



**JAMES FISHER AND SONS PLC**

# SUSTAINABILITY REPORT

# 2021

---

# PLANET, PEOPLE, PARTNERSHIP



**Sustainability is integral to our plan for delivering profitable growth for our shareholders, and central to how we create value for all of our stakeholders.**

**Creating a sustainable future for our families, friends and colleagues is important to each and every one of us, and we as individuals and James Fisher as a company need to step up, take responsibility and commit to driving positive change.**

**The development of our sustainability strategy has been guided by our purpose. It will help create a sustainable future for James Fisher by leveraging our intrinsic strengths and capabilities. I am delighted to share this strategy with you.**

## Foreword

James Fisher is a leading provider of specialist products and services to global energy, marine, and defence industries: we build offshore windfarms, rescue naval submarines in distress, transfer essential fuels around the UK's coasts, install subsea communications cables, decommission subsea oil infrastructure and nuclear reactors, and more. Our rich 175-year heritage is built on the core values of delivering excellence, continual innovation, and commitment to our stakeholders.

Due to climate change, the energy transition, growing global population, rising social inequality, and other macro-challenges facing the world today, sustainability and profitability are intertwined. We believe that the successful companies of the future will be those that embed sustainability in their culture and DNA. At James Fisher, sustainability means:

- Delivering strong, profitable growth
- Building on our 175-year history
- Having a positive impact on all our stakeholders

We identify with five core stakeholder groups - namely shareholders, employees, customers and suppliers, local communities in which we operate, and the environment. Placing them at the core of our sustainability strategy, we previously made a commitment to:

- Invest in capabilities and technologies to deliver a responsible energy transition
- Harness the potential of our pioneering employees
- Be good citizens of our local communities
- Become a trusted partner for our customers and suppliers
- Drive performance to improve returns for shareholders

These commitments guided our 2021 materiality assessment and its outcome informed our sustainability strategy. The sustainability strategy is defined across three pillars that translate our ambition into action:

- Planet: Protect and restore the environment
- People: Improve the lives of our people and those in the communities where we operate
- Partnership: Innovate responsibly and deliver consistent results for our customers and shareholders

Our increased focus on sustainability will position our businesses to succeed in the dynamic, diverse and niche markets we operate in.

This report unveils our sustainability strategy, including our stated commitments and Key Performance Indicators (KPIs) with which we will measure and track progress in the years to come. Recognising that our commitments and scope of ambition may evolve with changes in the market and regulatory landscape, we will routinely review our KPIs for relevance and consistency, and update when necessary.

**Eoghan O'Lionaird**  
Chief Executive Officer

## Our stakeholders

The sustainability strategy brings all our stakeholders into the heart of the Group and informs how we actively engage with them. Our strategic objectives are aligned with the interests of our stakeholders and are outlined below:



**Shareholders:** Consistently deliver attractive returns for shareholders

- Deliver long-term growth in underlying earnings per share, dividends and return on capital employed
- Grow strategically and profitably by leveraging existing specialist skill base to serve global markets
- Create incremental value by expanding our offerings and capabilities through investments and bolt-on acquisitions



**Employees:** Make James Fisher a rewarding place to work

- Ensure the safety and wellbeing of all employees
- Encourage and support innovation and accountability
- Develop individual and organisational excellence by investing in training and competence development



**Customers and suppliers:** Establish trust-based relationships and deliver on shared goals

- Develop solutions and offerings that address current and anticipated customer needs
- Ensure customers and suppliers share our values and are committed to operating responsibly
- Exceed customer and supplier expectations for safety and integrity
- Support our customers in achieving their sustainability targets and influence our suppliers to set targets of their own



**Local communities:** Be a good citizen and active member of the community

- Encourage our employees to engage and make a difference
- Create local employment and sourcing opportunities within our communities
- Ensure sustainability drives our decision-making process and operations
- Invest and engage in people development, wellbeing, training, and other initiatives to enhance the lives of people in the community



**Environment:** Uphold responsible business practices

- Assess and quantify the impact of our operations on the environment
- Develop and implement plans to conduct our operations more responsibly, identifying opportunities to improve
- Advocate for the environment where we operate and engage in preservation/restoration initiatives

We have defined KPIs for all stakeholder groups and are in the process of deploying these KPIs across the Group. These KPIs form the basis of how we will monitor, measure, and track the impact of our stakeholder engagements. Further details about KPI targets and how we plan to deliver these targets for each stakeholder group are outlined on pages 8 to 23.

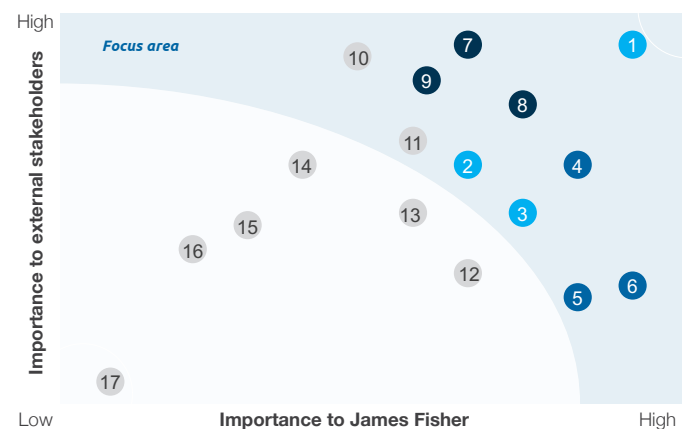
## Materiality assessment

We conducted a rigorous materiality assessment during 2021 to determine areas of greatest importance for our business and our stakeholders. This extensive assessment involved internal and external stakeholder engagement and utilised a leading-edge big data platform to consolidate stakeholder feedback, analyse the data and develop the James Fisher materiality matrix.

The assessment was conducted in three phases:

- 1. Issue identification** – we created a long list of current and emerging issues relevant to James Fisher from publicly available sources (e.g., industry publications, Sustainable Development Goals, Global Reporting Initiative guidelines and competitor/peer sustainability reports) and internal sources (e.g., risk register, staff survey, customer research).
- 2. Stakeholder validation** – we interviewed a range of representative external stakeholders and key management and decision-makers from James Fisher operating companies to review the long list of issues.
- 3. Issue prioritisation** – we analysed the stakeholder feedback and used the big data platform to produce the final list of 17 overarching issues and the materiality matrix, ranking and cross-referencing each against importance to external stakeholders as well as importance to James Fisher.

The materiality matrix has been validated and approved by the Board, with nine issues highlighted as priority areas of focus for James Fisher.



### Prioritised material issues

1. Portfolio choices
2. Resource efficiency
3. GHG emissions
4. Top talent
5. Diversity and inclusion
6. Health, safety and security
7. Innovation
8. Customer engagement
9. Governance

### Other material issues

10. Pandemic/COVID
11. Biodiversity and ecosystems
12. Cyber, IT and data
13. Climate change
14. Local communities
15. Disaster preparedness
16. Human rights
17. Infrastructure and energy security

**Our purpose**

Pioneering safe and trusted solutions to complex problems in harsh environments to create a sustainable future.

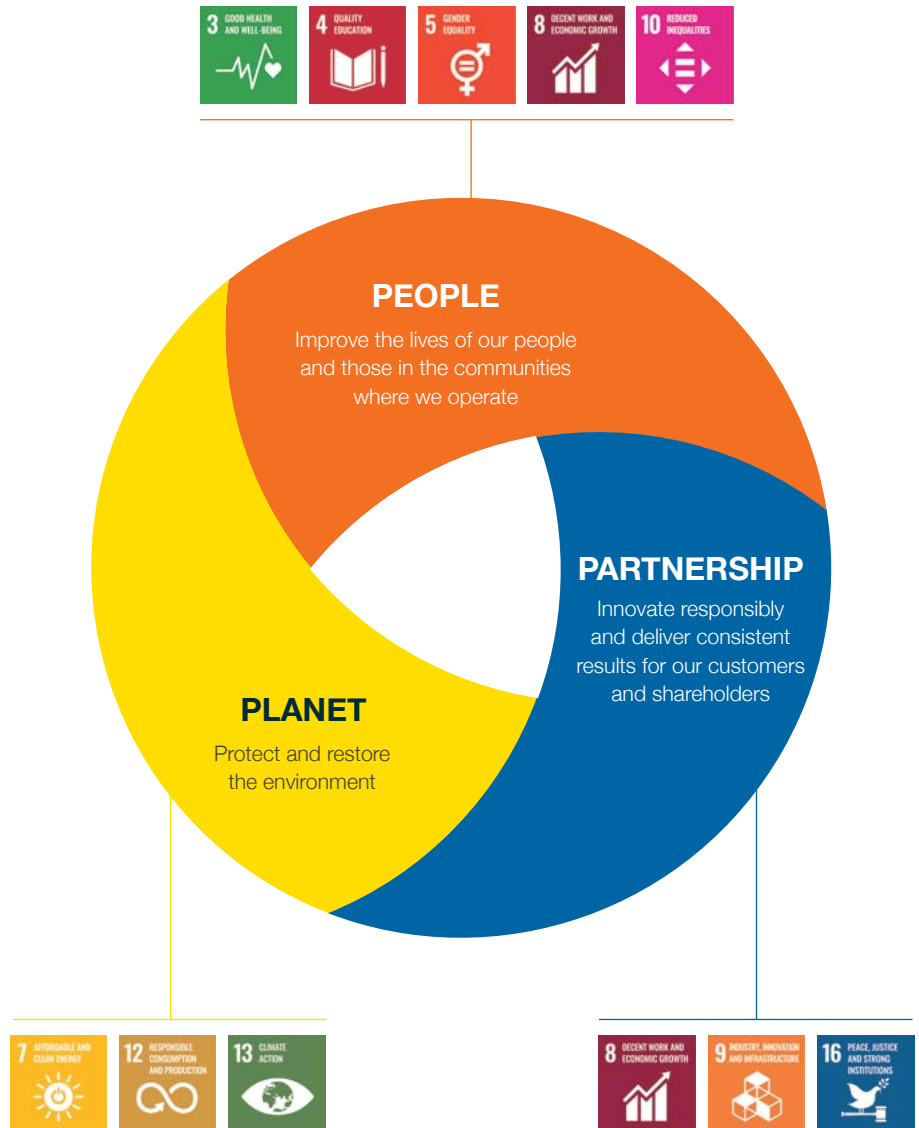
**Our contribution to the UN Sustainable Development Goals (SDGs)**

Launched in 2015, the UN SDGs are a call to action to promote prosperity across all countries whilst protecting the planet we share. We have evaluated the impact of our strategy execution and determined that our efforts will contribute to 10 of the 17 SDGs.

We aim to directly engage all stakeholders, internal and external, and increase coordination of activities across the Group to have a net positive impact on the environment, tackle climate change, improve health and wellbeing, responsibly consume materials and energy resources, reduce inequality, contribute to economic growth and champion a low-carbon economy.

**Our sustainability strategy**

Underpinned by our purpose, the three pillars of our sustainability strategy – Planet, People, Partnership – reinforce each other and, together, support our business growth strategy.



The nine priorities from our materiality assessment have been mapped across these pillars, progressing from foundational to transformational based on maturity and strategic impact.

**Foundational** – Focused on fundamental capabilities that establish our credibility and ensure we have a right to operate in our chosen markets

**Transformational** – Focused on differentiating capabilities that improve our competitive advantage and reposition James Fisher as a leader in our chosen markets

Transformational

Foundational

## Planet



**Transform and refocus our business to ensure our impact on the environment is net positive, and that we enable our stakeholders to do the same**

### Portfolio choices

Evolve our portfolio to serve the energy transition, with focus on growing renewables and remediation capabilities.

SDG:

7

Read more on our focus on renewables and remediation solutions on [pages 8 to 10](#)

### Resource efficiency

Minimise waste and improve productivity by embedding Circular Economy and Lean principles in our DNA.

SDG:

12

Read more on our asset utilisation improvement initiatives on [page 11](#)

### GHG emissions

Reduce our GHG emissions footprint by sourcing energy and fuels from low carbon sources, and investing in emissions abatement initiatives towards a net zero future.

SDG:

13

Read more on our emissions reduction efforts and focus on supporting clients to reduce their impact on [pages 12 and 13](#)

## People



**Attract, develop, and retain a high-performing workforce, and enhance people's lives by ensuring equal access to opportunities, providing purposeful and safe work, and promoting our core values where we operate**

### Top talent

Ensure talent is a strategic differentiator, through focused recruitment, engagement and training, and by prioritising the health and wellbeing of our people and those in the communities where we operate.

SDGs:

3 4 8

Read more on how we are developing future talent and contributing to the wellbeing of our communities on [pages 14 and 15](#)

### Diversity and inclusion

Promote a diverse and inclusive workplace by recruiting where we work, enforcing pay parity, and celebrating the uniqueness of individuals and their communities.

SDGs:

5 10

Read more on our community development and engagement initiatives on [pages 16 and 17](#)

### Health, safety and security

Prioritise the health, safety and security of our employees, customers, suppliers and local communities through a 'goal zero' approach, with focus on education, engagement, advocacy, and policy development.

SDG:

8

Read more on how we are pioneering safe operations across the world on [page 18](#)

## Partnership



**Leverage our deep industry expertise and track record for excellence to innovate responsibly and deliver consistent, value generating results for our customers and shareholders**

### Innovation

Develop and champion creative solutions to complex challenges through the integration and smart application of our specialist domain expertise, and in partnership with other players in the industry.

SDG:

9

Read more on how we are solving complex challenges with innovative solutions on [pages 20 and 21](#)

### Customer engagement

Build stronger customer relationships to better understand and resolve pain points, and foster collaboration towards value creation and shared success.

SDG:

8

Read more on how we are restructuring our customer engagement processes on [page 22](#)

### Governance

Commit to openness and accountability by living our valued behaviours, ensuring appropriate business policies, standards and controls are in place, and improving transparency of our supply chain.

SDG:

16

Read more on our responsible business policies and processes on [page 23](#)

**Sustainability team structure**



**Sustainability Committee**

The James Fisher Sustainability Committee, led by the Chief Executive Officer, reports directly to the Board of Directors and centres the Group’s sustainability strategy activation across all our operating companies.

**Responsibilities**

- Articulate James Fisher Group sustainability strategy and ambition
- Recommend sustainability objectives, priorities and initiatives to the Board, having regard to the interests of our stakeholders
- Define and recommend non-financial KPIs and targets to the Board
- Communicate sustainability objectives, priorities, and KPIs to Group operating companies and drive strategy execution
- Report to the Board on progress of strategy execution and implementation initiatives

**Stakeholder Working Groups**

The Sustainability Committee is supported by six stakeholder working groups, each with the mandate to represent and protect the interest of one or more of our stakeholders.

**Responsibilities**

- Translate overarching sustainability objectives and priorities into stakeholder-focused objectives, KPIs and targets
- Identify, recruit, and empower sustainability champions within operating companies, to drive roll-out of sustainability communication and initiatives
- Support operating companies with planning course of action and delivery of stakeholder-focused objectives and KPIs

**Sustainability Champions**

Each operating company has a sustainability champion, nominated by the operating company Managing Director. Champions function as core members of one or more stakeholder working groups.

**Responsibilities**

- Translate Group sustainability objectives and priorities into operating Company-specific objectives, KPIs and targets
- Function as subject matter expert, coach, mentor, and advocate on sustainability-related matters
- Drive communication, engagement, and execution of sustainability agenda within each operating company

## Sustainability frameworks

The sustainability frameworks we use for reporting are outlined below.



**Science Based Targets (SBTi):** To support our target setting exercise and emissions reduction commitments in alignment with the 2015 Paris Agreement to limit global warming to well below 2°C (preferably to 1.5°C, compared to pre-industrial levels), we have chosen the SBTi criteria as the standard for James Fisher.



**The Greenhouse Gas Protocol:** The GHG protocol is the guiding reference for our emissions footprint consolidation and validation exercise. This allows us to assess the emissions impact of our operations across the entire value chain and identify where to focus reduction activities. The standards have been used in the development of our Scope 1, 2 and 3 identification, measurement, and reporting methodology.



**UK Streamlined Energy and Carbon Reporting (SECR):** In accordance with the guidance on SECR that came into force on 1 April 2019, we have calculated and reported our emissions footprint and energy consumption in the Directors' report (see page 114 of the Annual Report 2021 for our SECR disclosure).



**Carbon Disclosure Project (CDP):** The CDP reporting structure promotes visibility and accountability in our management of risks and opportunities around climate change, water security and deforestation. We responded to the CDP disclosure in 2020 and 2021 and are committed to reporting in 2022 and onwards.



**Task Force on Climate-Related Financial Disclosure (TCFD):** The framework provides a structured approach for effective climate-related disclosures to better inform our stakeholders on risks, opportunities, and business resilience to climate change. We are committed to reporting our climate-related risks based on the recommendations of the TCFD (see page 52 of the Annual Report 2021 for our TCFD summary).



**UN Sustainable Development Goals (SDGs):** Enables the mapping of our strategy execution impact to reflect our corporate social responsibility efforts.

## Memberships, commitments and participations



# PLANET

**Over the course of our 175-year history, we have successfully navigated several industrial transformations, and helped advance shifts in energy systems.**

Beginning with our conversion to steam power from sail in the Nineteenth Century, we have successfully transitioned to and helped harness new forms of energy – from coal to oil and gas, nuclear, renewables and LNG. The large-scale transition from fossil fuel to clean energy sources, while challenging, is another opportunity for us to differentiate ourselves. Our focus is to reduce our own carbon footprint by transitioning to low carbon energy sources and alternative fuels, improving our energy efficiency, applying circular economy principles to our operations, and ultimately supporting our clients in doing the same. As many of our businesses operate within the energy value chain, we will continue to grow our capabilities to service the growing global demand for clean energy, the evolution of legacy energy demand, and increasing demand for remediation to mitigate the impact of human activities on the planet.

## PORTFOLIO CHOICES

KPI	BASELINE (2021)	TARGET	TARGET DATE
% Revenue from renewables and remediation offerings	17%	During 2022, we will set clear targets, with the aim to report in 2023	

### Why it is important

The James Fisher Group is a portfolio of service companies operating at the intersection of energy, marine, and defence markets. Our activities are inextricably linked to environmental considerations related to climate change and the energy transition. This creates specific risks and opportunities that, when properly managed, open new markets and revenue streams.

Over the past 10+ years, we have strategically funded environmentally sustainable growth by actively reinvesting cash from our legacy position in oil and gas into both established and growing positions in the renewable energy and environmental remediation value chains.



### Progress in 2021

#### Active portfolio management

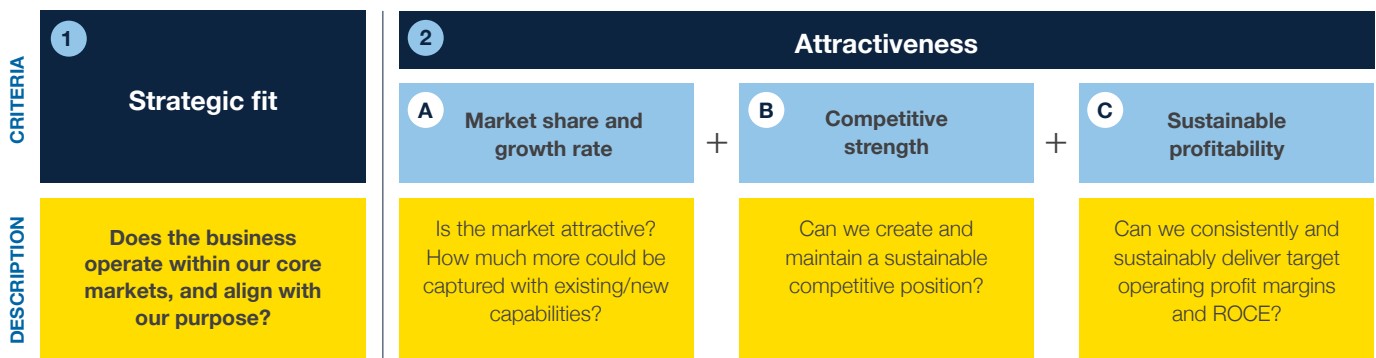
In line with our stated objectives and target, we developed and deployed a set of clear tests underpinned by well established frameworks to assess all businesses within our portfolio.

The outcome of this assessment informed critical decisions on what businesses to fix, exit, and invest in for future growth. For example, the decision to sell James Fisher Testing Services and James Fisher NDT was based on strategic fit, and the onboarding of a Broad-based Black Economic Empowerment (BBBEE) partner into James Fisher Subtech, South Africa was to improve our competitive strength.

#### Global contract wins

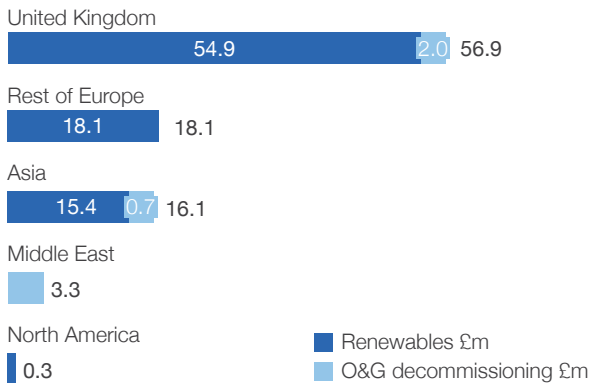
Our efforts to reposition James Fisher operating companies as leaders within their chosen capabilities in the global renewables and remediation value chain is yielding fruit, with significant contract wins realised during 2021. The services we will provide span across a range of capabilities, including:

- OFTO asset management
- Noise attenuation with big bubble curtains
- Asset commissioning, including HV safety management
- Topsides inspection, repair and maintenance
- Terminations and testing
- Cutting and dredging services
- Wellhead severance
- Pull-in high voltage cables
- UXO investigation and removal
- Crane delivery for HVDC platforms
- Blade inspection and repair





**2021 Contract wins for renewables and remediation scope, £94.5m**



**Regions and countries**

Rest of Europe	Asia	Middle East	North America
<ul style="list-style-type: none"> <li>Denmark</li> <li>France</li> <li>Germany</li> <li>Italy</li> <li>Spain</li> <li>Sweden</li> </ul>	<ul style="list-style-type: none"> <li>Taiwan</li> <li>Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>Saudi Arabia</li> </ul>	<ul style="list-style-type: none"> <li>Canada</li> <li>USA</li> </ul>

**Top clients**

<ul style="list-style-type: none"> <li>Boskalis</li> <li>Equinor</li> <li>Equitix</li> <li>Heerema</li> </ul>	<ul style="list-style-type: none"> <li>Iberdrola</li> <li>McDermott</li> <li>NPCC</li> <li>Ocean Winds</li> <li>Ørsted</li> </ul>	<ul style="list-style-type: none"> <li>Prysmian</li> <li>RWE Renewables</li> <li>Sapura</li> <li>Seaway7</li> </ul>	<ul style="list-style-type: none"> <li>Swancor RE</li> <li>Vattenfall</li> <li>Weatherford</li> </ul>
---	---	---	---

**Climate-related risk and opportunity analysis**

We engaged the services of specialist consultants to evaluate climate-related risks and opportunities facing the Group. The exercise involves a climate scenario analysis, an important and useful tool used to identify and assess the implications of different future climate scenarios and associated levels of global warming, including:

- Policy, legal, technology and reputational risks in the different warming scenarios
- Opportunities such as new markets and new products that may arise

The exercise will inform strategic decision-making, financial planning, and the development of appropriate corporate governance structures that help to pre-empt climate-related risks and opportunities. Specifically, this will provide James Fisher with:

- An improved understanding of the potential impact of climate change scenarios on the business across all stakeholder groups
- A climate scenario analysis quantification tool which will enable us to actively track real world events against modelled scenarios and to adapt its planning accordingly
- A stronger positioning that satisfies all TCFD reporting requirements and recommendations

Further details can be found in the TCFD Summary section on page 52 of the Annual Report 2021.

**How we will deliver against target**

**Set new portfolio boundaries**

To better focus efforts, we have structured our core capabilities into three broad categories:

**Energy solutions:** Development of products, services, and solutions for the energy industry, with a focus on renewables (offshore wind). James Fisher will continue to deliver services to the oil and gas industry where it makes sense to do so, e.g., where our standards of safety and service quality mean that withdrawing our expertise would result in a net negative impact on the planet.

**HIGH VOLTAGE SUCCESS AT SAINT-BRIEUC**

EDS HV won a high voltage, turnkey safety-management commissioning contract with Iberdrola for Saint-Brieuc, Brittany's first large-scale offshore windfarm.

Leveraging its considerable experience of energising windfarms safely and efficiently, EDS will help ensure a smooth transition from commissioning through to the operations and maintenance phase at Saint-Brieuc. The windfarm will feature 62 turbines, each set 1km apart and covering 75km<sup>2</sup>, at a site 16km off the French coast. The contract is valued at £5.2m.

"We have developed the ability to provide a complete turnkey management service for the high voltage aspect of wind farm construction and we can now offer a trusted and expert package which is unparalleled in the market. With full project management, highly trained teams and 24/7 remote control centre support throughout construction, we can provide exactly what Iberdrola needs for Saint-Brieuc, and for their proposed windfarms elsewhere in the world." – Ryan Calvert, Strategy, Sales and Commercial Director at EDS



**Remediation:** Removal of pollutants or contaminants from and restoration of the environment. Current efforts are focused on growth in decommissioning of oil and gas infrastructure, with the aim to expand other remediation scopes such as oxygenation and remediation for aquaculture, flare gas reduction, emissions monitoring, and waste management.

**Life preservation:** Development of products, services, and solutions that preserve the life of people, assets, and other life forms in the environments where we operate. JFD, one of our portfolio businesses, is specialised in submarine escape and rescue and provides a range of innovative and highly capable underwater life support systems for defence divers. The development of offering and capabilities for marine life preservation would be an obvious extension for the Group, and we will continue to evaluate this as other priorities are successfully managed.

**Reinforce internal processes**

Efforts to upgrade and standardise internal processes across the Group are ongoing, with focus on portfolio management, new opportunity development, and capital allocation. This will ensure transparency in evaluating our businesses, improve decision-making, reinforce the right mindset, and enable us to leverage our collective strength in serving our customers.

**Explore new frontiers**

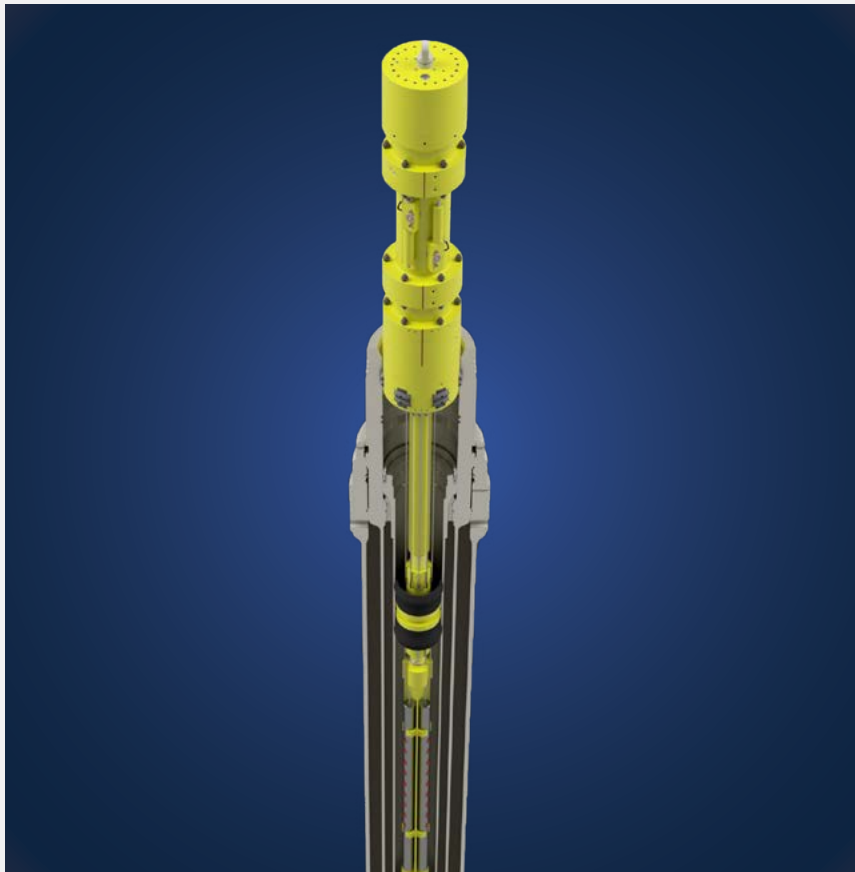
Beyond offshore wind, new opportunities abound globally for the decarbonisation of energy and we at James Fisher are beginning to explore them. Some of these opportunities are outlined below:

- Reduce: Energy utilisation efficiency through digital applications, alternative fuels e.g., hydrogen
- Reuse/Recycle: Reuse of offshore assets, recycling of decommissioned materials for industry
- Remove: Carbon capture and storage (CCS)

As a widely-based services supplier with marine, nuclear, transportation, oil and gas and renewable energy expertise, we are well-positioned to create value in these adjacent sectors.

We will continue to explore opportunities where our technology can play a significant role in solving complex challenges and preserving our planet. In Norway for example, ScanTech AS is in dialogue with the Stavanger Municipal Council to use our nanobubble offering to reverse environmental damage at a local lake within Hålandsvannet.

**WELL ABANDONMENT CAPABILITIES EXPANDED**



In a move to expand our decommissioning expertise, James Fisher acquired Subsea Engenuity, a subsea project and engineering consultancy. Subsea Engenuity was identified for its expertise, innovation and drive to create better technologies and solutions for subsea well abandonment. The acquisition was announced in June 2021.

With the acquisition came the expertise and skillsets of the original owners and innovators, bringing with them over 30 years combined experience in marine engineering, naval architecture, downhole tooling and design, and SEABASS, a vessel-based subsea well abandonment tool.

SEABASS is a revolutionary, single trip mechanical locking system for the abandonment of category 2 wells. It is designed to remove contaminants and provide barriers to allow the well site to return to its original environmental state.

## RESOURCE EFFICIENCY

KPI	BASELINE (2021)	TARGET	TARGET DATE
KPI under consideration	During 2022, we will evaluate the right KPI that reflects our ambition, with the aim to report a baseline in 2023		

### Why it is important

At James Fisher, we want to ensure that our resources are utilised in a sustainable manner, that we protect the life systems that support the planet's natural resources, and that our workforce is environmentally aware in carrying out their day-to-day tasks. Our focus is to do more with the resources already in place, with the long-term view of doing more with less resource than is required today. This will be achieved through the application of Lean methodology and other operational excellence principles.

At its core, Lean methodology organises people, materials, water, energy and associated activities in a way that delivers increased value to all stakeholders while eliminating waste. By building Lean methodology into our structure and core systems, employees and extended teams have the tools and techniques at their disposal to drive efficiencies and ensure we can accurately measure and then reduce/remove wasteful activities that consume time, cost, and valuable resources, but add little value to our stakeholders.



### Progress in 2021

#### Deployment of Lean methodology

In 2021, we actively sought and recruited a Head of Lean, with the mandate to build a "Lighthouse" within the Group, showcasing the benefits that a Lean approach will bring to business operations and delivery. This journey is commencing with RMSpumptools. The ambition is to deploy and scale Lean principles across the Group based on success and learnings from RMSpumptools.

### Asset optimisation

Due to our business model, some of the portfolio businesses within the Marine Support division are asset intensive. We continued to improve utilisation of these assets through the innovative management strategies outlined below

#### 1. Centralised asset management

Previously, assets such as vessels and portable equipment e.g. Remotely Operated Vehicles (ROVs) were managed regionally across different James Fisher entities. We now monitor and track our asset base from a global perspective to determine where they can be more effectively utilised. This has resulted in the transfer of ROVs across regions e.g., from the UK to Brazil to build capability based on client demand.

#### 2. Move to asset-light model

In 2019 we acquired two dive support vessel (DSV), the Paladin and the Swordfish. Due to challenging market conditions, we have adapted our asset management approach, returning to an asset-light strategy: and

- sold the Paladin
- secured long-term frame agreement contracts for the Swordfish
- established partnerships with vessel owners/operators facilitating access to multiple vessels in exchange for market access

### How we will deliver against target

As Lean methodology, principles and improvement initiatives are implemented across the Group, a Lean operating system framework will materialise. This system will comprise Lean leaders and champions who support and embed the capability, with the aim to improve product excellence, commercial excellence, and operational excellence.

We will continue to drive improvements by:

- standardising policies and processes to embed the right culture and mindset across the Group
- implementing centralised functions, processes, and information management systems where it makes sense to do so e.g., centralising CRM system at division level
- promoting knowledge sharing and learning through curated programmes and campaigns

We have strengthened our investment decision-making process by revising and updating the assessment criteria. We will continue to invest in strategically significant assets where such investments provide a differentiated level of service or sustainable competitive advantage.

### CENTRALISED ASSET MANAGEMENT – FROM REGIONAL TO GLOBAL

James Fisher Subtech (JF Subtech), an operating company within the Marine Support division, provides turnkey project solutions and subsea support and services to the renewables, oil and gas, and civils markets. In 2021, due to high asset intensity and the continuous drive to increase utilisation, JF Subtech initiated a centralised, global approach to asset management ensuring that internal equipment solutions are evaluated before committing to third party rental.

To support local customer desires to build diver-less capabilities in South America, SM Continental SA (Continental), another operating company within the Marine Support division, was qualified as a remotely operated vehicle (ROV) service provider to Petrobras and SBM Offshore. The subsequent transfer of four Observation Class ROVs from the United Kingdom to Brazil secured Continental a long-term contract with Petrobras, providing year-round ROV support and increasing asset utilisation by 70%.

Other examples of asset management successes include the transfer of a Cougar ROV from the United Kingdom to the dive support vessel (DSV) Subtech Swordfish operating offshore Qatar. This proved instrumental in achieving continuous vessel utilisation since mid-year 2021.



**GREENHOUSE GAS (GHG) EMISSIONS**

KPI	BASELINE (2021)	TARGET	TARGET DATE
Scope 1 and Scope 2 emissions	114,374 tCO <sub>2</sub> e	During 2022, we will set clear targets, with the aim to report in 2023	
Scope 3 emissions	We will continue to evaluate and measure Scope 3 emissions in line with the GHG Protocol Standards. We aim to report a baseline and targets in two to three years		

**Why it is important**

We are committed to minimising and possibly eliminating the detrimental impact of greenhouse gas (GHG) emissions from our operational activities. We have stated our commitment to setting net zero emissions targets in alignment with the Paris Climate Agreement. We also recognise the importance of helping our customers reach their own net zero emissions targets.



**Progress in 2021**

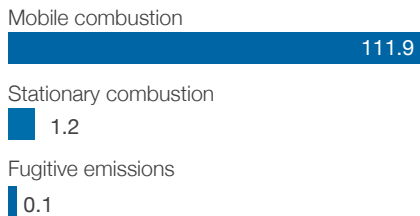
We engaged the services of specialist advisors and conducted an extensive emissions footprint reporting and consolidation exercise across the Group, preceded by a coaching session on reporting definitions, standards and criteria. This was to ensure that those responsible for reporting in a diverse group of operating companies do so effectively for this and future reporting cycles. As a result, our reported emissions footprint has increased, reflecting emissions from international activities and leased assets in our baseline, some of which were not captured in the past.

GHG emissions were calculated in accordance with the requirements of the GHG Protocol Corporate Accounting and Reporting Standard for the 1-year period spanning 1 October 2020 to 30 September 2021 (our target base year). Emission conversion factors from the UK Department for Business, Energy and Industrial Strategy (BEIS) and International Energy Agency (IEA) were applied in the calculations. The baseline we have reported for Scope 1 and Scope 2 will be the reference against which future emissions footprint calculations will be benchmarked.

While the focus was to properly document our Scope 1 and Scope 2 emissions, we have commenced with identifying and measuring our Scope 3 emissions. This is a much more complicated exercise given the diverse and fragmented nature of our businesses. The exercise will involve coordinated engagement with key partners within our supply chains and we will work to influence their journey towards net zero through our actions.

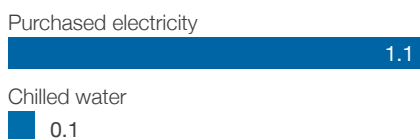
**Scope 1** emissions are direct emissions from owned or controlled sources and activities – fuel combustion on-site in gas boilers, fleet vehicles, furnaces, air-conditioning leaks. Emissions from mobile combustion, mainly our vessels and fleet vehicles, accounted for 98.9% of our Scope 1 emissions, with a 1% contribution from stationary combustion (space heating), and 0.1% from fugitive sources (refrigerants).

**2021 Scope 1 emissions, 113.2 KtCO<sub>2</sub>e**



**Scope 2** emissions are indirect emissions from the generation of purchased electricity, steam, heating and cooling. Purchased electricity accounted for 94% of our emissions in this scope, with a 6% contribution from purchased chilled water. Our Scope 2 emissions were found to be relatively low as many of our facilities in the UK and Singapore, are already sourcing 100% renewable energy from service providers. As part of our Scope 2 emissions abatement efforts, we will plan to roll out this best practice across all regions, encouraging purchase of all energy from renewable sources, where available.

**2021 Scope 2 emissions, 1.2 KtCO<sub>2</sub>e**



**CARBON CAPTURE OPERATIONS, CANADA**



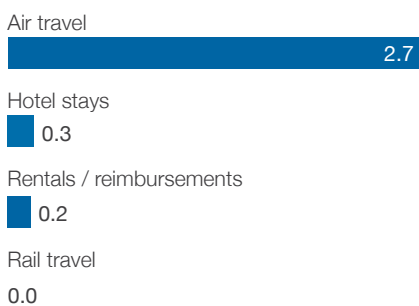
RMSPumptools was selected to provide 'packer penetrator systems' at the Clive Field in Alberta, to protect the oil well casing from the potentially damaging effect of the captured CO<sub>2</sub>.

'These systems were critical to safe operations and RMSPumptools was selected for this project as the provider of the most reliable systems for this harsh environment,' says Canada regional manager, Colin Drever. 'We are thrilled to be involved in a cutting-edge project which allows oil to be extracted with a net zero impact on emissions.'

**Scope 3** emissions are indirect emissions from sources and activities that we neither own nor control but we indirectly impact within our value chain. As a first step and for 2021, we measured and consolidated emissions impact from business travel only. The reason for prioritising this category is that the nature of support services we provide across our operating companies involves frequent travel and mobilisation on and off work sites around the world.

Emissions from air travel accounted for 86.3% of our Scope 3 emissions (86.8%), with an 8% contribution from hotel stays, 5.2% from rentals and travel reimbursements, and less than 1% from rail travel.

**2021 Scope 3 emissions, 3.2 KtCO<sub>2</sub>e**



**How we will deliver against target**

**Develop net zero emissions pathway**

Following an extensive Scope 1 and Scope 2 footprint review and the setting of an interim target, efforts are underway to:

- model emissions reduction pathway at Group and operating company levels
- map our approach to net zero emissions.

This will be done in alignment with the SBTi guidance and target setting criteria.

**Improve reporting and visibility**

In parallel with the extensive emissions reporting and consolidation exercise of 2021, we are developing a centralised, Group-level emissions reporting and visualisation portal. Once completed and rolled out, this tool will ease and standardise internal reporting across all our operating companies by enabling:

- automated conversion calculations from any unit into the tCO<sub>2</sub>e
- data and report submittal at any day and time of year
- user-friendly, live dashboard visualisation, with reporting consolidated at Group and operating company level.

Ultimately, we are aiming for near real-time visibility of our emissions footprint to improve visibility across our global operation and facilitate proactiveness in our monitoring and reduction efforts.

For the benefit our external stakeholders, we will continue to report our emissions footprint and energy consumption in accordance with the UK SECR regulation (see page 114 for our SECR report). Communicate our environmental impact in alignment with the CDP guidelines, and highlight identified risks, opportunities, and our business resilience to climate change through the TCFD reporting (see page 52 of the Annual Report 2021 for our TCFD Summary).

**De ine Scope 3 mapping criteria**

The GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard has set 15 categories for scope 3, of which we evaluated emissions from business travel in 2021. We are now assessing which of the 15 categories are most material for our operating companies and will work with key suppliers and customers in our value chain to identify, map, and measure Scope 3 emissions footprint, and put in place effective emissions reduction programmes.

**Scope 3 emissions categories**

- 1: Purchased Goods and Services
- 2: Capital Goods
- 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2
- 4: Upstream Transportation and Distribution
- 5: Waste Generated in Operations
- 6: Business Travel
- 7: Employee Commuting
- 8: Upstream Leased Assets
- 9: Downstream Transportation and Distribution
- 10: Processing of Sold Products
- 11: Use of Sold Products
- 12: End-of-Life Treatment of Sold Products
- 13: Downstream Leased Assets
- 14: Franchises
- 15: Investments

**PIONEERING MODIFICATIONS SET SAIL FOR A GREENER FUTURE**

James Fisher Tankships division has demonstrated its commitment to reduce carbon emissions with the addition of two dual-fuel tankers to the James Fisher Everard (JFE) fleet.

The two new IMO II tankers will run alongside the existing fleet and will be the first clean product tankers of this size to feature propulsion technology that reduces greenhouse gas (GHG) emissions. The vessels are configured to run on either conventional fuel or LNG (liquefied natural gas) and are specially designed for enhanced hydrodynamic performance.

The new additions will be replacing two of JFE's oldest vessels, the *Thames Fisher* and *Mersey Fisher*.

A study conducted by the Society for Gas as a Marine Fuel (SGMF) estimates that the use of LNG as an alternative fuel can result in up to 21% emissions reduction over the entire vessel life cycle, when compared with existing marine fuels. Pioneering the adoption of LNG as a cleaner alternative to conventional fuels for this class of vessel is testament to the entrepreneurial spirit of James Fisher.

“James Fisher is committed to protecting the environment, both in terms of our operational footprint and the nature of the activities we undertake. The adoption of LNG dual fuel propulsion vessels is evidence that we are proactively aligning our business choices with customer and environmental needs and demonstrably applying our Company values.”

– Eoghan O’Lionaird, CEO



# PEOPLE

**At James Fisher, we have a responsibility to our people, our customers and those in the communities where we operate.**

We are committed to ensuring that James Fisher is a great place to work by providing safe and meaningful work, empowering, and supporting our employees to deliver optimal quality for our customers, acknowledging and rewarding employee contribution to the Group's success, and promoting employee wellbeing. We extend this commitment to our local communities, conscious that our talent pool is fed by the local communities we operate in and that enhancing the lives of people in these communities will deliver benefits for James Fisher as well.

## TOP TALENT

KPI	BASELINE (2021)	TARGET	TARGET DATE
Employee Engagement Mean (Gallup)	3.6 (5-point scale)	During 2022, we will set clear targets, with the aim to report in 2023	
Employee retention rate	78.1%		

## Why it is important

Our employees are our most important assets. United by a common purpose and shared valued behaviours, their talents, energy, and dedication enable us to create value for all our stakeholders. With James Fisher operations spread across six continents, our people are geographically dispersed and represent a multitude of cultures. While our decentralised and entrepreneurial culture ensures our businesses develop more intimate customer relationships and adapt readily to changes in the markets, regions, and communities where we operate, there is a risk that employees become disconnected from the Group's leadership and overarching vision. Therefore, we must focus on building a healthy and engaging work environment, prioritising our employees' wellbeing, career, and personal development to ensure that we get the best out of them and that their efforts are in line with the Group's growth priorities.



## Progress in 2021

During 2021, we focused our efforts on implementing and driving change across three themes: employee engagement, wellbeing, and talent management.

### Employee engagement

In prior years, engagement surveys were conducted, collated, and analysed internally by the HR team. In 2021, we outsourced this exercise and introduced the Gallup's Q12 Employee Engagement Survey. The Gallup approach is tested and tried, and we scored a mean score of 3.6 on a 5-point grading scale. The transparency achieved from the analysis of survey results has empowered managers to take ownership of outcomes and work collaboratively with their teams to improve engagement levels.

To support managers in developing engagement plans and executing initiatives, we nominated and are training engagement champions across the Group.

Inken Braunschmidt, as designated Non-Executive Director for employee engagement, has joined the engagement working group, with employee representatives from around the Group, has presented to employees on the activities of the Board and Committees, and has engaged with employees at the senior management conference and during a number of site visits following the lifting of travel restrictions.

Inken has reported back to the Board on a regular basis on her activities and the key themes communicated by employees.

### Wellbeing

A healthy workforce is more resourceful, productive, innovative, motivated, and committed. We aim to deliver a physically and mentally healthy workplace within which our employees can thrive. To do this effectively, we have drawn on industry-leading expertise and best practices to design our 2022 wellbeing plan, with emphasis on prioritising preventative measures to address the root cause of existing challenges. This will require extensive education, awareness, training, and sensitisation to encourage employee participation and minimise the risk of associated stigma.

We continued to promote and monitor the uptake of our Employee Assistance Programme and are taking action to increase awareness of the benefits and features, for example, making the programme available to family and friends. We have over 80 trained Mental Health First Aiders (MHFAs) across the Group and are continuing to train more volunteers. We have also set a target to train 50% of the MHFA population in Suicide First Aid by year-end 2022.

## HR TEAM DAY AT LOCAL FOOD BANK

In December 2021, the James Fisher Group HR team donated supplies and volunteered at a local food bank, to support those facing hardships in the local community.

**Challenge:** The Living Waters (LW) Storehouse – a charity food bank run by volunteers from the Living Waters Church – provides emergency food for thousands of people in crisis each year within the Chorley area. With a 34% increase in local people requiring support from the food bank, LW was struggling to meet its food parcel demands in time for Christmas.

**Solution:** Acknowledging the food bank's requirements, James Fisher's HR team purchased necessary items, and 10 team members spent the day volunteering at the food bank.

"The team helped us pack almost 500 parcels, brought donations and they were all in good spirits. This was a successful packing session and set us ahead for the collection days that were imminent, allowing us to focus on other obligations.

I'm very thankful for their time and to James Fisher for graciously giving them the time away for the day. This reduced the pressure and stress on both me and the volunteers that are working tirelessly during these challenging times."

– Helen Schilz, Living Waters Storehouse

Our responsibilities extend beyond our employees to the communities where we live and work. By providing a great place to work and building the communities that support our businesses, we can ensure a sustainable future for James Fisher. To that end, the Group encouraged employees to contribute their time and talents in support of their communities in various capacities, providing financial assistance and sponsorship as needed. For example, James Fisher Group HR team donated supplies and volunteered at a local food bank, to support those facing hardships during the Christmas holiday. Further details can be found on page 14.

### Talent management

To unlock and empower our talent of today and the future, we must invest in attracting and retaining them. This means that our talent management efforts, while focused on our current employees, necessarily extend to potential employees within our communities.

We have revised our talent management policy and are in the process of structuring a Group-wide, global talent management process to guide recruitment, career development and management efforts. We have introduced a new process for Organisational Management Review (OMR), succession planning, performance improvement planning, and for identifying high potential performers. We also designed a new leadership training programme for all managers and rolled out four of the 12 modules.

Group-wide, we executed two six-month internship programmes, providing opportunities for recent graduates whose career prospects had been hampered by the COVID pandemic. While interns gained vital work experience, they in turn injected new energy and fresh ideas into the businesses. In addition, some of our employees got the opportunity to develop core leadership skills as mentors and managers.

As our contribution to the community and to develop future talent for our industries, we have partnered with universities and institutions of learning in various capacities. For example, through our partnership with Engineering UTC Northern Lincolnshire, an England-based university technical college for 14- to 19-year-olds, we created a 'sponsored classroom' where budding engineers are taught the importance of engineering in the renewable energy industry.

We also have a business partnership with Meldrum Academy, a secondary school in Scotland.

## How we will deliver against target

### Apply top-down approach

We believe that managers must lead by example and be strong advocates for our talent initiatives to be successful. Therefore, we will systematically develop and roll out training to educate, raise awareness, empower, sensitise, and coach leaders across the organisation. We will reinforce the importance of healthy team relationships and intervene when people are struggling.

### Engage and communicate consistently

To deliver our goal of having an engaged, connected, and committed workforce, we are in the process of restructuring and curating our communication and training campaigns, built around the HR business partners, engagement champions, and wellbeing champions. These campaigns will include:

- monthly lunch and learns to deep-dive on pertinent topics including health, wellbeing, career, leadership, and community engagement
- online training workshops, webinars, newsletters, and videos.

We aim to monitor and measure the success of our engagement initiatives by conducting an engagement survey every six months. Analysis of results will enable us to adapt improvement plans in alignment with our objectives and to set clear targets against which our performance is consistently measured.

### Upgrade internal learning programmes

An integral part of talent management is learning and development. At James Fisher, our ambition is to create a transformative culture of learning, engage and empower our employees, and continuously improve their proficiency. We are evaluating various learning programmes and talent support mechanisms we believe will help to build top talent:

- *mentoring programme*: More senior employees provide career guidance to mentees
- *shadowing programme*: Employees shadow colleagues in desired roles to learn about what it entails, and the skills required for success
- *career development toolkit*: Help employees own, design, and drive their career progress.

## PARTNERSHIP WITH MELDRUM ACADEMY



James Fisher Decommissioning (JF Decom) is engaged in a partnership with Meldrum Academy, a secondary school in Scotland, as part of its commitment to developing future minds for the world of work.

**Mentor Programme:** JF Decom have matched mentors from the business with mentees from the academy. Each mentor, with their experience and knowledge, helps students enhance key skills that will help them thrive in professional environments – communication, leadership, problem solving and teamwork.

**Online Business Partnership Group:** The Business Partnership Group, an initiative set up by Developing the Young Workforce (DYW) Scotland, consists of a dozen local businesses and is led by Meldrum Academy. As part of this group, JF Decom provides an employer's view on the school's initiatives to prepare pupils for the world of work ahead of them. JF Decom has supported various events such as the #Nowrongpath, an event organised for parents to learn about the different routes available to their children preparing to leave school.

JF Decom has also contributed informational materials about the industry where we work, the work we do, and career opportunities available.

**Young Person's Guarantee:** JF Decom has signed up to Young Person's Guarantee (YPG). YPG is an initiative that aims to connect with every 16–24-year-old in Scotland with the opportunity of a job, apprenticeship, higher education, training programmes or volunteering opportunities.

## DIVERSITY AND INCLUSION

KPI	Baseline (2021)	Target	Target date
% Female employees as a proportion of total employees	23%	During 2022, we will set clear targets, with the aim to report in 2023	
% Black, Asian and minority ethnic (BAME) employees as a proportion of total employees	During 2022, we will establish a baseline, with the aim to commit to a target in 2023		
Total charitable employee days "donated"			
Number of community initiatives executed by James Fisher			

### Why it is important

The Company operates in 25 countries across the world, in complex, high-risk, historically male-dominated fields. In alignment with our values, we believe that equality, diversity, and inclusion are critical to how we operate. Our mission is to cultivate a working environment where everyone knows they belong, where our people are comfortable with sharing their perspectives and experiences without fear of recrimination, uniqueness is embraced, and equal pay and access to opportunity exist for people of all backgrounds, personalities, and abilities. With a diverse workforce and an inclusive work environment, we are better able to harness the wealth of ideas that will drive our success.

Our commitment to equality, diversity and inclusion extends beyond our own workforce. We aim to benefit and positively influence the communities where we live and work through proactive engagement, employing local people, contributing to local economies, and investing in local supply chains.



### Progress in 2021

#### Diversity metrics

The ratio of female employees to total employees remained the same in comparison with the previous year. During 2021, we extended the Executive Team to include heads of operating divisions. This had the ripple effect of expanding the pool of Senior Managers that report directly to the Executive Team (see table below – Gender diversity metrics, 2020 vs 2021).

Following an in-depth review of our employee information gathering process and in compliance with the UK General Data Protection Regulation (UK GDPR), we have expanded the list of requirements to include ethnicity-based metrics. We have rolled out these requirements for all new hires and are working to collate ethnicity information for all employees who joined before 2021.

#### Training and policy

We rolled out two training programmes targeting senior leadership:

1. Leading in an Inclusive World: Delivered with the support of specialist advisors, the training equipped senior leaders with the tools to advocate diversity and inclusion, and to challenge contrary behaviour.
2. 'Leading the Business' series: Online diversity and inclusion training module rolled out for all line managers across the business.

In response to an identified need, we introduced the Bereavement and Pregnancy Loss policy, shedding light on the cultural aspects of bereavement so that our employees are afforded the necessary support.

#### Partnership

James Fisher is signed up to the If Not Now, When? campaign. The campaign is driven by a community of over 80 CEOs who are committed to achieving black and wider race inclusion by first establishing an internal culture that is fully representative and inclusive of individuals from BAME backgrounds, and then extending that commitment to customers, suppliers, and other key stakeholders. Alongside other co-signatories, we are:

- diversifying the face of our organisation: Setting targets on BAME talent and holding recruiters accountable for presenting diverse shortlists.
- measuring: Investigating the specific challenges and barriers faced by BAME talent and implementing processes to track ethnicity data.
- starting the conversation: allowing senior leaders and middle managers to speak boldly about issues of systemic racism and creating safe spaces for these conversations to take place.

#### Gender diversity metrics, 2021 vs 2020

Gender diversity	2021			2020		
	Male	Female	% Female	Male	Female	% Female
Main Board Directors	6	2 <sup>(1)</sup>	25%	5	2	29%
Executive Team	8	4	33% <sup>(3)</sup>	5	2	29%
Senior Managers <sup>(2)</sup>	69	34	33% <sup>(3)</sup>	34	25	42%
Employees	1,991	577	22%	2,115	623	23%
<b>Total</b>	<b>2074</b>	<b>617</b>	<b>23%</b>	<b>2159</b>	<b>652</b>	<b>23%</b>

(1) In Q1 2022, we appointed Claire Hawkings to the Board, increasing the total of Main Board Directors to nine and raising the % female metric up to 33%

(2) Includes those reporting to members of the Executive Team, including Senior Managing Directors

(3) Movement in % female metric is due to the extension of the Executive Team to include heads of operating divisions

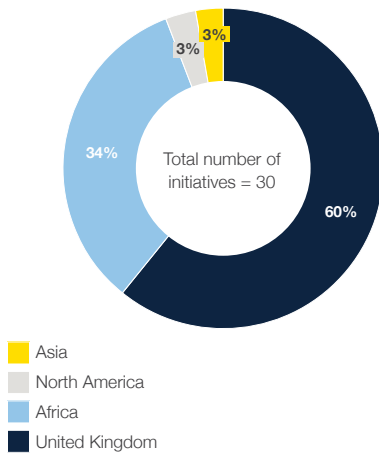


**Local community efforts**

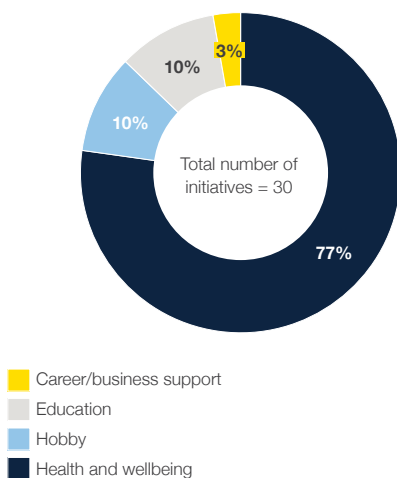
During 2021, our employees contributed their time and talents to support causes across the world. Our goal was not to only support the charities and organisations, but for our employees to engage with the people we were helping directly, because it is in those instances that we have the biggest impact. No matter how big or small the interaction, we found that employees came away with a greater sense of purpose, better appreciation for the benefits of volunteering, and a renewed energy to contribute even more.

Some examples of our community initiatives are outlined below:

**2021 Community initiatives split by region**



**2021 Community initiatives split by theme**



*Health and wellbeing*

- James Fisher Nuclear (JF Nuclear) supported Mark Harding, an Army veteran who executed a Walking Home for Christmas campaign to support a wounded veteran charity in the United Kingdom. Mark pulled a snow pulk from Wigton through Penrith to Carlisle, and then walked an additional 12 miles in Sunderland to add up to 50 miles. Funds went towards subsidising the cost of treatment for veterans with PTSD. Leigh Dunn from JF Nuclear joined Mark to pull the snow pulk.
- Fendercare Marine is a Futurestars partner and continues to support the charity's efforts in Africa. In 2021, employees sorted through 25,000 items, loading up 20 pallets of donated items that made their way to Ghana through Futurestars.
- In Kuala Lumpur, Faren Noor is setting a good example by feeding the homeless with her home-cooked meals.

*Hobby*

- Since 2020, JF Subtech has sponsored a 15-year-old Junior Motorboat Champion from Lowestoft, United Kingdom. Due to our sponsorship, she can afford to compete at an international level.

*Education*

- During British Science Week, Marc Glenn from EDS HV was guest speaker at Euxton Primrose Hill Primary School. He engaged students on the offshore wind and renewables industry.

*Career/business support*

- As part of our supplier development contribution to the Broad-based Black Economic Empowerment (BBBEE) integration programme in South Africa, office and training areas were supplied by the JF Subtech team at no cost to local suppliers.

Historically, these volunteer programmes were coordinated in an ad hoc manner and within small teams across operating companies. With the creation of the local communities working group, the mission is to further incentivise employees to volunteer and ensure that future programmes are executed in a more structured manner, leveraging our size to scale impact and initiating partnerships with other organisations/institutions where possible. We know that the diversity of our people and their talents will act as a force multiplier, and we are challenging ourselves to have even greater impact in the years to come.

**CHARITY CHALLENGE: FROM HARTLEPOOL TO THE EIFFEL TOWER**



Two keen fitness enthusiasts from Rotos 360, a business unit within the Marine Support division, embarked on a gruelling charity challenge, cycling, rowing, marching, and running the 566 notional miles from their local gym in Hartlepool to the Eiffel Tower in Paris. They used gym equipment including an exercise bike to simulate the 327 miles from Hartlepool to Dover and the 182 miles from Calais to Paris, a rowing machine to cover the 31 miles across the English Channel, a step-up box to cover the 1,665 steps to the top of the Eiffel Tower and the seafront on Hartlepool's promenade to cover the remaining distance.

Aaron Myers and Ben Bywater completed the challenge with ten others, all working in pairs, to raise awareness and funds (over £10,000) for Great Ormond Street Hospital.

"We set a time limit of 44 hours but managed to finish more quickly than expected, with Ben's team smashing a time of 33 hours," says Aaron.

**How we will deliver against target**

**Scale up recruitment efforts**

We have strengthened female representation on the Board with the appointment of Claire Hawkings, increasing the total of Main Board Directors to nine and raising the % female metric up to 33%. We continue to intensify efforts to improve the diversity of our employee pool.

**Reinforce internal processes**

As we revise and communicate our culture statement, including our equality, diversity and inclusion policies and principles in alignment with the sustainability agenda, and work to set clear gender- and ethnicity-related targets, we will also update our recruitment processes to deliver our stated objectives. We must ensure that our recruitment partners share our values and support our efforts to increase our talent pool across the spectrum of human demographic differences – gender, ethnicity, age, sexual orientation, religion, socio-economic status, or physical ability. We must also sensitise interviewers, internal and external, about their conscious and unconscious biases, to ensure that prospects that do not fit with preconceived notions of what an ideal employee might be are not adversely impacted.

In compliance with the UK General Data Protection Regulation (UK GDPR), we aim to expand the list of employee information requirements to include other demographic differences – sexual orientation, physical disability, and religion. We will continue to review and update our monitoring and tracking processes to ensure transparency and accuracy.

**Extend diversity and inclusion training**

We aim to extend our diversity and inclusion leadership training to all aspiring managers and are exploring options for non-manager training, to better inform and empower the remainder of our employee pool.

**Centralise coordination of local community efforts**

Building on our successes in 2021, we will continue to:

- Work with local communities as collaborators and partners rather than simply focusing on them as beneficiaries and strengthen existing partnerships
- Support STEM initiatives, promote education in local schools and explore further partnership opportunities
- Engage customers and suppliers on their community development efforts, with the intent to collaborate where possible.

**RMSPUMPTOOLS SUPPORT A COMMUNITY PROJECT**



A team of volunteers from RMSpumptools' Aberdeen site day at the Pitcaple Environmental Project's (PEP) Pitscurry site, to refurbish the charity's garden areas for its service users.

**Challenge:** PEP Pitscurry, a charity organisation located in Inverurie, Scotland, provides training and support for adults with learning or physical disabilities. Pitscurry required volunteers to help create outdoor living landscapes that enhance the benefit for its service users and the wider community – helping towards Pitscurry's sustainable development goals.

**Solution:** One team member visited the site prior to the volunteering day to understand what works and supplies were needed for the refurbishments. On the day, a team of 15 employees worked tirelessly to stain wooden cabins and perform various maintenance tasks in the garden area.

Staff and service users at PEP's Pitscurry site were overwhelmed by the number of volunteers.

"The team stained three wooden cabins which were in desperate need of being painted, extending the lifetime of these much-needed spaces which are used for music therapy and bases for some of our service users. They also removed the large net from the orchard area, which was a huge help as it's usually one of the annual jobs which can be difficult for service users to help with. The RMSpumptools employees also did some general tidying up around the site!"

– Lorraine Ewen, Day Services Deputy Manager at Pitscurry.

## HEALTH, SAFETY AND SECURITY

KPI	BASELINE (2021)	TARGET	TARGET DATE
Number of fatalities	0	0	YoY
Lost Time Incident Frequency (LTIF)*	2.6	During 2022, we will set clear targets, with the aim to report in 2023	
Total Recordable Injury Frequency Rate (TRIFR)**	7.4		

\* LTIF = (Number of lost time injuries x 1,000,000) / (Total hours worked)

\*\* TRIFR = ((Fatality + Lost Time Injury + Restricted Work Day Case + Medical Treatment Case) x 1,000,000) / (Hours Worked)

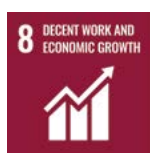
### Why it is important

We work in challenging, high-risk environments to solve complex problems. Protecting our people, the people who work with us and those impacted by our activities is vital. We want people to return to their homes, families, and friends every day and safely. This is the inspiration for our “goal zero” incidents vision. To embed the right mindset and realise this vision, we will invest our efforts in three areas: policy development, education, and engagement.

The Group’s health, safety and security priorities, objectives, and performance monitoring are coordinated and governed by:

- The Health and Safety Committee: Chaired by the CEO and comprising the Executive Team, the committee has oversight and conducts quarterly reviews of the Group’s health, safety and security performance
- The Safety Forum: Comprising the health and safety leaders from each operating company, the forum is responsible for providing updates on health, safety and security issues and events, sharing best practices, and advising the Health and Safety Committee on Group-wide initiatives to improve performance.

Through the efforts of the Health and Safety Committee and the Safety Forum, we will empower our people to prioritise their own health, safety, and security, ensure the safety and security of assets we own and/or control, and engage with customers, suppliers, and other partners to align them with our policies, standards, processes, and values.



### Progress in 2021

#### Engagement and empowerment

We continued to engage and empower all our employees, emphasising the responsibility and authority they have, to intervene where individuals and assets may be at risk and stop any job where the standards of health, safety and security are compromised. We executed several internal campaigns and initiatives such as the Health and Safety Hints and Tips intranet page, where health and safety best practice from around the Group is regularly updated. We also ensured that health, safety and security priorities were affirmed in leadership townhalls throughout the year.

Increased participation from the managing directors (MDs) of operating companies in the Safety Forum has increased its effectiveness. Through proactive engagement and communication, best practices, learnings, knowledge, and ideas were cross-pollinated across the group, driving performance improvement towards our ‘goal zero incidents’ vision.

#### Process improvement

We aligned on a consistent approach to Root Cause Analysis, with the goal to identify and understand the underlying or systemic causes of incidents, rather than staying focused on the generalised or immediate cause. This ensures that our incident resolution approach and corresponding recommendations address the incident root cause, to prevent reoccurrence. The “5 Whys” technique is a tool that has been deployed for this purpose.

The technique involves asking “why?” several times over, each question forming the basis of the next until a root cause is identified.



### How we will deliver against target

During 2022, we aim to deploy a centralised, cloud-based health, safety and security reporting tool that will enable continuous reporting of individual operating company performance data and the monitoring of consolidated Group information. We will explore opportunities where digital applications and solutions can improve efficiencies and continue to upgrade reporting, management, and monitoring systems across the Group where necessary.

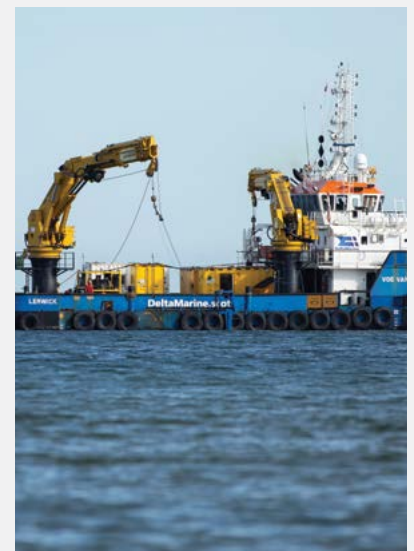
We will ensure that the relevant policies, including the Health, Safety and Security policy, are aligned with our sustainability priorities and continue to educate, inform, and engage employees, customers, suppliers and other industry partners on safety matters.

### UXO INVESTIGATION AT SOFIA OFFSHORE WIND FARM

JF Renewables has completed the first part of a two-phase contract to investigate unexploded ordnance (UXO) and potential archaeological features ahead of the installation of export cables for RWE’s Sofia Offshore Wind Farm, located off the north-east coast of the UK.

“Expertise gained from performing more than 3,000 UXO investigations around the globe enabled us to identify additional targets and to ensure phase one of the work was completed to the highest safety standard.”

– Wayne Mulhall, Managing Director at JF Renewables.



# PARTNERSHIP

**James Fisher operates in specialised segments of the energy, marine and defence markets where a strong track record of safety, integrity, innovation and responsible operations is a key differentiator.**

In these niche areas, success is defined by the ability to consistently deliver safe and trusted solutions, providing assurance to all stakeholders by minimising their risk exposure. Our culture of shared success means that we seek out collaborations – with customers, suppliers and other industry players – that align with our values and contribute to our shared vision for a sustainable future. We aim to build trust with our partners through transparency, compliance, and by operating with the highest standards of business ethics.

## INNOVATION

KPI	BASELINE (2021)	TARGET	TARGET DATE
KPI under consideration	During 2022, we will evaluate the right KPI that reflects our ambition, with the aim to report a baseline in 2023		

### Why it is important

In our 175-year history, we have differentiated ourselves through innovation and technology. We are pioneers in our chosen markets, emerging as the global leader in submarine rescue, removal of offshore unexploded ordnance (UXO) and ship-to-ship (STS) transfer. We were the first to decommission a Magnox nuclear reactor, are experts in high voltage (HV) engineering, and we design bespoke digital solutions for asset owners and operators in high risk, critical infrastructure sectors.

The energy, marine, and defence markets are going through a period of transformation, galvanised by climate change, energy transition, and other macro challenges. To position ourselves for success and take advantage of the opportunities that result from this transformation, we must continue to innovate. Our innovation goal is value creation – to deliver tangible revenue gains and cost savings for our customers. We consistently strive to better understand market challenges, articulating the value we can and do create by:

- Tapping into the brain power and expertise of our capable people to feed the innovation stream.
- Partnering with customers and key industry players to co-design, develop, and commercialise cutting-edge solutions to industry challenges.
- Engaging our suppliers to ensure services are provided in accordance with our valued behaviours and code of conduct.

To improve efficiencies and accelerate pace, we aim to centrally facilitate and support innovation efforts to better identify synergy opportunities, particularly where multiple operating companies serve the same markets, customers, and suppliers, or operate in the same region.



**Partnering with Asset Information Services is an exciting opportunity for us at APIteq, as it allows us to support our collective clients with the best-in-class digital twin software platform on the market.**

**Per Erik Berger, CEO of APIteq AS**

### Progress in 2021

Individual James Fisher operating companies have applied their own unique methodologies to the innovation process, driving cutting-edge, market defining solutions as in the examples below.

#### Product innovation

*JF Decommissioning's SEABASS well abandonment tool:* A strategic investment made through the acquisition of Subsea Engenuity. SEABASS is a cost and time effective alternative to rig-based solutions when abandoning category 2 wells, due to its ability to deploy from a vessel and its suitability for any water depth.

*Scan Tech's ScanOxy™ oxygenation system:* Scan Tech AS have developed ScanOxy™ based on gas production and management experience from the oil and gas industry. The complete engineered system comprises an electrical compressor, oxygen generator, control system, nanobubble generator, and distribution system, and is primed for use in aquaculture. ScanOxy™ is perfect for both offshore and onshore fish farms in recirculating aquaculture systems (RAS) systems, well boats and hatcheries, and provides local oxygen production in lieu of liquid oxygen tanks or bottles. Scan Tech's ScanOxy™ nanobubble technology is easily scalable, enables continuous oxygen production, is largely unaffected by water quality, and technologically ahead when compared with most stable nanobubbles.

#### Service innovation

*Fendercare Marine's LNG ship-to-ship (STS) transfer:* By utilising a new transfer system, the Fendercare team successfully delivered three successive LNG STS transfers off the coast of Malaysia. The new system is a universal, "plug and play" system providing the latest in technology and ensures that maximum throughput can be achieved. The system has been manufactured to meet all necessary ISO accreditations and applicable Safety Integrity Levels (SIL).

Among Fendercare Marine's LNG achievements are many firsts, including the first open seas LNG STS for two of the world's largest gas majors, the first LNG STS at Cyprus and Gibraltar and the world's first on the buoy LNG STS operation.

*Workflow Modelling:* James Fisher Asset Information Services (AIS) has developed a user-led design thinking approach that is delivered through a workflow modelling workshop format. The workshops are an immersive, engaging, and fast-paced interaction, resulting in the creation of a prioritised map of challenges specific to the customer and sector in which they operate. The map allows AIS to then structure and tailor solutions that will deliver optimal value to customers and the industry at large. The workflow modelling offering has been successfully deployed for customers in oil and gas and renewables markets.

**Commercial innovation**

*James Fisher Renewables (JFR) turnkey offering:* JFR's asset optimisation turn-key offering consolidates capabilities across James Fisher operating companies to deliver end-to-end operations and maintenance solutions for offshore transmission asset owners (OFTOs). It integrates a flexible approach to contract maintenance with our expertise in delivering on complex projects.

With the turn-key contract model, JFR won three multi-million pound, 13-15-year contracts with BBEC (Balfour Beatty Equitix Consortium), leading investors and long-term fund managers of core infrastructure assets.

**Innovation partnerships**

*Ultra-High Temperature Automatic Diverter Valve (ADV):* In partnership with an independent oil and gas operator and a third-party development partner, RMSpumptools developed and successfully piloted an ultra-high temperature ADV for Steam Assisted Gravity Drainage (SAGD) wells in Canada. In traditional SAGD applications, wells are drilled as a pair – a steam injector well and a producer well. With the ultra-high temperature ADV, the same well can be used for both steam injection and production. This cuts the requisite number of wells in half, decreasing the environmental footprint required to recover the same amount of oil, and reducing the risk of pollution and environmental damage from drilling operations.

*Digital Twin:* James Fisher Asset Information Services (AIS) entered a comprehensive partnership deal with digitalisation experts APlteq, to further develop, expand and deliver digital twin products and services to clients around the world. The combined teams represent the most experienced group of experts in the world regarding photogrammetric digital twin models and their application in industrial energy and process markets. Focus is on driving down costs, enhancing safety and productivity, reducing carbon footprint, and supporting industrial clients to transition to efficient digital workflows.

*The Big Bubble Barrier (BBB):* In partnership with German specialist, HydroTechnik Lübeck, ScanTech Offshore provides environmental protection through the application of Big Bubble Barrier (BBB) technology. The BBB is a compressed air system that can be used to flexibly reduce noise emissions during offshore development projects and protect marine life during ammunition clearance underwater blasting. While the BBB technology has been in use for about 50 years, there was unprecedented surge in demand during 2021 due to the size and stackability of ScanTech Offshore compressors.

**How we will deliver against target**

To improve the efficiency of our innovation process and bring consistency to how we manage the development of products, services, and capabilities, we have introduced and are integrating some tried-and-true innovation methodologies pertinent to our complex portfolio e.g. design thinking and Lean. These methodologies will enable our operating companies to refine their product and service portfolio,

to better understand customer needs and how success is defined, to apply design thinking and agile methodology in developing minimum viable products, to improve the speed to market, and to objectively measure the value and impact of solutions for stakeholders.

During 2022, we will evaluate the right KPI that reflects our innovation ambition, with the aim to set targets by 2023.

**REMOTE DESIGN THINKING WORKSHOP FOR OIL AND GAS MAJOR**



Due to the COVID pandemic, James Fisher Asset Information Services (AIS) adapted the delivery of its in-person design thinking (DT) workshops to virtual. Even so, the remotely conducted workshops were engaging and collaborative, delivering desired results for the customer.

**Challenge**

As part of a broader digitalisation strategy, the oil and gas major wanted to explore use cases and model the impact that implementing digital solutions could have on its operational business, including enhancing the management of its oil and gas platforms.

**Solution**

AIS ran a series of DT workshops with the Company which aimed to solve its unique and complex problems by aligning teams around the real needs of its users. The workshops were conducted in Portuguese to suit the customer's needs.

During the sessions, the major identified the key stakeholders and activities, the pain points it was facing, and the impact of removing these challenges. User problems included:

- Multiple asset trips for all planning activity.
- No flow of data or integration between systems.
- Not able to prioritise work execution effectively based on factors such as location and risk.

AIS explored how its digital twin solution, R2S, could add value to the major's operations and help to mitigate identified challenges.

**Results**

The DT workshops allowed the major to gain clarity on existing issues with its key operational processes. The major was able to understand and calculate the value of different digital solutions to solve identified challenges.

Following the success of the remote DT sessions, the Company undertook further value-focused workshops with AIS to solve deep-rooted business challenges.



**CUSTOMER ENGAGEMENT**

KPI	BASELINE (2021)	TARGET	TARGET DATE
Customer Net Promoter Score (NPS)	During 2022, we will establish a baseline, with the aim to commit to a target in 2023		

**Why it is important**

Responsiveness to customers’ current needs and anticipation of their future pain points is critical to how James Fisher operating companies build strong, trust-based relationships. Our success depends on achieving a deep understanding of the challenges that our customers face, and the complexities posed by the environments in which they operate.

Due to our decentralised, entrepreneurial model, each operating company and its subsidiaries are well positioned to directly engage customers and adapt solutions to address their challenges, both local and global. With support from Group functions and the stakeholder working groups, we aim to design a more robust engagement approach, with the purpose of identifying opportunities to consolidate, simplify and reinforce efforts towards building more effective customer relationships.

**Progress in 2021**

The customer working group, comprising representatives from each operating company, was set up with the mission to put in place a structured methodology to gain feedback from customers, to measure their attitudes towards our businesses over time, and to drive action towards customer relationship improvement.

By having open conversations to discuss existing challenges and best practices, the working group was able to:

- Align behind the customer Net Promoter Score (NPS) as the chosen KPI for measuring customer perception across all operating companies.
- Consolidate a list of six core questions to be used in requesting customer feedback.

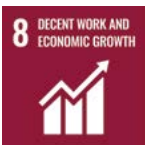
**How we will deliver against target**

**Determine NPS baseline**

The NPS metric is being piloted across a selection of participating operating companies, with a view to rolling it out Group-wide by year end. Individual company NPS scores will be aggregated to give a Group-level customer NPS score – our customer NPS baseline. Insight from this exercise will inform our target setting and initiatives that will drive future progress.

**Reinforce internal processes**

We will continue to improve on our processes to enable us to identify and celebrate best practice across our businesses, learning from each other and leveraging industry best practices to accelerate pace. We will also explore a common approach to our sales methodology and the systems surrounding it, as we look to develop and communicate a common James Fisher culture to our customers and other external stakeholders.



## GOVERNANCE

KPI	BASELINE (2021)	TARGET	TARGET DATE
% suppliers signed up to James Fisher Supplier Code	During 2022, we will establish a baseline, with the aim to commit to a target in 2023		

### Why it is important

We believe that every James Fisher employee, from the Board of Directors to the engineer at the work site, must live and breathe our valued behaviours – pioneering spirit, integrity, energy and resilience. By extension, we expect our suppliers to align with and demonstrate these valued behaviours. A solid governance framework is required to underpin our strategy implementation and ensure that we continue to deliver value for all our stakeholders while managing and minimising our risk exposure (see page 61 of the Annual Report 2021 for more information on our principal risks).

### Business ethics

Our business ethics commitments are established in the Group's Code of Ethics, Anti-Bribery and Corruption Policy and Modern Slavery Policy. Clear expectations and obligations are set with our employees, partners, suppliers and customers in alignment with these policies and processes are put in place to monitor compliance. These policies are continually reviewed to ensure alignment with evolving challenges in the world, whilst staying true to our core values and principles. Several training programmes and assurance processes support our policies, and these are described in detail on page 70 of the Annual Report 2021.

### Supply chain management

We want to work with responsible suppliers who adhere to our principles and are committed to sustainable business practices. Our supplier onboarding process includes a detailed questionnaire that captures their governance processes, policies and commitments, and examines the credentials of their own supply chains. We strive to lead by example, using our own credentials to set the tone for what we expect from our suppliers.



### Progress in 2021

#### Corporate governance

We reviewed and identified several governance improvements that will help to strengthen the Group's foundation and support the implementation of its strategy:

- Improvements identified by CGI as part of the externally facilitated Board and Committee evaluation are described on page 85 of the Annual Report 2021.
- Changes to the Group's risk management systems and controls following a review by PwC LLP are set out on page 61 of the Annual Report 2021.

Implementation of these governance improvements is underway.

#### Supply chain management

The Supplier Working Group was established to create mutually sustainable, beneficial and collaborative supplier partnerships that offer superior value whilst attaining the highest standards aligned to our Group values. Focus in 2021 was to:

- Identify efficiencies: While individual operating companies are responsible for managing their own supply chains and procurement processes, the working group has highlighted opportunities to optimise cost through common categorisation, spend allocation, and supplier relationship management. For example, we are realising new economies of scale where operating companies have been using the same suppliers or purchasing similar products.
- Revise supplier onboarding questionnaire to include key elements of our sustainability strategy and evolving commitments.
- Improve sharing of best practices across operating companies, using the supplier working group as the medium.

### How we will deliver against target

#### Review Code of Ethics

We will review and refresh our Code of Ethics to align with our sustainability strategy and the changing macro factors that impact our world and industries.

### Revise supplier management processes

We aim to formalise and introduce a supplier code of conduct, to instil financial and social transparency in the supply chain, with the intention of creating accountability and full disclosure around issues such as human rights, health and safety and environmental impacts. The supplier code will be an extension of our current supplier onboarding questionnaire.

We will continue to target further opportunities for improving supply chain efficiency, develop stronger, open relationships with our suppliers, and streamline the Group's approach to understanding and influencing our suppliers' commitments to our sustainability strategy and the Code of Ethics.

### STACKABLE COMPRESSORS FOR BUBBLE BARRIER



ScanTech Offshore has the world's largest fleets of 1600cfm Zone II and Rig-Safe air compressors in a containerised, stackable design, that frees up deck space and allows for reduction in costly management bandwidth. Engineered to operate in arctic or tropical climates, these compressors provide reliability and high performance at reduced physical footprint.

In April 2021, 27 stackable air compressors were shipped out of the ScanTech Offshore UK base in Great Yarmouth on their way to Taiwan, where they were used to create bubble curtains around the installation of 186 pin piles at one of the windfarms there.

"We are able to provide the maximum amount of compressed air for the smallest possible footprint on any heavy-lift installation vessel. This means our compressor package can be adapted for use with a variety of different vessel configurations."

– Barry Craig, Project Manager

**James Fisher and Sons plc**

**T:** +44 (0) 1229 615 400

**F:** +44 (0) 1229 836 761

**E:** [enquiries@james-fisher.com](mailto:enquiries@james-fisher.com)

**W:** [www.james-fisher.com](http://www.james-fisher.com)

**James Fisher and Sons plc**  
**Marine Services Worldwide**

