

# 2023 Sustainability report





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### THIS IS WAGENBORG

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#### About the report

This is Royal Wagenborg's 2023 Sustainability Report. The report outlines Wagenborg's business model and strategy, describes how we create value and documents our Environment, Social, Governance and Innovation performance in 2023, also available on [wagenborg.com](http://wagenborg.com).



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Annual review  
2023



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Looking back on 2023, we are satisfied with the overall results of our family business. While faced with various uncertainties, we can say we live in challenging times. Amidst these global challenges, we cannot forget the urgency of the global climate crisis.

### Further progress on ESG agenda

Thanks to the efforts of all Wagenborg employees and the trust our customers have given us, we ended last year with satisfactory results. We are well aware that this result is due to our good reputation in the market. Many loyal customers have extended their contracts with us and in some cases even substantially expanded the contract size. Yet this year was also a lot more difficult in certain areas. We see pressure in several industries, also nearby. Uncertainty is becoming more and more prevalent. A cautious attitude is appropriate in these turbulent and uncertain times. We believe we are well prepared for the challenges that lie ahead.

Royal Wagenborg continued working on her sustainability commitments and actions. We see decarbonisation as the main area in which we can have the greatest impact, but we also recognise that sustainability risks, responsibilities and opportunities for our business encompasses the full scope of Environmental, Social and Governance (ESG) factors. In 2023, we continued our ambitious ESG strategy in close cooperation with our business partners. As of 1<sup>st</sup> of January 2024 we are fully prepared for the introduction of shipping to the EU Emission Trading System. The pricing of greenhouse gas emissions will have a considerable impact on our sector

and possibly on trading patterns. We fully support the ambitions of the EU, but consider a level playing field to be the main condition for the success of this regulation. We have taken the first steps in aligning our reporting on sustainability issues with the requirements of the Corporate Sustainability Reporting Directive issued by the EU so that we will be fully prepared in 2025.

In 2023 the International Maritime Organization (IMO) has adopted more ambitious decarbonisation goals. It is a huge achievement that all countries involved have agreed to increase their efforts to reach net zero emissions by 2050. Wagenborg has adopted these ambitions in her sustainability objectives going forward.

Our efforts go hand in hand with the imperative of decarbonising logistics. The majority of our top 50 customers have set ambitious decarbonisation targets and they expect our support to achieve these ambitious targets. In 2023, Metsä Group, producer of forest products, and Wagenborg have agreed to work together to reduce the climate impact of maritime transport. The goal is to reduce the relative CO<sub>2</sub> emissions from shipments of Metsä Group products by 30% by 2030 compared to 2021. I am convinced that significant CO<sub>2</sub> reductions can only be achieved if action is taken throughout the supply chain. I am therefore very pleased with this strategic partnership with Metsä.



Thanks to the efforts of all Wagenborg employees and the trust our customers have given in us, we ended last year with satisfactory results.



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Wagenborg has managed to acquire more than 50 ships from affiliated owners, mainly smaller than 5.000 GT, impacting our fuel efficiency performance.

**2023 CO<sub>2</sub> emissions and CII rating**

In 2022 and 2023, Wagenborg has acquired more than 50 ships from affiliated owners. With around 120 fully owned ships, our 'own' fleet has never been this large. The newly acquired vessels mainly consist of smaller sized vessels, which are on average less fuel efficient compared to our larger tonnage vessels. The increase in vessels combined with an increase in 'ballast legs', caused by a market which has cooled down compared to 2022, resulted in a minor increase of our relative CO<sub>2</sub> emissions with 0,52% compared to 2022 (2022: -3,2%). Additional and more far-reaching measures and actions will be required for a next step in achieving our CO<sub>2</sub> reduction targets. Our scope on fuel efficiency remained, resulting in the installation of 15 live data and fuel monitoring systems on our owned and managed fleet by 2023.

Despite a growing fleet, we are proud to report that 100% of our general cargo fleet remained compliant with the EEXI regulations and the majority of our vessels are A or B-rated according to CII regulations. This is further proof that our fuel efficiency program and new build philosophy yields results. In 2023, we continued to invest in sustainable vessels, including the order for a fourth and a fifth EasyMax vessel to be delivered in 2024 and 2025.

**Human capital at the heart of Wagenborg**

Our primary responsibility is to keep our people safe. Unfortunately, we did see an increase in recorded incidents. No doubt this increase relates to the growth of our fleet and the reduced availability of seafarers due to the war in Ukraine is evident. We have extended our search to recruit qualified crew

to other countries. We are working to reinstate fixed crews on fixed vessels again. Something that was disturbed due to travel restrictions during the Covid pandemic. These are important measures to develop a safety culture and mindset that will lead to less incidents.

Our employees play a vital role in achieving our organizational goals. Our employee satisfaction survey shows year-on-year improvement on all themes. However, we always see room for further improvement. In 2024 we will continue to work on several of these improvement areas.

**Engaging and living our values**

We recognise the importance of collaboration to reach our goals and as a result we continue to engage in partnerships across sectors with leading organisations, including many of our customers, to drive progress on sustainability issues.

To conclude, 2023 was a year of many milestones – none of which would have been possible without the shared commitment of our customers, partners and the many dedicated and passionate people at Wagenborg. For sure, our sustainability strategy, investments and drive for results will enable us to continue to deliver on ESG targets, now and in the years to come.

**Egbert Vuursteen**  
CEO Royal Wagenborg



# Making our business more sustainable every day

## 2023 highlights

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#### January 2023



Wagenborg supports the energy transition with logistic services for multiple offshore wind projects on the North Sea.

#### April 2023



Metsä Group and Wagenborg strive for a 30% CO<sub>2</sub> reduction by 2030 when compared to 2021.

#### May 2023



First Transatlantic voyage sailing on bio fuels, resulting in 68% CO<sub>2</sub> reduction on this specific voyage.

#### June 2023



Steel cutting ceremony for fourth 14.000 DWT EasyMax vessel for delivery in autumn 2024.

#### July 2023



Regular maintenance and updates of ships to extend the life time of these vessels up to minimal 30 years. In 2023 25 docking projects were performed.

#### August 2023



Wagenborg ordered the world's first hybrid 60 tons mobile telescopic crane.

#### September 2023



A new partially electric 150-ton mobile crane has been delivered and another five new cranes have been ordered for 2024.

#### October 2023



First trials with a hold cleaning robot to improve safety and quality during cleaning operations on board.

#### November 2023



Wagenborg commissioned a shore connection system on the mv Kroonborg in collaboration with NAM/Shell UK.

#### December 2023



Shipyard Royal Niestern Sander welcomes the Fugro Pioneer at her dock location for a methanol conversion.



Wagenborg Shipping orders fifth 14.000 DWT EasyMax vessel for delivery in autumn 2025.



Wagenborg starts replacing the engine installation of the 47-year old inland pusher tug 'Gyas' by new Stage V engine.



# What we do

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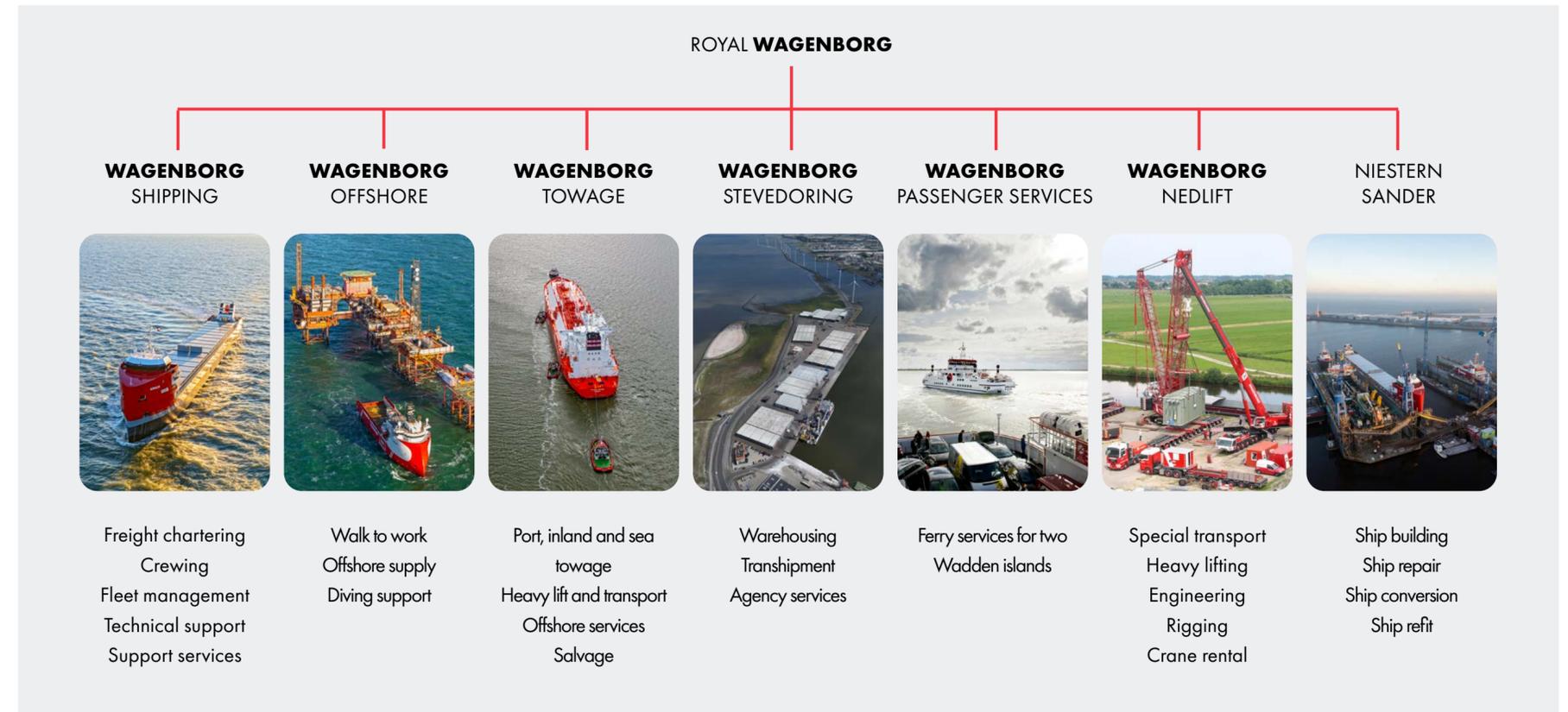
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Royal Wagenborg is active in the field of shipping, towage, stevedoring, heavy lifting & transport, passenger services, ship building & repair, offshore and projects & logistics. We divide between offshore, onshore and nearshore activities. The main offshore activities are performed by Wagenborg Shipping. These shipping-activities are worldwide oriented, while the focus of our other businesses is in the Northwest of Europe.

Wagenborg operations span the entire globe. Our group of companies employs three thousand professionals and an extensive fleet on both land and sea, offering safe and sustainable solutions in transportation and logistics. Wagenborg has safety and steadfast service in its core values. Our people are trained to the highest level, our equipment is top quality, and our processes and systems are honed to perfection. This guarantees that we get the job done and done well, whatever the task, whatever the challenges. We are a reliable pillar of support for our clients, colleagues, and the environment. Looking after each other, future generations and the environment is a strong belief of our family business. Being a good employer



and forging long-term bonds with our employees, clientele and suppliers is second nature to us. We are working proactively to develop the sustainability of our company, for years to come. Wagenborg. For sure.

Royal Wagenborg is founded by Egbert Wagenborg in 1898 and headquartered

in the Ems region in the port of Delfzijl, the Netherlands. Since inception, the company has been family owned. The early business of Wagenborg started with the timber trade within the Baltic, North Sea and the Mediterranean. Throughout the years, Wagenborg continued to increase its fleet size and expanded its activities from offshore to near shore and onshore,

transforming into a maritime logistics conglomerate.

Nowadays, Wagenborg is one of the world's largest maritime logistics companies and employs over 3,000 people. Royal Wagenborg divides its logistic service portfolio into various divisions.



# How we create value

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At Royal Wagenborg, we want to pass our business on to the next generations in the best possible condition. We strive for long-term social, environmental and financial value creation. We therewith always need to make balanced decisions, factoring in all stakeholders' interests.

Royal Wagenborg wants to create a pleasant, stable, and safe work environment for her employees. To local residents, we act as a good neighbour.

Together with our suppliers, we explore opportunities for sustainable solutions to reduce our environmental footprint. Although, shipping remains the most efficient mode of transport, we are well aware of the fact that shipping and logistics have an impact on people and the planet.

We use water, consume fuel, emit air emissions and work accidents occur on our vessels and during our land activities.

### RESOURCES WE USE

**Assets**

- 160 MPP vessels under management
- 6 offshore vessels
- 85 mobile cranes
- 6 (express) ferries
- 102 trucks
- 30 terminals: 390.000 m<sup>2</sup> storage
- 10 tugs & 12 pontoons
- Repair and new building yard

**Human capital**

- 2.651 fte
- 1.873 seafarers from 28 different nationalities
- Subcontractors and service providers

**Energy consumption**

- Fuel: 217.739 ton
- Electricity: 6.636 mWh
- Gas: 278.988 m<sup>3</sup>
- Water: 43.400 m<sup>3</sup>

**Financial capital (x1.000) as at 31 Dec 2023**

- Balance sheet of € 1.541.517
- Group equity of € 759.959

**Global network**

- 31 offices
- 6 crewing agencies
- 2.503 suppliers
- Customer partnerships
- Community engagements
- Industry participations

### STRATEGY



**Creating transport solutions and implementing them for our customers. Safe, reliable and focused on making our business more sustainable every day.**

### IMPACT WE HAVE

**For our people**

- 3.061 headcount
- Zero fatalities
- LTIF of 5,0
- Absenteeism rate of 2,0%

**For the environment**

- Scope 1 GHG emissions: 686.738 ton
- 25,2 % relative CO<sub>2</sub> reduction of shipping activities versus 2008

**For our investors (x1.000)**

- 2023 revenue of € 909.363

**For the society**

- 45% turnover in the North of the Netherlands
- Local initiatives

**For our customers**

- 32,5 million tonnes shipped
- 3.266 voyages
- 6.006.569 sailed miles
- 1.221.199 ferry passengers
- 41.127 offshore gangway transfers

INPUT 2023

PROCES

OUTPUT 2023



# Our approach on sustainability

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Royal Wagenborg takes firm responsibility towards the society and environment we operate in. This belief has been part of our company's DNA from its early beginnings resulting in our mission to 'make our business more sustainable every day'.

Working actively and strategically on Environmental, Social and Governance (ESG) development goals, opportunities and risks is a baseline requirement for our stakeholders. The expectations of our customers, investors, employees, regulators, civil society and other stakeholders in this respect are increasingly demanding. We consider the fulfilment of these obligations as our license to operate.

### Environmental impact

Across Wagenborg's activities, we strive to minimize the negative impact related to our operations - including the emissions of CO<sub>2</sub>, SO<sub>x</sub>, NO<sub>x</sub> and particulate matters - and we comply with regulatory demands to limit air emissions. In line with the IMO ambitions, we have set a target to reduce our relative CO<sub>2</sub> emission by 40 % per ton/mile in 2030 compared to 2008. We have achieved a total reduction of 25,2% until 2023 resulting in an annual

target of 2% reduction per annum up to 2030. The updated ambitions of the IMO will require a revised plan of action going forward.

At Wagenborg we consider ocean health of great importance and are pleased with the landmark agreement to protect 30% of the planet's lands, coastal areas and inland waters by the end of the decade as agreed at the 2022 UN Biodiversity Conference, in Montreal, Canada. We manage fuels and chemical substances to avoid spills into water, use water-saving hold wash installations and store wash water in dedicated storage tanks to deliver ashore when possible. We have policies and procedures to manage and mitigate pollution risks – and are being audited by external parties on all aspects of these procedures. We will have installed ballast water treatment systems on all our vessels by the end of 2024, thereby complying fully with the Ballast Water Management Convention.

### Social impact

As a family owned company we care for the health and well being of our employees – and people who work with

us in any other capacity. We want people to return home safely after work. We offer a safe working environment for everyone involved: employees, subcontractors, suppliers and other parties concerned. Our HSEQ policy aligns with applicable safety management systems.

People are encouraged to develop skills and consider new roles and responsibilities. For this, we promote lifelong working and learning. Our well trained employees are able to contribute more to the organization's objectives and business opportunities through their professional development.

### EU and IMO regulations

Our sustainability strategy and actions in the upcoming years are highly influenced by the standards and regulations from both the European Union and the International Maritime Organization (IMO). The shipping sector has been included in the Emission Trading System (ETS) as of 2024, the use of bio fuels will be compulsory as of 2025 and additional taxation on the purchase of bunkers is under negotiation in the EU.





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The IMO has introduced an efficiency certificate ('EEXI') for all existing seagoing vessels. As of 2023 all cargo vessels >5.000 GT are obligated to monitor the energy efficiency on an annual basis through the Carbon Intensity Index (CII). The criteria of this index become more strict each year, motivating vessel owners to improve the efficiency of their vessels. As of the financial year 2025, the EU Corporate Sustainability Reporting Directive (CSRD) enters into force for large companies. Wagenborg supports all these measures and is well prepared to meet the requirements. The biggest challenge will be in creating a level playing field for all

operators and owners, both within the EU as in the rest of the world.

**Sustainable Development Goals**

The United Nations has formulated seventeen Sustainable Development Goals (SDGs). Each and every one of these goals is important whereby we focus on the goals for which we can make a significant contribution.

**Sustainable Development Goals**

Our sustainability strategy is aligned with several of the UN Sustainable Development Goals (SDGs):

- 3. Good health and well-being
- 7. Affordable and clean energy
- 8. Decent work and economic growth
- 9. Industry, innovation & infrastructure
- 13. Climate action
- 14. Life below water
- 15. Life on land
- 17. Partnerships for the goals





# Strategic priorities and targets

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### WE ARE COMMITTED TO ACHIEVE A BETTER CLIMATE AND ENVIRONMENT

#### STRATEGIC PRIORITIES

##### CO<sub>2</sub> reduction (per gCO<sub>2</sub>/t[nm])

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• 20% in 2024 (base: 2008)</li> <li>• 40% in 2030 (base: 2008)</li> </ul>	<ul style="list-style-type: none"> <li>• 25,2%</li> </ul>

##### Ocean health

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• 20 ballast water treatment systems installations per year</li> <li>• Equip all owned and managed MPP vessels with a ballast water treatment unit by 2024.</li> </ul>	<ul style="list-style-type: none"> <li>• 15 installations</li> <li>• 90% of the owned and managed MPP fleet</li> </ul>

##### Compliance

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• CII-score: 'C' or better and new vessels 'A'-rating</li> <li>• EcoVadis 'Silver' rating by 2025</li> </ul>	<ul style="list-style-type: none"> <li>• 70%: A or B rating</li> <li>• 25%: C rating</li> <li>• 5%: D or E rating</li> <li>• Awaiting final rating</li> </ul>



### WE WORK SAFELY WITH TALENTED PEOPLE

#### STRATEGIC PRIORITIES

##### Health & safety

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• Zero fatalities</li> <li>• LTI &lt; 5.0</li> <li>• Absenteeism rate &lt;3%</li> </ul>	<ul style="list-style-type: none"> <li>• 0</li> <li>• 5,0</li> <li>• 2,0%</li> </ul>

##### Employee engagement

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• Engagement score ≥ 7,5</li> <li>• Regretted outflow rate &lt;5%</li> </ul>	<ul style="list-style-type: none"> <li>• 31</li> <li>• 3,34%</li> </ul>

##### Diversity & inclusion

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• 30% female managers by 2027</li> </ul>	<ul style="list-style-type: none"> <li>• 17%</li> </ul>



### WE OPERATE BASED ON RESPONSIBLE BUSINESS PRACTICES

#### STRATEGIC PRIORITIES

##### Governance

Targets	Outcome 2023
<ul style="list-style-type: none"> <li>• Paris MoU detention ratio ≥ Medium</li> <li>• Paris MoU deficiency ratio ≥ Medium</li> </ul>	<ul style="list-style-type: none"> <li>• Medium</li> <li>• Medium</li> </ul>



# Stakeholder engagement and materiality

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As of 2025, the Corporate Sustainability Reporting Directive (CSRD) enters into force for Wagenborg. In order to be timely prepared for the obligations regarding CSRD and EU Taxonomy, Wagenborg kicked off its CSRD project at the end of 2023. During 2024, the project planning aims to realise all milestones necessary to identify and implement all required changes in our reporting framework as much as possible in order to be able to report over 2025 based upon the directive. Until then, Wagenborg continues actions as defined in her sustainability strategy as presented in 2021 after a first materiality assessment in 2020.

### Defining materiality

We used various customer conversations and sustainability questionnaires as a starting point. This stakeholder engagement process and materiality assessment have since then annually been revised. In 2023, customer and financiers conversations continued and an employee survey was conducted resulting in a revised materiality matrix. The scope of the employee survey was expanded and conducted at the entire shore organization, including Offshore and Towage crew.



### Environmental impact

- A Biodiversity
- B Ocean health
- C Waste & plastic
- D Ship recycling

### Emissions

- E CO<sub>2</sub> emissions
- F NO<sub>x</sub> emissions
- G SO<sub>x</sub> emissions
- H Particulate matter

### Attractive employment

- I Health & Safety
- J Talent development
- K Diversity & inclusiveness
- L Employee engagement

### Social impact

- M Compliance & vetting
- N Human rights
- O Community engagement
- P Sustainable procurement

### Partnering

- Q Digitization
- R Cyber security
- S Alternative fuels
- T Innovative projects & vessels



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This survey mainly focused on work expectations including topics as employability, vitality, organizational direction and leadership. In 2024 the scope of this survey will be expanded to our colleagues at the ferry services.

**Our strategic priorities**

This report covers materiality as identified from new insights and trends. We reframed the most material aspects of sustainability to our business:

- CO<sub>2</sub> emissions and reduction
- Ocean health
- Employee engagement
- Health and safety of our employees
- Diversity & inclusiveness
- Compliance
- Digitization

‘Ocean Health’ and ‘Digitization’ have returned to our list of strategic priorities since Wagenborg has taken over a significant number of vessels in 2023. This increase of our fleet has made the installation of ballast water treatment units and the implementation of Live Data Systems more relevant.

**ESG IN PRACTICE**

**Metsä Group and Royal Wagenborg agree on a common goal to reduce carbon dioxide emissions**

Metsä Group and the Royal Wagenborg have agreed to cooperate in reducing the climate impact of maritime transport. The goal is to reduce CO<sub>2</sub> emissions in sea transport of Metsä Group products by 30 percent per ton/mile by 2030 when compared to 2021.

*"One of Metsä Group's strategic sustainable development goals for 2030 is to reduce fossil emissions and use of fossil materials in our own operations. As far as the factories are concerned, we are already quite far in realizing the goal and we want to achieve similar development steps in our supply chain as well. The majority of our products are delivered to our customers by sea, and Royal Wagenborg is an important partner for us. Shipping as a whole represents about three percent of the world's greenhouse gas emissions, and it is*

*important to achieve emission reductions in that regard,"* says Jari Voutilainen, SVP Sourcing and logistics at Metsä Group.

Metsä Group and Royal Wagenborg established a joint working group to define the concrete means by which the emission reduction goal can be reached.

The measures are related to both technical and operational measures of the existing Wagenborg fleet, including voyage optimization and fleet development. Also, new building will be investigated to reach the reduction targets.





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**ENVIRONMENT**

A better climate and environment



# Environmental impact

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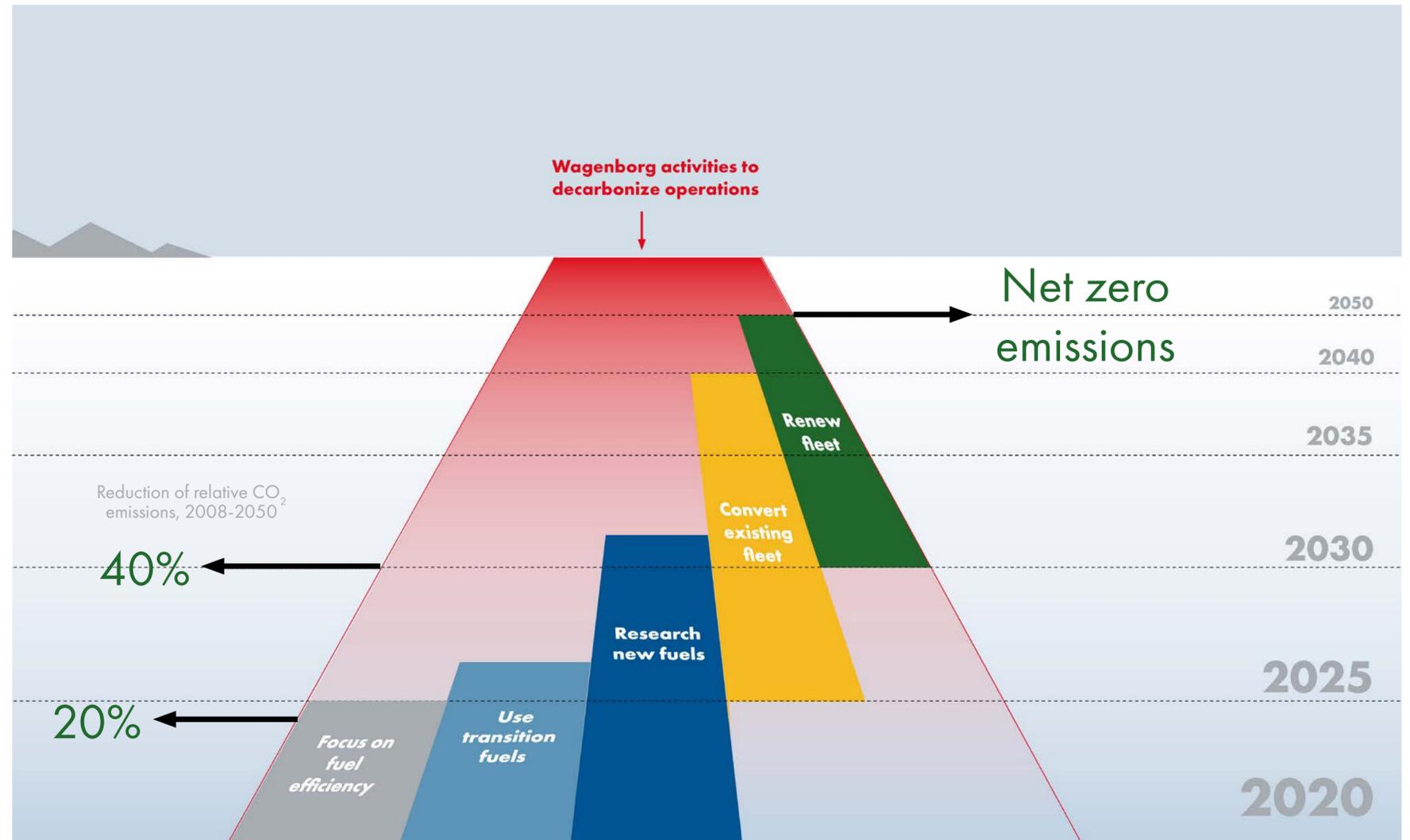
Wagenborg takes active part in the shipping and transport decarbonization energy transition. Together with our stakeholders - authorities, clients, investors, society, employees, suppliers - we accept sustainability challenges to reduce our environmental footprint.

Compared to other modes of transport, ocean shipping can transport larger volumes of cargo with relatively low CO<sub>2</sub> emissions and other air pollutants.

Seabourne transport is anticipated to grow further in the future as a result of a growing world economy. CO<sub>2</sub> emissions from merchant vessels account for about 3% of global emissions and the shipping industry must do its part to reduce the emission of greenhouse gasses. The IMO has stated clear ambitions to reduce future CO<sub>2</sub> emissions. We fully embrace these ambitions.

A logistics provider without a viable decarbonization strategy will become irrelevant in the market. Our company will not lag behind on the road to decarbonisation.

In addition, climate change itself creates several challenges to our company.



### Roadmap towards 2050 to comply with CO<sub>2</sub> reduction targets and goals

1. Fuel efficiency: we have installed live data systems on board to improve fuel efficiency.
2. Transition fuels: we use drop-in transition fuels where possible: B7 bio diesel for Wagenborg Passenger Services and GTL at Wagenborg Offshore.
3. Research into new fuels: we are researching alternative fuels that will help us reach the decarbonisation goals.
4. Convert existing fleet: our fourth step is to convert existing vessels to use alternative green fuels.
5. Replace fleet: we will continue to build and implement vessels that are able to use renewable fuels.



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**Changing weather patterns**

The number of severe storms and heavy weather has increased in the last decade. With further warming of the oceans we can expect more severe weather conditions, which may lead to delays and possibly damage to crew, vessel and cargo. By introducing weather routings systems on all our vessels, we can adjust our vessel planning in an early stage to avoid bad weather.

**Life time cycle**

The drive towards more sustainable and

more efficient vessels has lead to taxation of fuel usage and CO<sub>2</sub> emissions. This could leave older overpowered vessels in a less competitive position. On the other hand the most environmentally friendly way of handling vessels is to use them till the end of their life cycle reducing the need to build new ships. If applicable, Wagenborg will always comply with the Hong Kong convention and EU SRR for sustainable and responsible scrapping of vessels.

To achieve the maximum – economical

and technical – age, we have invested in deepening the vessels (which increases the intake and thus fuel efficiency), have introduced engine efficiency programs and optimized trimming conditions. Further investments may be needed with the introduction of green fuels.

**EU ETS shift in trade patterns**

Sailing within, to and from EU destinations has become more expensive now that shipping is incorporated in the EU Emission Trading Systems. The additional costs which can be directly attributed to

a voyage performed for our clients, are being charged onwards. However, this will not be possible in all circumstances and all markets.

In our assessment, the additional costs will not endanger the competitive position of the EU industry, provided an equal playing field for all parties involved is created. EU ETS could however lead to a shift of voyages towards destinations just beyond EU borders.





# CO<sub>2</sub> reduction

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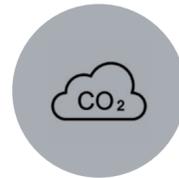
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**STRATEGIC PRIORITIES**

**CO<sub>2</sub> reduction:**

By 2030 reduce our carbon intensity (emissions in gCO<sub>2</sub>/t[nm]) by 40% from a 2008 baseline

✔ **On track**

**Energy efficiency:**

By 2024 reduce our carbon intensity (emissions in gCO<sub>2</sub>/t[nm]) by 20% from a 2008 baseline

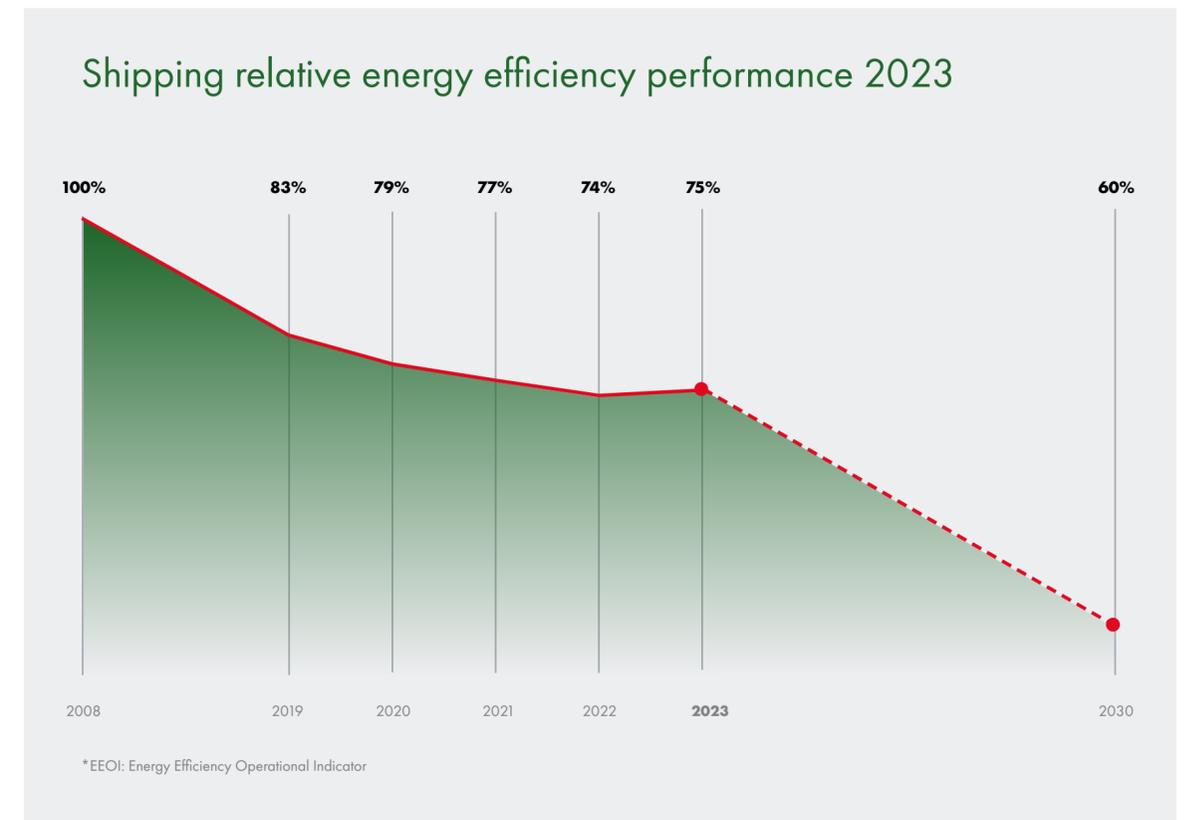
✔ **Achieved**

Across Wagenborg’s land-based and maritime activities, we strive to minimize the negative impact related to our operations and we comply with regulatory demands to limit CO<sub>2</sub> emissions.

**Marine fuels as most relevant source of scope 1 emissions**

In 2023 Wagenborg emitted 686.919 tons of CO<sub>2</sub> compared to 652.178 tons in 2022. This increase is caused by the addition of 17 vessels to the Wagenborg-fleet in 2023.

The added vessels are mainly of smaller size. Whereas the average Wagenborg-vessel measures about 11.000 tons deadweight, the added vessels are on average just below 5.000 tons deadweight. Smaller vessels are by design less efficient than bigger vessels resulting in an overall energy efficiency of our fleet of 20,56 gCO<sub>2</sub>/t[nm] in 2023 (2022: 20,45). Compared to 2008 the reduction of CO<sub>2</sub> emissions per ton mile in 2023 amounted to 25,2% (2022: 25,6%). With this outcome we achieved our target for 2024 and are still on track for achieving our 2030 reduction target.



**Addition of smaller tonnage impacts the energy efficiency performance**

The acquired smaller vessels are engaged in the tramp trade which has more port days and ballast legs. Port days and ballast legs have a negative effect on the efficiency ratio of the vessel, but were

necessary to meet the requirements of our customers. The miles sailed in ballast conditions increased by almost 11% (on a like for like basis). As a result the average occupancy rate decreased slightly which equals negative pressure on the efficiency-ratio. The vessels added have an overall EEOI of 25,71 compared to 20,56 for the



# Our greenhouse gas emissions footprint

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entire Wagenborg fleet. Slower markets have made it more difficult to plan and execute journeys from the same port and region.

### Fuel efficiency program

All Wagenborg owned vessels have weather routing systems on board to determine the fastest, most efficient and safest route. This enables just-in-time arrivals resulting in minimal idle time and avoidance of bad weather conditions.

In 2023 we broadened the use of this application by offering it to the entire fleet, including affiliated owners. In addition, we continued with the implementation of real-time live data monitoring systems of fuel consumption on our owned fleet and we have made this data available to our chartering operators. In 2023, live data systems were installed on 15 vessels. More and more vessels are operating in combinator mode which brings significant fuel savings on lower speed. 14 vessels received an upgrade of the combinator curve settings for this purpose.

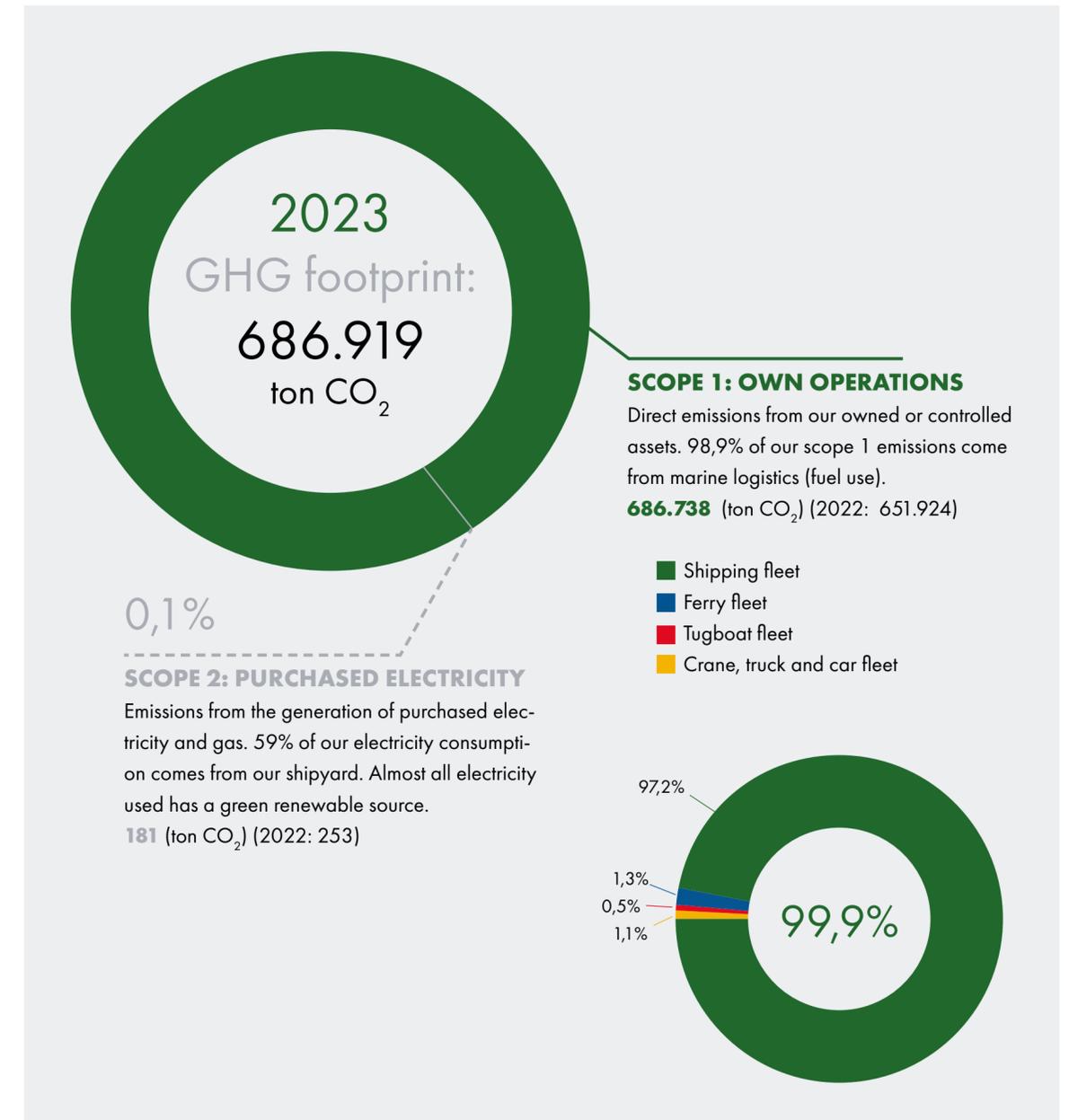
From the customer side, we noticed an increasing interest to use bio fuels for the

shipments of their goods. In 2023, we used 520 metric ton of biofuel (2022: 0) on our voyages. For 2024 the number of voyages using bio fuels will further increase with the implementation of EU ETS (2024) and Fuel EU Maritime (2025) and our joint efforts with our customers.

### Our greenhouse gas emissions footprint

A detailed overview of our emission footprint is critical for guiding decarbonisation efforts. For Wagenborg, such an overview shows the sourcing and use of marine fuels as the main and primary source of our greenhouse gas emissions. Compared to our scope 1 emissions, our indirect emissions from the generation of purchased energy (scope 2) are limited.

Due to the nature of Wagenborg's core business, the GHG emissions included in this chapter focus on CO<sub>2</sub> emissions and from 2024 on other greenhouse gases such as methane and nitrous oxide are being reported as well.





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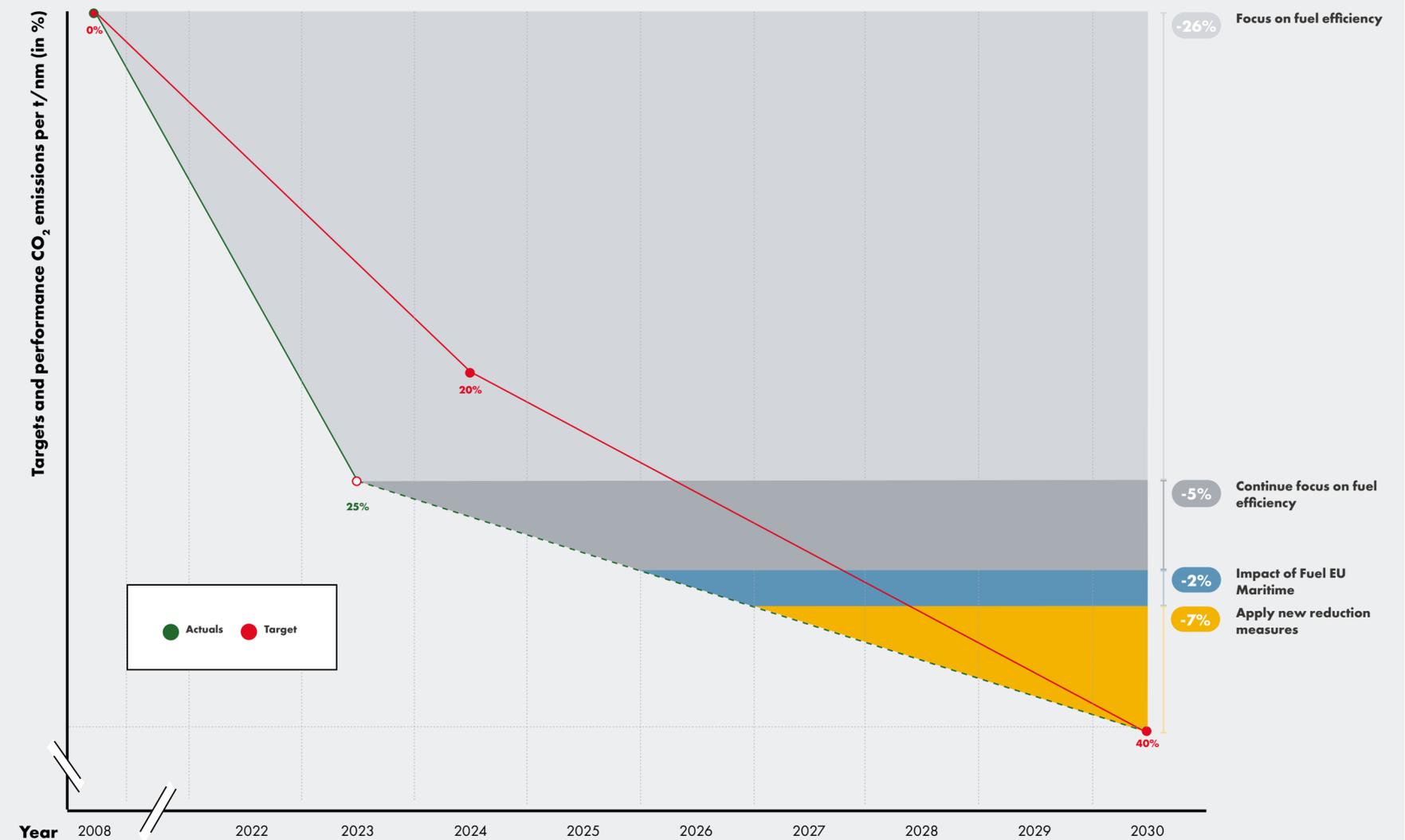
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Wagenborg’s scope consists of the following: scope 1 GHG emissions include all direct CO<sub>2</sub> emissions from assets that are either owned or controlled by Wagenborg. This includes all general cargo vessels which are owned or chartered-in during the reporting year. For our shipping activities, we follow the guiding principle that the entity paying for the fuel is responsible for its emissions.

Scope 2 GHG emissions include all emissions generated by purchased electricity and gas. Scope 3 GHG emissions - those emitted by companies up and down the value chain - are not included in this report. CO<sub>2</sub> emissions are calculated based on total consumption per type of energy source multiplied by the emission factor as stated in the notes to the performance data.

How we will achieve 40% CO<sub>2</sub> reduction by 2030





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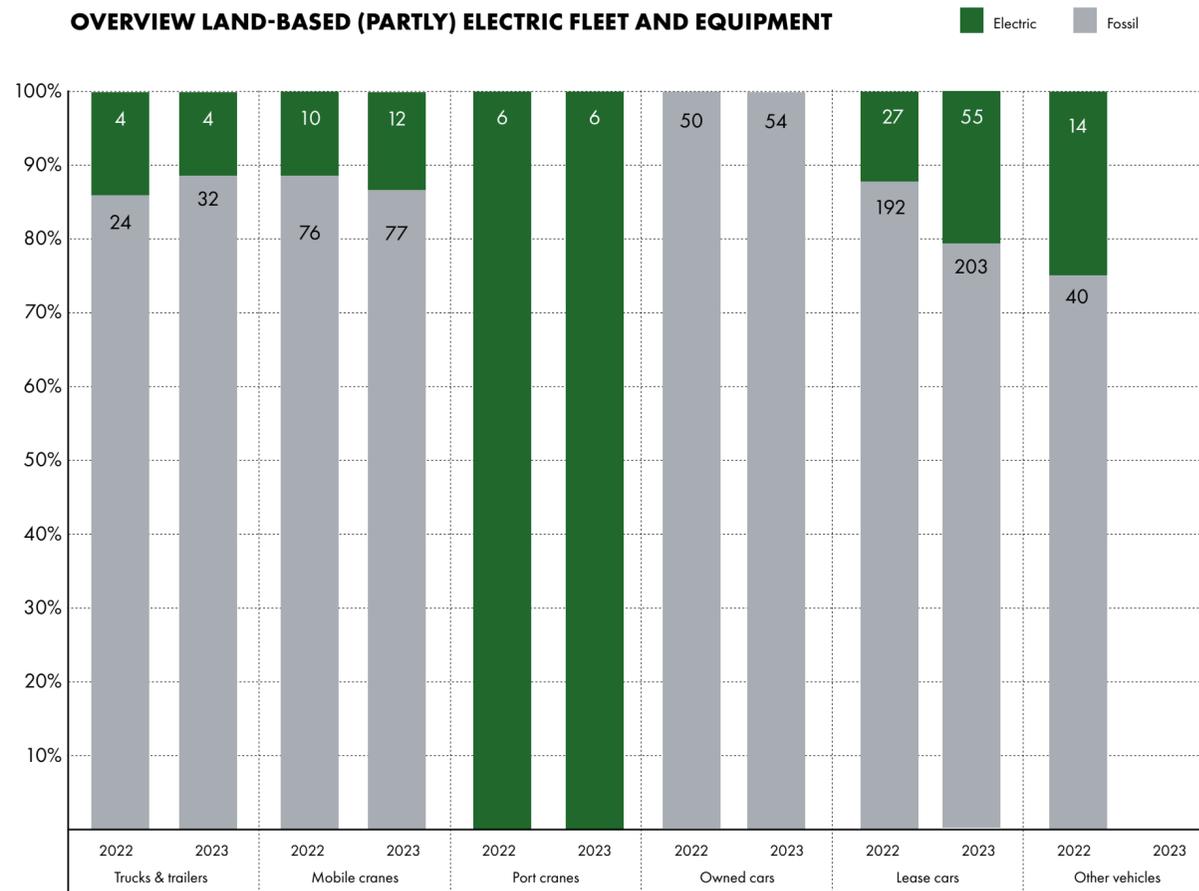
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**CO<sub>2</sub> reduction land-based activities**

When looking at Wagenborg’s land-based logistic activities, the company aims to reduce the CO<sub>2</sub> emissions and other harmful air emissions of her vehicles and equipment in line with EU targets.

For land-based activities in particular the reduction of emission of NO<sub>x</sub>, PFAS and noise in urban areas are part of our policy scope. The main solution to achieve this, is to replace or convert mobile cranes, trucks, trailers, port cranes and cars by (partly) electric alternatives.

**OVERVIEW LAND-BASED (PARTLY) ELECTRIC FLEET AND EQUIPMENT**



**ESG IN PRACTICE**

**Electric lifting and driving with the world's first 60 tons hybrid mobile telescopic crane**

Wagenborg Nedlift ordered the world’s first XCA60\_EV hybrid 60-ton mobile telescopic crane at XCMG in China. With this highly modern machine, Wagenborg is able to offer zero-emission lifting services. The new mobile crane is expected to be delivered in the summer of 2024. Prior to this order, the hybrid XCA60\_EV was included in the Nedlift crane park

during a demo period of six months. In this period, the crane was fully tested by Wagenborg, XCMG and various inspection companies, such as Aboma. As a result, the crane meets all requirements of the Western European market. It has an EN13000 inspection for the upper part of the crane and is RDW approved for the lower part.





# Creating new solutions through innovation

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We meet customer needs, lower costs and amend procedures by use of innovation. Together with our stakeholders, we transform opportunities and processes into next generation solutions.

Digitization and decarbonization are the two main themes of the R&D program of Royal Wagenborg.

There are two main digitization projects that have had our attention in 2023: the installation of live data systems on board the shipping vessels which were added to our fleet and the multiyear development project of the new ERP system BRIDGE.

### Live data systems

In 2023 the number of vessels having a live data system on board has reached 100 vessels. This includes 4 vessels of affiliated owners. Since several vessels have been added to the owned fleet in the last year, a new batch of systems has been ordered which will be installed in 2024. With these systems, we are able to monitor and improve the operational performance of our vessels. Operational data is stored in a database for the purpose of future analyses.

### Shore power

The biggest challenge for applying shore power is the availability of a power connection. Investing in a shore power supply on cargo vessels is not attractive for the time being as most ports lack such connections. In 2023, Wagenborg has therefore entered into discussions with various ports that are regularly visited to explore the possibilities of shore power.

For example, Wagenborg has successfully installed and commissioned a shore power connection system on the offshore vessel Kroonborg as a regular visitor of the ports of Den Helder and Great Yarmouth.

### ESG IN PRACTICE

## Shipyard Royal Niestern Sander completed the conversion to methanol of 'Fugro Pioneer'

In December 2023 the multi-purpose survey vessel arrived at the dock location in the port of Delfzijl. In the upcoming weeks, the first steps will be made in the world's first methanol conversion project.

The methanol conversion of the Fugro Pioneer is a result of the grant that was awarded in 2021 to the MENENS consortium by the Dutch Government's Rijksdienst voor Ondernemend Nederland (Netherlands Enterprise Agency) for the development of methanol as a low-carbon shipping fuel. The consortium of MENENS – a acronym for 'Methanol as Energy Step Towards Emission-free Dutch Shipping' – exists of 22 partners

representing the complete Dutch maritime sector, from equipment suppliers to designers and shipyards as Royal Niestern Sander to ship owners as Geo-data and survey specialist Fugro.

Royal Niestern Sander took care of all the steel works in this conversion project. This scope included the creation of various internal spaces, including a fuel preparation room, auxiliary engine room, methanol storage tanks, cofferdams and a bunker station on deck with a vent stack. In addition, the layout of the existing engine room will be changed accordingly.





# Ocean health

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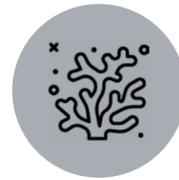
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**STRATEGIC PRIORITIES**

**Compliance IMO BWM Convention:**

Our ambition is to equip all owned and managed MPP vessels with a ballast water treatment unit by 2024.

✔ **On track**

The quality of life under water is affected by possible pollution and waste from seagoing vessels. At Wagenborg we consider ocean health of great importance and are pleased with the landmark agreement to protect 30% of the planet’s lands, coastal areas and inland waters by the end of the decade as agreed at the 2022 UN Biodiversity Conference, in Montreal, Canada.

**Ballast water treatment**

As early adopter Wagenborg installed the first ballast water treatment systems in 2013 to minimize the impact in and below water.

In 2023 we installed 15 systems on our owned and managed vessels, leading to 90% of the fleet with a fully operational ballast water treatment system. In 2024 the last 13 systems will be installed after which all Wagenborg vessels are fully compliant with the regulations.

**New upcoming subjects**

Our drive to protect live under water does not stop with the installation of ballast water treatment systems. In the meantime Wagenborg has invested in biocide free fouling systems and protective measures to prevent disturbance of whales by reducing speed in dedicated areas. At this moment we are investigating various possibilities to reduce under water noise production of the fleet.

Annual installations of ballast water treatment systems





# Environmental compliance

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### STRATEGIC PRIORITIES

#### Performance Carbon Intensity Indicator:

Our ambition is achieve a above-market CII rating by obtaining a C-rating or better for existing vessels and an A-rating for new vessels.

✔ **On track**

#### Ecovadis performance:

Achieve a 'Silver' rating by 2025 for the annual Ecovadis questionnaire.

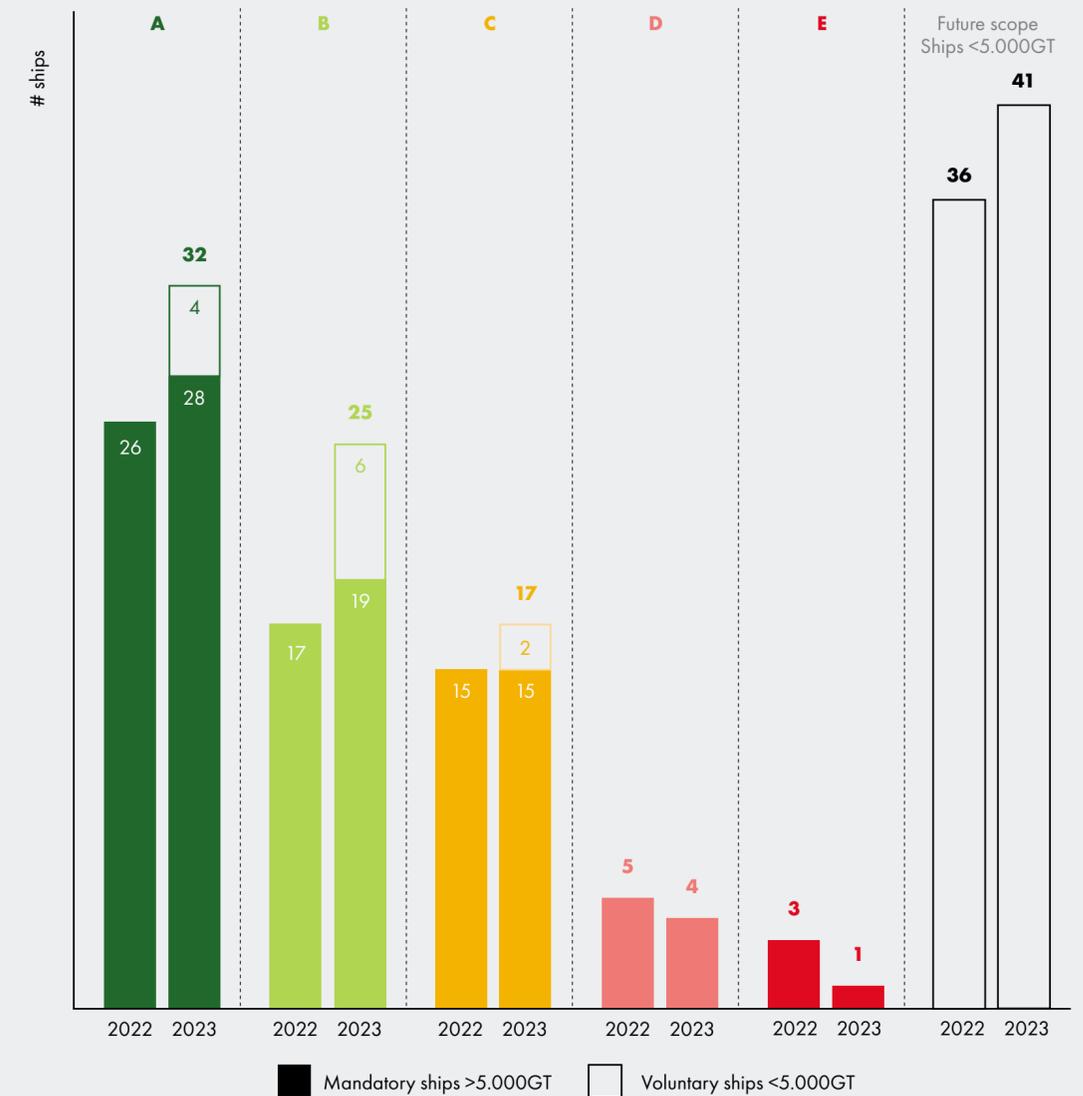
⚠ **Lagging**

#### Carbon Intensity Indicator (CII)

The operational performance of the vessels in terms of CO<sub>2</sub> output and nautical miles sailed resulted in a ranking according to the CII rating. It measures how efficient ships operate and transport cargo on an annual basis. Analyzing the 2023 CO<sub>2</sub> performance of the individual ships in scope (67 vessels >5.000 GT) shows the investments in our fuel efficiency program pay off in above-average CII ratings. 70% of our fleet (2022: 65%) in scope is rated with an A or B rating.

In 2023, 4 vessels scored a D rating (2022: 5) and 1 vessel an E rating (2022: 3). For the vessels scoring a D-rating for three consecutive years or an E-rating in a single year, a corrective action plan needs to be developed consisting of an analysis why the required CII was not achieved and includes a revised implementation plan. The corrective actions plan should describe the actions that a vessel plans to take to achieve at least a C rating for the following year. Possible corrective measures are speed reduction, using (bio)fuels with a lower emission factor and other fuel efficient measures like optimized route planning, sailing in combinator mode, trim optimization and air lubrication.

### Investments in fuel-efficiency program pay off in above-market average CII ratings





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Although ships under 5,000 GT are not subject to CII, there is significant interest in the CII performance of these vessels. In 2023, 17 of these vessels were acquired by Wagenborg. As a result, the installation of live data and fuel monitoring systems continues for these fleet additions. This enables Wagenborg to report on the operational efficiency of smaller tonnage in addition to the mandatory ships. In 2023, available data of 12 vessels <5.000GT result in an A or B rating for 77% of these vessels, while no D or E rating are reported.

**Vetting**

A growing number of customers is demanding more ESG related data and insights from Wagenborg. This does not only include sharing the CO<sub>2</sub> footprint per voyage, but we also notice a growing interest in policy, actions and results on ESG topics. We welcome this development as it supports our ambitions in terms of stakeholder engagement. In 2022 Wagenborg became a member of vetting agency 'RightShip'.

In 2023 a reassessment of our Ecovadis ranking was initiated. We aim to achieve a silver medal in 2025. To enhance our EcoVadis results, we will focus on various items within the rated topics. Especially within the 'Labor practices and Human Rights' and 'Ethics' topics we expect a significant improvement after sharing data of the outcome of our policies.



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**SOCIAL**

Working safely with  
talented people



# Our people

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The people of Royal Wagenborg form the basis for our success. They are the ones who deliver on our customer promises and our Environmental, Social and Governance commitments.

Wagenborg's 3.061 employees are essential in the company's performance, as we continued in 2023 towards making our business more sustainable every day. This transition is creating demand for leadership and personal development in Wagenborg.

It means having the right experts at the headquarters in the Netherlands and branch offices in Canada, Sweden, Finland and the Philippines to drive our ambitious ESG agenda as we aim to remain a leading shipping partner for our customers. In addition, we value the craftsmanship of our people delivering logistic services regarding ports & terminals, offshore & towage, heavy lifting & transport and our ferry services from various locations in the Netherlands.

Whether our people work on a vessel or

crane, in a warehouse, ferry terminal, or office, our goal is to ensure that they are able to make meaningful contributions, learn and grow and have inspiring leaders.

As a family business we take care of our employees and, as such, our core values are fully aligned with our social strategy. From an ESG perspective, Wagenborg's material social impacts, both positive and negative, as well as risks and opportunities, are managed in our approach to safety, health and well-being, personal development, employee engagement, diversity & inclusion, employee relations and human rights.

**Local commitment**

Wagenborg is an important source of economic activity and welfare in (the north of) the Netherlands. In addition to creating jobs for employees and contractors, Wagenborg purchases products and services from a range of local suppliers, including fuels, energy, subcontractors, goods and public services.

## The people who make Royal Wagenborg

3.061 colleagues, 28 nationalities



**19% of our workforce have frontline jobs**

Colleagues providing hands-on logistic services and support such as warehouse workers, truck drivers, crane operators and ship building teams.



**17% of our colleagues work from offices**

The experts bringing our shipping, offshore & towage, ports & terminals, heavy lifting & transport, ferry services and shipbuilding services to life and innovating new solutions.



**64% of our people are seafarers**

The dedicated crews who safely operate and maintain Wagenborg's fleet of ~200 owned and managed general cargo vessels, tugs, offshore vessels and ferries.

**Employees by region**



**Top 5 employee nationalities**





# Social goals

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Availability of talent is a critical success factor for Wagenborg to achieve her goals. It is of great importance to have enough qualified and motivated employees in the right place in our organization, so we can maintain and strengthen our position as a leading logistics service provider. The (international) labour market is becoming increasingly tight due to ageing. Moreover, the nature of work is changing as a result of technological developments, creating a continuous need for learning and development.

We have established three pillars to respond to this:

1. Retain talent
2. Attract talent for key positions
3. Apply future-oriented personal development

As of 2026, we will report on social matters according to the Corporate Sustainability Reporting Directive (CSRD). In this process we will identify the subjects that have the biggest relevance to Wagenborg, it's employees and people who are indirectly involved with and effected by our operations.

## PRIORITIES OF THE HUMAN RESOURCE DEPARTMENT WITHIN WAGENBORG



### RETAIN TALENT

**Wagenborg aims to be a good employer and aims for lifetime employment.**

#### STRATEGIC PRIORITIES

- Talent & leadership development
- Clear career opportunities
- Insight in our employee value proposition
- Appropriate employee benefits



### ATTRACT TALENT FOR KEY POSITIONS

**Wagenborg aims to be a preferred employer for talented people.**

#### STRATEGIC PRIORITIES

- Strong employer brand
- Effective recruitment activities
- Development of traineeships



### APPLY FUTURE-ORIENTED PERSONAL DEVELOPMENT

**People are encouraged to develop skills in order to adapt to a continuous and rapid changing context.**

#### STRATEGIC PRIORITIES

- Personal development
- Prevent and decrease absenteeism



# Employee engagement

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**STRATEGIC PRIORITIES**

**Engagement:**

We invest in our people to ensure it is likely that Royal Wagenborg is recommended as an employer.

✔ **Achieved**

**Regretted losses:**

Our ambition is to retain talent and reduce regretted losses.

✔ **Achieved**

**Increasing labor force**

In 2023, the number of employees increased from 2.944 to 3.061 (4,0%). Growing business activities are the main reasons for this increase. Most divisions showed an increase in the number of employees. The total number of employees (seafarers excluded) employed within the Wagenborg-group rose from 1.012 at the end of 2022 to 1.188 at the end of 2023.

In 2023 we had 28 different nationalities on board (2022: 23).

We conducted 5.430 crew changes with an average retention rate of 90% (2022: 86%). Given the various impacts of Covid19, the war Ukrain and search for new crew we are pleased with this result.

The 'WATER program', a personal and leadership development program for masters and senior officers sailing within the Wagenborg fleet, was organised twice in 2023. By now, roughly 50% of the target group have participated. For 2024 two more editions are planned.

The labour market remained challenging in 2023. It took a lot of effort to recruit the

right people, but we are still successful in filling our vacancies. For some of these vacancies we have to recruit abroad.

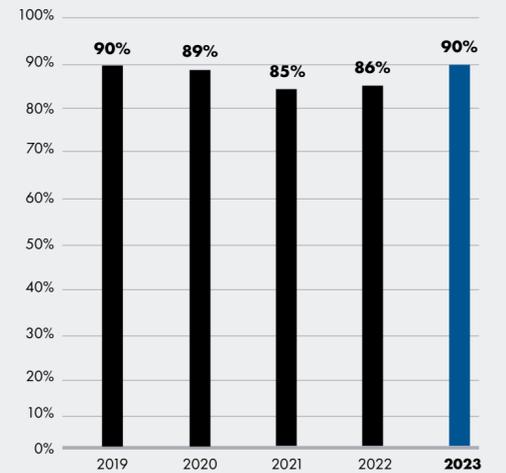
**Retaining talent**

Retaining talent is one of the strategic HR priorities. In 2023 our regretted outflow was 3,34% (2022: 5,5%).

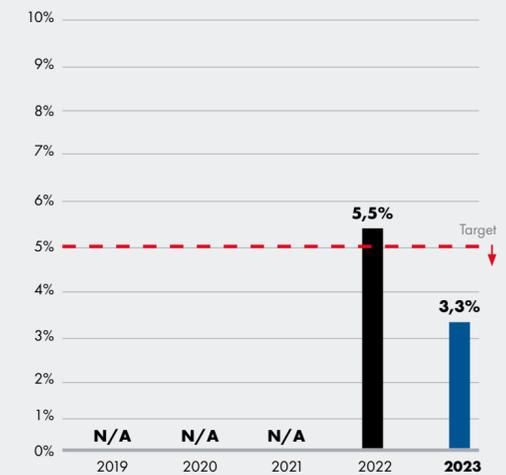
The specific nature of our business requires specific knowledge and craftsmanship. We invest in our people to keep them healthy, qualified and engaged during their career. In 2023, in addition to individual development programs, we offered various in-company training courses, in order to strengthen our organisational capabilities.

As such, we have offered LEAN- and Outlook-training courses. In addition, a new group of young colleagues has completed the Personal Development Program. The program gives participants new insights to increase their effectiveness. In total 156 colleagues took part in these in house company courses. A leadership program is ready for roll-out in 2024 with the goals to emphasize the DNA of Royal Wagenborg and the associated leadership behaviour.

**Retention rate seafarers**



**Regretted outflow rate**





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In 2023 an employee satisfaction survey took place to identify areas to improve employee satisfaction and make Wagenborg even more attractive to current and future colleagues. A taskforce continues to actively work on the key areas of improvement that were identified.

The survey defines an 'Employee Net Promotor Score' (eNPS), which is an expression of how likely it is that our colleagues recommend Royal Wagenborg as an employer. We are pleased to see that our overall score increased to 31 (2022: 22). This score is also substantially higher than the eNPS benchmark of 12.

**ESG IN PRACTICE**

### Workplace conditions assessment scores above industry average

Initiated by one of our key customers, Wagenborg was audited about her workplace conditions by the independent audit firm Intertek.

During three days, randomly selected employees were interviewed about various topics, including labor, wages & hours, health & safety, management systems, the environment and business practises.

The auditors reported Wagenborg management maintained a very cooperative and open attitude during the proces.

The audit resulted in a 83/100 score, which is above the global average (82/100) and industry average score (78/100).





# Diversity

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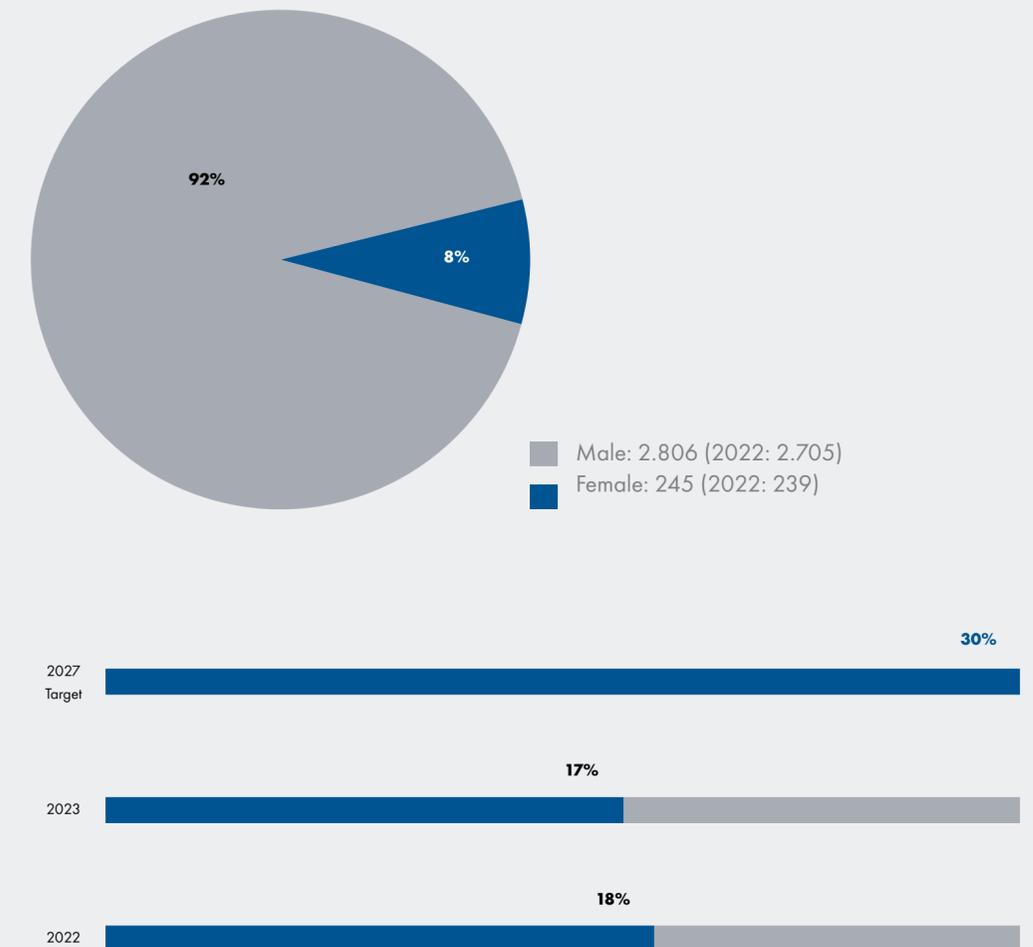
At Wagenborg all people are considered equal. This is reflected in our Group's core values. We are convinced that diversity adds to the strength of our teams and the quality of their decisions. Diversity has proven to be valuable on various levels including gender, age and cultural background.

In 2023 the 'Growth Quota and Target Figure' law has entered into force. Under this regulation Dutch companies report their progress on diversity to the Dutch Social-Economic Council (SER).

Currently about 17% of senior management consists of female managers (2022: 18%). We strive to grow this percentage to 30% by the end of 2027. Our Board of Management currently consists only of male members. The aim for the Board of Management is for at least one member to be female by the end of 2027. In 2023, our Supervisory Board welcomed it's first female member.

The shipping industry is traditionally a man's world. However, we plan to increase female participation by recruiting females via normal attrition. For relevant vacancies, we target to recruit the best person for the job with, all things equal, a preference for female candidates. Also, the company takes diversification into account in the composition of its selection commissions as a diversified selection commission stimulates a diversified outcome of the selection. Furthermore, executive search agencies are instructed to take the company's diversity targets and preferences into account to further ensure that recruitment and selection processes help to create a well-balanced male / female and otherwise diversified organisation.

8% of the total workforce consists of female employees which hold 17% of management positions





# Health & safety

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**STRATEGIC PRIORITIES**

**Preventing serious incidents:**

Maintaining a fatalities rate of zero. We want every person working for Wagenborg to come home safely.

✔ **Achieved**

**Strive towards zero accidents:**

We focus on safe operations and aim to prevent dangerous situations by achieving a Lost Time Injury Frequency <5.0

⚡ **Lagging**

**Absenteeism rate:**

We strive to ensure a safe and healthy work environment for all our employees resulting in an absenteeism rate <3,0%

✔ **Achieved**

Wagenborg strives for zero accidents. We want our people to return home safely after work. We never compromise on safety and well-being of our people. At Wagenborg, safety is an integral part of day-to-day work.

**Aiming for zero accidents**

At company level Wagenborg sets the framework for the health and safety policies. The performance of the divisions with respect to health and safety is monitored on a company level, which improves transparency and promotes the sharing of best practices among all divisions.

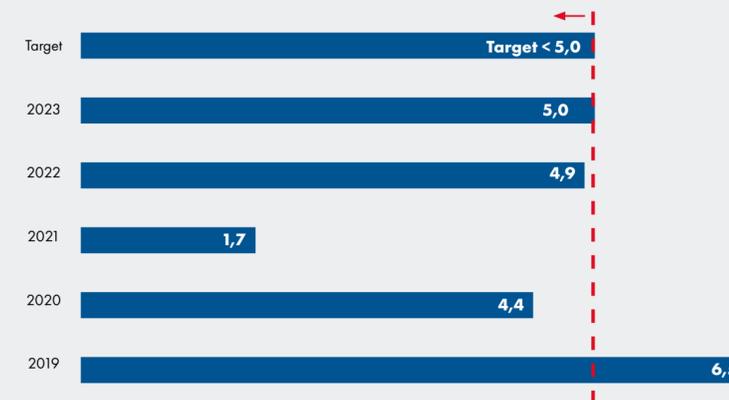
All divisions within the Wagenborg-group have their own Health and Safety Department with highly skilled professionals at the helm. The operations within each division have their own characteristics when it comes to health and safety.

We actively report safety incidents and seek to learn from them. All accidents, incidents and near misses are investigated and lead to corrective and preventive action. All Wagenborg companies share experiences, lessons learned and other best practices. In the meetings of the Safety Board the directors of the divisions

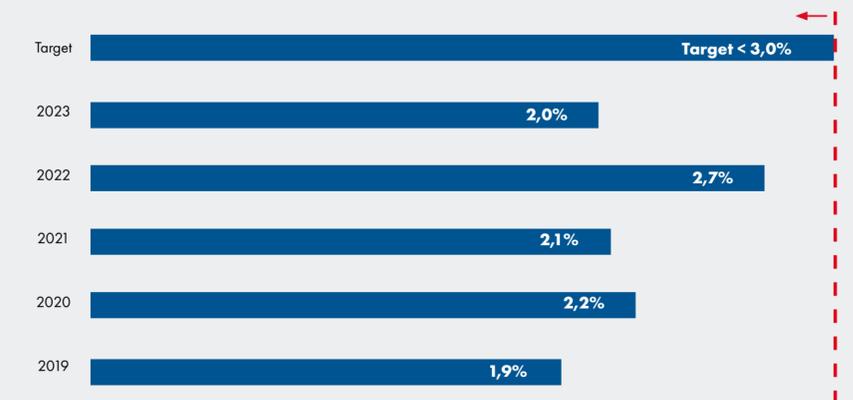
together with the Board of Directors of Wagenborg discuss major incidents, trends and cross divisional standards. The HSEQ-employees of the divisions meet on a regular basis to discuss operational issues and learn from each others experiences. This process is overseen by the Corporate HSEQ manager reporting to the Board of Directors of Wagenborg.

We provide all our employees and subcontractors working at our vessels and locations with a safety training to familiarize with our safe ways of working.

**Lost Time Injury Frequency (LTIF)**



**Absenteeism rate**





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The number of exposure hours (working hours) slightly increased in 2023, as well as the number of incidents (Recorded Cases). The Total Recordable Case Frequency has risen to 16,2 (2022: 10,4). Unfortunately, 2023 has also shown an increase of lost time injuries resulting in a Lost Time Injury Frequency of 5,0 (2022: 4,9).

The increase of incidents can mainly be contributed to accidents on board our vessels. Covid-19, the war in Ukraine and a considerable increase in the number of vessels owned had their effect on safety on board. Most importantly, it has prevented the planning of fixed crews on the vessels, which is an important factor in creating and practicing a decent safety standard on board. We trust that the effect of our efforts attract new, qualified crewmembers into fixed teams will be visible in 2024.

**Absenteeism**

In 2023 Wagenborg reported an absenteeism rate of 2,0%. This outcome is a 25% improvement of the outcome of 2022.

**Long Covid**

At the beginning of 2023, an in-house meeting was organized that focused on (reducing) absenteeism. Colleagues of the Human Resource department who deal with absenteeism within the various divisions gathered to exchange best-practices on how to improve working conditions. In 2023 the 5-yearly 'risk inventory and evaluation' took place to test the working conditions of our buildings, sites and workplaces. This provides us with further tools to improve working conditions.

**ESG IN PRACTICE**

**Hydrostatic painting results in a healthier workplace**

Shipyards Niestern Sander considers health and well-being as of major importance. As such, the shipyard is continuously looking into improve working methods to make work and the work place more safe and healthy, often in close cooperation with her subcontractors.

In 2023, Niestern Sander introduced hydrostatic painting using an ionizing charge to magnetically apply paint to the steel. This results in considerably less spray and thus loss of paint. Applying the paint also has less consequences for the lungs and respiratory tract.



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**GOVERNANCE**

We operate based on responsible business practices



# Governance

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We operate based on responsible business practices. To ensure that we keep this promise various procedures have been agreed upon and an organizational structure compliant with Dutch and international law has been set up.

### Judicial structure

Koninklijke Wagenborg B.V. has a two-tier board. The Board of Directors consists of mr. Egbert Vuursteen (CEO) and mr. Jeroen Seyger (CFO). The Supervisory Board, consisting of five members is chaired by mr. Jeroen de Haas. Each division has a separate management team that reports to the Board of Directors.

Wagenborg has a Central Works Council consisting of eleven colleagues from various divisions. According to Dutch Law, the Central Works Council has several approval and information rights.

The divisions have four separate Works Council in which employees confer with management about on various divisional matters.

### Certification

The operations of all Wagenborg divisions are certified by Lloyd's Register annually under ISO 9001 and/or ISO 14001. This certification is preceded by a sequence of internal audits within all departments. ISO 14001 sets criteria for our environmental management system. It helps a selected part of our vessels and offices to improve the environmental performance through more efficient use of resources and reduction of waste.

In 2023, Lloyds Register performed an on-site visit to audit the compliance of the management system of Wagenborg Shipping against ISO 9001:2015 and ISO 14001:2015. During this assessment, it was determined (randomly) that Wagenborg's quality management system meets the requirements of the standard(s), is effective and that continuous improvement has been sufficiently demonstrated. No (new) major or minor non conformities were open or were detected during this visit.

### Paris MoU

Under the Paris Memorandum of Understanding (MoU), regular Port State inspections take place on board

Wagenborg vessels. In 2023 239 inspections have taken place on board Wagenborg vessels (2022: 239). The score on the Company Deficiency Ratio has changed from 1,79 to 1,70 (average deficiencies per inspection) in the period 2020-2023. With this result we performed on industry average. The score on the Company Detention Ratio has changed from 1,7 to 2,1 (average deficiencies per inspection) in the period 2020-2023. Wagenborg Shipping is governed by the International Safety Management standards, as well as the Maritime Labour Convention (MLC). Wagenborg does not tolerate any form of modern slavery, within our own organization or with any of our suppliers. MLC-audits and –certifications ensure - among other measures - that all relevant wages are paid out and meet the standards of the International Transport Workers Federation and the Collective Bargaining Agreement of the Netherlands Maritime Employers Association. Compliance with these standards is audited on a regular basis through Port State Inspections.

### Values and Code of Conduct

Wagenborg has a culture based on the Group's core values of 'good seamanship'. The companies family values are represented in the focus on long term continuity and loyalty. This is furthermore expressed in the way Wagenborg treats people, does business and conducts its operations. Our Code of Conduct is the basis for ethical entrepreneurship. It is confirmed on a quarterly basis by management and board of Wagenborg divisions by signing a Letter of Representation.

Wagenborg's Code of Conduct is a framework for putting the Group's core behavioral values – craftsmanship, communication, respect, safety, efficiency and engagement – into practice. The Code underlines that Wagenborg's employees comply with the Group's core values and do not take part in unethical transactions and practices. Our employees' conduct is in accordance with applicable national and international legislation. Wagenborg and her divisions insist on honesty, integrity and fairness in all aspects of business and expect the same of all those with whom we do business.



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The values expected from our business relationships are laid down in our Suppliers' Code of Conduct. The Code expresses zero tolerance towards child labour and modern slavery. Bribery or corruption, in all possible manners, are explicitly forbidden in a business relationship with Wagenborg. We expect our business relationships to respect human rights and the equal value of everyone, just as we at Wagenborg do. The code is part of our General Terms and Conditions.

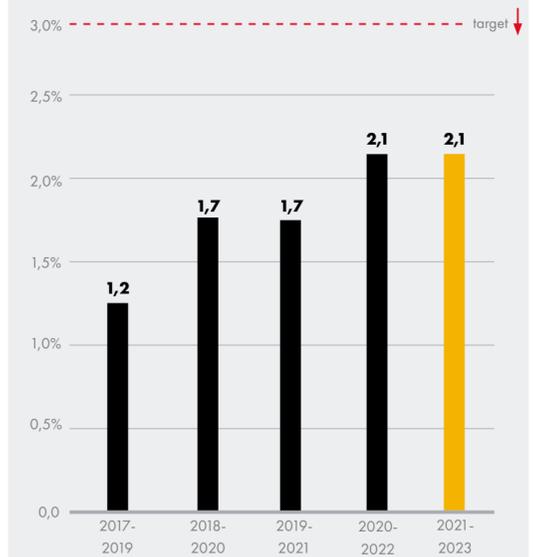
**Compliance – law and checks**

Wagenborg has adopted a system of compliance checks against Dutch, EU, US and other relevant country sanctions for all business relationships.

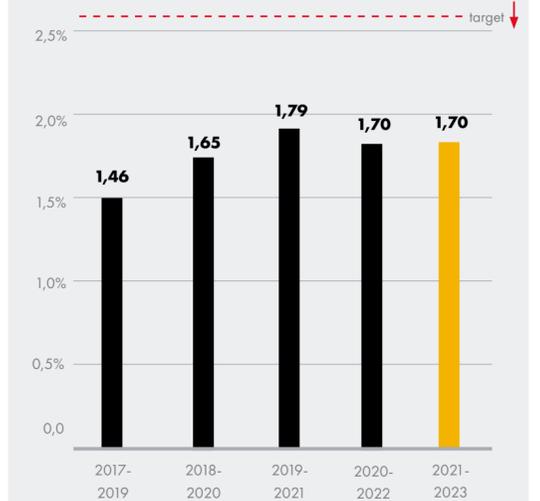
In 2023 around 4.000 companies and persons were vetted (2022: 3.400). Each quarter a sanction review takes place for all existing customers and suppliers.

The legal and compliance manager oversees all relevant compliance legislation and is the owner of the Whistleblower procedure introduced by Wagenborg in 2019. External independent counsellors ensure findings can be reported anonymously.

**Paris MoU detention ratio**



**Paris MoU deficiency ratio**





# Cyber security and privacy

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At Wagenborg, we want our customers, employees and other stakeholders to be confident about the privacy and security of personal data held by the company. This also includes the personal data of our seafarers used for international travel and our passengers on board our ferries. Against a global rise in sophisticated cyberattacks, Wagenborg continually reinforces its data privacy and cybersecurity strategy to mitigate cyber threats and ensure comprehensive protection of our facilities and IT systems.

Wagenborg's Corporate IT Security Officer determines the cybersecurity strategy in close consultation with the Board of Directors and the Corporate IT manager. With company-wide measures for cybersecurity we protect systems and data while digitizing our internal processes and modernizing our ships, assets and systems.

Within Wagenborg, the Code for Information Security (NEN-ISO/IEC 27001/2017) is used as a guideline for implementing information security. Wagenborg has designed and implemented an information security

management system in accordance with the requirements of this International Standard. In addition, cyber risks are addressed in each ship's Safety Management System and are a permanent part of the mandatory Document of Compliance (DOC) as drawn up by the International Maritime Organization (IMO).

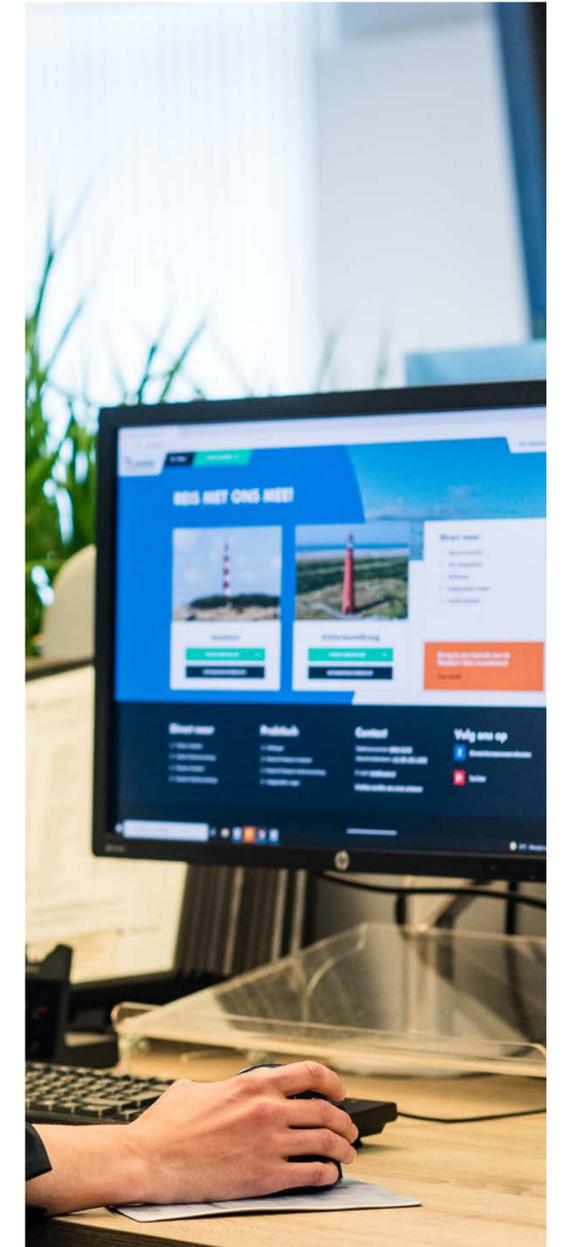
In common business contacts, access to Wagenborg data is part of regular operations. In contacts where data is shared a non-disclosure agreement (NDA) is signed specifying the limits of the shared data. In specific cases a processing agreement is agreed to further define the use of shared data including time limits for keeping records of shared data. In 2023, we have reinforced the coverage of our 24/7 security operations, which monitor information systems for cyber events. A variety of communication measures and training sessions help our workforce to recognize and avoid possible cybersecurity risks. We have limited access to our systems and data by using specific profiles per function so that employees can only access the data they need to perform their duties. Access to our systems is locked

and secured by personal authentication tools.

All employees and managers are regularly tested in (phishing) simulations. For all employees with a computer workstation we have developed an obligatory Information Security Awareness training.

All systems and data are backed up on a regular basis and critical data is replicated across several data centers. Additionally, by performing continuous software updates, we fix potential security vulnerabilities and protect system functionality.

Our efforts are aimed at cultivating a culture that emphasizes the importance of privacy and cybersecurity amongst our colleagues, suppliers and clients. In 2023 no possible breaches of the privacy policy have been reported. It has been established that none of these cases have led to unauthorized parties gaining access to confidential information.





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KEY FIGURES

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data



# Environmental performance

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Social performance

<b>ENVIRONMENTAL PERFORMANCE</b>	<b>Unit</b>	<b>2023</b>	<b>2022</b>	<b>Change</b>
<b>Energy consumption <sup>(1)</sup></b>				
Fuel oil (HFO, VLSFO) <sup>(2)</sup>	ton	92.220	90.370	2%
Marine gas oil (MGO)	ton	118.989	108.631	10%
Other fuels (Petrol (E10), Diesel (B7), Ad-Blue, GTL)	ton	6.530	6.842	-5%
Electricity (100% renewable)	kWh	6.636.894	7.051.874	-6%
Gas (100% renewable)	m <sup>3</sup>	278.988	301.138	-7%
Water	liter	43.400	36.214	20%
<b>Green House Gas Emissions</b>				
Direct GHG Emissions (Scope 1)	ton	686.738	653.925	5%
• Shipping fleet <sup>(1)</sup>	ton	667.336	633.759	5%
• Ferry fleet	ton	8.811	11.831	-26%
• Tugboat fleet	ton	3.364	3.320	1%
• Crane, truck & car fleet	ton	7.227	5.016	44%
Indirect GHG emissions (Scope 2)	ton	181	346	-48%
Emissions Shipping fleet per ton cargo carried <sup>(3)</sup>	gram	20,56	20,45	1%
Distance travelled by Shipping fleet	miles	4.746.475	4.196.504	13%
Cargo carried by Shipping fleet	ton	32.463.652	30.990.924	5%
Relative CO <sub>2</sub> reduction Shipping fleet (baseline 2008)		-25,2%	-25,6%	-2%

**SCOPE, BOUNDARIES AND DATA COLLECTION**

- For reporting fuel oils and gas oils and scope 1 GHG emissions of our shipping fleet, we follow the guiding principle that the entity paying for the actual amount of fuel is included in our scope. Thus this includes all controlled shipping vessels that are owned or chartered in (125 shipping vessels), but excludes 11 vessels that were chartered out during the reporting year.
- The total fuel consumption in 2023 has been restated to include 10.353 tons of HFO fuel consumed by the Balticborg and Botniaborg.
- We report on relative CO<sub>2</sub> emissions reduction using EEOI (Energy Efficiency Operational Indicator) methodology. EEOI is defined by IMO in MEPC.1/Circ. 684 and is calculated as gCO<sub>2</sub>/(Ton Cargo x Nm). In practice, we calculate EEOI on voyage level for Shipping vessels owned and managed by Wagenborg and aggregate it in the following way:

$$\frac{(gCO_2v_{oy1} + gCO_2v_{oy2} + gCO_2v_{oy3})}{((Ton\ cargo\ x\ Nm)v_{oy1} + (Ton\ cargo\ x\ Nm)v_{oy2} + (Ton\ cargo\ x\ Nm)v_{oy3})}$$

**The data sources are:**

- gCO<sub>2</sub> - based on fuel consumption, from departure voyage 1 to departure voyage 2, multiplied with the relevant CO<sub>2</sub> factor (3,114 for HFO, 3,151 for LFO and VLSFO and 3,206 for MGO)
- Ton cargo - calculated using live-data information regarding draft, displacement tables and lightweight, subtracting vessels weight and ballast water and fuel stock (in case live-data is not available, the chartered cargo is used in calculations)
- Nm - GPS distance from departure voyage 1 to departure voyage 2 as recorded by live data systems (in case live-data is not available, the planned distance is used in calculations).



# Social performance

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Environmental performance

● Social performance

**SOCIAL PERFORMANCE**

**Our employees**

	<b>2023</b>	<b>2022</b>	<b>Change</b>
Number of employees (FTE)	2.651	2.502	6%
Number of employees (headcount)	3.061	2.944	4%
Seafarers	1.873	1.932	-3%
Gender - female (% based on headcount)	8%	8%	0%
Contract - permanent (% based on headcount)	56%	54%	4%
New employees <sup>(*)</sup>	727	442	64%
Employees out of service	610	327	87%
Absenteeism	2,05%	2,72%	-25%
Manhours (exposure hours)	5.203.850	4.922.789	6%
Lost time injury frequency (LTIF)	5,0	4,9	2%
Total recordable case frequency (TRCF)	16,2	10,4	56%
Number of fatalities	0	0	-

**SCOPE, BOUNDARIES AND DATA COLLECTION**

All data in the report refers to our 2023 fiscal year, which runs from 1 January 2023 to 31 December 2023. The entities included in the organization's consolidated financial statements - as a result of the scope of consolidation and the accounting principles and methods applied in preparation of these consolidated financial statements - also apply to the entities included in the 2023 sustainability report. Environmental data and energy consumption is stipulated for the assets owned and/or managed by Wagenborg. Social data is stipulated for the entire Group and pertains to own employees unless stated otherwise. Royal Wagenborg aims to provide data as accurate as possible by performing internal reviews to assure its accuracy and completeness.

(\*) New employees include new contracted seafarers



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