



Corporate Social Responsibility

Corporate Social Responsibility (CSR) Reporting for Fred. Olsen Renewables AS

The Company is publishing CSR information online for the fourth year. The following information covers the calendar year 2016 and is divided into sub-headings.

Working Environment

The Company has set health and safety performance targets for its construction and operational activities since 2011. A zero target for Lost Time Injury repeats in each year whilst other targets are set as “maintain or improve” from one year to the next. Performance is measured over all personnel (staff, contract or sub-contract) and all activities at the sites under the Company’s control. In 2016 one Lost Time Injury was recorded. It was suffered during construction work. The target set for Accident Frequency Rate in the operations was missed whilst targets for Incident Frequency Rate and Near Hit Frequency Rate were both achieved.

The Lost Time Injury recorded in construction occurred when a contract forestry worker was bench felling trees by hand, using a chainsaw rather than a harvester. One of the trees bounced back toward him striking him in the upper leg and fracturing his femur. A rescue helicopter was called to take the injured party for hospital treatment. By the time his broken leg had healed the tree felling works at site were complete so he returned to work elsewhere.

In 2016 another new site (6 turbines) was constructed, commissioned and handed over to operations without injury or incident.

During 2016 we changed operational partner for a second of our sites. Health, Safety and Environmental systems have been expanded and adapted to make this transition possible.

Emergency exercises were programmed for all wind farm locations. Such exercises typically entail a rescue or emergency scenario which is played out at site with trainers/observers. The emergency response arrangements locally are tested while the exercise may also include control centre and off-site managers for evaluation. Plans and arrangements are revised after the exercise is de-briefed.

A corporate risk register is used to track the priority areas for the business and to take the right assurance and mitigation steps. Examples of changing risks in 2016 include BREXIT, energy market reform in the UK (Contract for Difference) and entry into new geographical jurisdictions (France and USA).

Sickness absence in the UK is noted as an average of 1.66 days per employee per year for 2016. No long-term absence has been experienced. In Scandinavia the sickness absence rate for 2016 is 2,28 days per employee per year for 2016. In total there were 2,08 absence days per employee.

Equality and Discrimination

The Chairman of the Board is female. The other 3 Board members are male.

The direct workforce can be described as follows in 2016

	Norway	UK	Sweden	Total
Male	14	8	3	25
Female	3	2	1	6
	<hr/> 17	<hr/> 10	<hr/> 4	<hr/> 31

The contracted workforce is predominantly male with three female wind farm administrators, one female maintenance supervisor and three female maintenance planners.

The Group aims to be a workplace with equal opportunities, offering challenging and motivating jobs to all personnel, regardless of nationality, culture, religion or gender. It is the Group's policy to conduct business in accordance with the letter and spirit of the law and with the overriding ethical standards of good business conduct including non-discriminatory behaviour. On the corporate level we emphasize the respect for human rights and ethical behaviour including the zero tolerance for corruption. With regard to workers' rights and social aspects all employees may be part of a union.

The composition of genders within the Group reflects the available recruitment base for the industry, which traditionally has a higher proportion of men. However, the Group's policy is to offer equal opportunities for male and female applicants and efforts are made to attract female employees. There is full pay during maternity leave and the company is also striving to implement flexible solutions by providing laptops and home office solutions.

To date, no concrete initiatives with regard to discrimination have been implemented. Notwithstanding, the importance of ethical behaviour is prominent and discussed at various meetings during the year as well as at annual review meetings. Our Code of Conduct also highlights the importance of not accepting any discrimination or harassment.

Environment

The Company is pleased to report that total generation for 2016 exceeded 1.39 TWh. This equates to more than 600,000 tonnes of CO₂ saved from the atmosphere and around 295,000 homes supplied with carbon free energy.

No significant environmental incidents or spills were noted during 2016.

From the first presence on site the Company has planning conditions to observe. These planning conditions are extensive and ensure that construction work is implemented with due care to the environment. These planning conditions have all been executed at the construction projects under way through 2016.

Wind farm operations involve activities with limited potential risks to the external environment. The Group is however focused in its approach to the environment and continuously strives to reduce the use of hazardous chemicals and materials, to minimize negative effects and to seek alternative products to safeguard the environment.

For all operational sites there are ecology plans in place to monitor resident and migrant wildlife. This informs the moorland management plans for those sites where this is applicable. The Company sets

up Community Funds in the UK in time for the start of operations at each wind farm location. These are levied at rates based on installed capacity and are payable annually. The money is distributed through community councils for improvement projects and other schemes that benefit people living locally.

Ethics and Rights

The company has a zero tolerance for corruption related to any parts of our business.

The requirements of the Bribery Act in the UK have been translated into policies which help to deter corruption either toward the Company's customers or from the Company's suppliers in the UK.

A system for confidential whistleblowing exists should any employee become aware of anything in their working life which they deem unacceptable.

A Data Protection Officer has been appointed in the UK to maintain a focus on the Company's obligations under the Data Protection Act.

A Code of Conduct has been developed which applies for all companies within the group. The company operates in line with the relevant legislation and strict authorization levels are implemented at all business centres to ensure transparency and control throughout the whole organization. The Code of Conduct safeguards a uniform standard of behaviour. It provides guidance to actions and decisions for all personal acting for our companies including areas as Business Ethics and Human Rights.