisdictions.

Financial and management accounting information is published monthly for review by management teams, including the board of directors. In 2023, we underwent four statutory financial audits. Our 2022 end-of-year accounts were completed and filed with Companies House in May 2023.

Following Russia's invasion of Ukraine in February 2022 and the subsequent imposition of sanctions, we promptly updated our sanctions policy to include Russia and Belarus. Our team continues to monitor changes to the sanctions list, receiving daily updates directly from HM Treasury.

All customers undergo our standard due diligence process using Credit Safe. If flagged as high-risk, they then enter our enhanced due diligence process. In 2023, we carried out 333 due diligence activities, with one case requiring enhanced due diligence.

In 2023, 100% of our staff completed anti-money laundering and anti-bribery training, and our Executive Leadership team underwent training on Corporate Criminal Offense legislation.

Policies and processes

Embedded within our ISO9001:2015 registered Integrated Management System is a range of policies and processes. These ensure all people working on our behalf understand and have the resources available to support delivery, while also ensuring compliance with all relevant regulations.

Throughout 2023, several policies were reviewed, enhanced, and reissued to staff relating to our corporate governance, these included our Recruitment policy, plus new policies relating to Menopause and social media. In 2024 we plan to continue reviewing policies and processes as the business requirements dictate.

In 2023, we set an objective to implement an external whistleblower hotline accessible to all our employees worldwide. This initiative was successfully completed and is now fully operational. The hotline provides a confidential and secure channel for employees to report unethical behavior, misconduct, or any other concerns without fear of retaliation.

Although the hotline received zero calls in 2023, its presence is crucial for fostering a transparent and accountable culture. It underscores our commitment to ethical practices and provides employees with the assurance that their voices will be heard, and their concerns addressed. The whistleblower hotline is an integral part of our governance framework, supporting our ongoing efforts to maintain the highest standards of integrity and compliance.

Cyber Security

Last year, we made significant progress in our Cyber Security efforts, beginning with the replacement and upgrade of wireless hardware. This initiative aimed to enhance our defensive capabilities and improve overall performance. Although we postponed the firewall replacement, we implemented multifactor authentication (MFA) or Single Sign-On (SSO) using our Office-365 MFA for all cloud systems, including our backup platform. This decision provided an added layer of security.

Our perimeter defenses were generally hardened, and we undertook several related measures to bolster our cyber resilience:

- We increased staff training and certification to ensure our team is well-equipped to handle potential threats
- We achieved our Cyber Essentials certification, maintaining it as our security benchmark.
- Additionally, our Cyber GRX self-certification was validated through ProcessUnity, further demonstrating our commitment to high security standards
- To protect against data loss in the event of a cyber-attack, we enabled immutability for our backups, preventing their deletion
- We also improved our cyber alerting capabilities through an app provided by our insurer, enhancing our ability to respond swiftly to incidents

In 2023, we set an objective to implement an external whistleblower hotline accessible to all our employees worldwide. This initiative was successfully completed and is now fully operational.



Looking forward, we are dedicated to continuing to challenge ourselves, innovate in sustainable practices, and maintain our leadership in governance and operational excellence.



Simon Hatson
QHSE and Sustainability Director



Closing remarks

As the QSHE and Sustainability Director, reflecting on 2023 offers a lot for us to be proud of. This year, at Aquaterra Energy, we again achieved some significant milestones in sustainability, operational excellence, and talent development showing year-on-year progress.

Highlights are many, but key ones for me include the reduction in our scope 1 and scope 2 emissions, our continuing to spearhead offshore energy advancements globally, and of course our first ever overseas STEM event in Angola which will live long in our memory, demonstrating our ongoing commitment to environmental stewardship and community enrichment.

Looking forward, we remain committed to challenging ourselves, supporting the global energy transition, innovating our own sustainable practices, and driving on in our leadership within the governance of our organisation.

In 2024, we will continue to focus on reducing our scope 3 emissions through our ongoing relationships with our suppliers and clients alike, seeking to introduce efficiencies within our project delivery methods. I look forward to updating you on our continued progress and achievements in the coming year.

Simon Hatson
QHSE and Sustainability Director