



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE

2023 Report

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# ABS 2023 ESG REPORT

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# INTRODUCTION

It is the mission of ABS to serve the public interest as well as the needs of our members and clients by promoting the security of life and property and preserving the natural environment.





A sustainable future is an integral part of our mission. For the marine, offshore and government sectors, the key to sustainable success is strategic alignment with the United Nations' (U.N.) Sustainability Development Goals (SDGs) framework – focused on achieving environmental, social and governance (ESG) excellence.

This report showcases our commitment to sustainability in all our operations and the way we work at ABS.



## ABOUT THIS REPORT

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### Scope and Objective

At American Bureau of Shipping (ABS), we constantly strive to improve our environmental, social and governance (ESG) metrics, which is reflected in our annual performance.

We have developed this report to showcase the key initiatives we have undertaken to enhance our ESG performance with a commitment to continuous improvement.

### Contact Details

[sustainability@eagle.org](mailto:sustainability@eagle.org)

### Reporting Period

The report consists of disclosures for the financial year ending on December 31, 2023 ("FY2023").

### Publication Date

This ESG report was published on April 16, 2024, and can be found at [www.eagle.org/2023ESGReport](http://www.eagle.org/2023ESGReport).

## CHAIRMAN'S NOTE

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Preserving the natural environment has always been a key component of the ABS mission. In 2023, ABS and its subsidiaries, the ABS Group of Companies, Inc. (ABS Group) and ABS Wavesight™, worked to uphold that mission with industry-leading research, projects and guidance that underscore the huge potential of our organization to contribute to a cleaner future for our industry, our people and our planet.

Through our global network of sustainability centers, we delivered a program of state-of-the-art joint development projects, partnering with forward thinking companies to support development of the solutions we will need to reach net zero. Key technologies such as carbon capture, utilization and storage (CCUS), saw important steps forward, and a broad spectrum of emerging alternative fuels technologies were supported in myriad ways throughout the year as our cross-sector partnerships brought strength and critical mass to their development.





In 2023, ABS continued to invest in and support shipping's net zero future, with the announcement of a global ABS Electrification Center to assist maritime decarbonization projects. Comprised of ABS engineers and technical specialists, the center will participate in a range of cutting-edge electrification projects for shipowners, shipyards and other stakeholders across the Asia Pacific region and around the world.

ABS also supported the development of the marine and offshore industries' ESG journey, publishing an ESG Blueprint that mapped out a path to ESG excellence, helping owners and operators incorporate key criteria into their operations. The blueprint builds on the extensive work ABS is carrying out for clients, supporting their sustainability reporting and assurance journeys.

We have also made strides in our own environmental performance. As a result of taking action to reduce our carbon footprint, our direct energy usage has fallen by more than 40 percent and our direct, or Scope One, emissions have fallen by 15 percent. And we have cut our paper usage by two thirds since 2022.

ABS believes that decarbonization advances that do not prioritize safety are not sustainable. By embracing a proactive, systems-oriented approach to safety, the maritime industry can navigate the path to a decarbonized future while ensuring the well-being of its seafarers and the protection of the marine environment. This is one of the reasons why we are a global safety leader and we lived up to that reputation in 2023 by maintaining our outstanding safety performance by focusing on critical safety behaviors. As a result, we saw a 10 percent reduction in total recordable injuries, a 54 percent reduction in the lost time incident rate and a 33 percent reduction in the total injury rate.

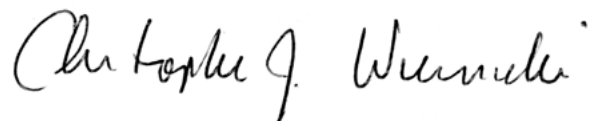
This performance was replicated in the ABS fleet, where ABS maintained its leading position on overall Port State Control (PSC) performance, being the top performing Recognized Organization (RO) in the three most active PSC regions of the world since 2017. In 2023, ABS had zero RO-related detentions in two of the three most active PSC regions, U.S. Coast Guard (USCG) and Paris MoU, and has averaged only one RO-related detention in the two regions combined for the last 15 years.

All of our achievements in 2023 are due to the high performing team we have assembled to ensure ABS continues to deliver on its mission amidst the demands of the energy transition. This team is truly global in both make-up and outlook, drawn from 77 nationalities based across our 53 operating countries.

We also continued to progress our focus on inclusivity and equity by expanding our DE&I program, establishing employee resource groups and regional teams in South America, Europe, the Middle East and Africa, Greater China and Asia Pacific. Together, more than 3,000 employees took part in 52 events last year around the world, ensuring that our DE&I efforts reflect the global communities in which we operate.

Safety, People, Integrity, Reliability, Innovation, Teamwork underpinned by Quality - that is the SPIRIT of ABS, and I am proud how this report demonstrates we have truly lived by and honored these values every day of 2023.

We hope you enjoy reading this report and invite you to send any comments to [sustainability@eagle.org](mailto:sustainability@eagle.org).



Christopher J. Wiernicki  
Chairman and CEO of ABS  
Chairman of ABS' Affiliated Companies



## OUR COMPANY

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ABS, established in 1862, is a leading global provider of classification and technical advisory services to the marine and offshore industries. ABS has over 5,000 personnel, including surveyors, engineers, technical specialists and support staff, located in various places around the world and is headquartered near Houston, Texas.

As a leader in marine and offshore energy innovation, ABS provides not only the most effective classification services, but also cutting-edge technical solutions to our clients that address the critical challenges they face, such as energy efficiency, environmental performance and life-cycle management.

The ABS Group of Companies, Inc. (ABS Group), a subsidiary of ABS, provides data-driven risk and reliability solutions and technical services that help our clients confirm the safety, integrity, quality and environmental efficiency of their critical assets and operations.

Through its industry-leading ABS My Digital Fleet™, ABS Nautical Systems® and eLogs

platforms, ABS Wavesight™, an ABS-affiliated software as a service company, provides maritime clients innovative fleet management software to improve the reliability and performance of their shipping operations.

Consistent with the ABS mission, we strive to preserve the natural environment for future generations, lead by example to promote social responsibility and incorporate governance principles intended to enhance company operations and support these aims.

This will be achieved by:

- Pursuit of the conservation of natural resources and the reduction of our carbon footprint in regard to company operations.
- Building and supporting relationships with our personnel and clients in a manner to foster trust, motivate and empower.
- Incorporating policies and procedures based on ethics, integrity, equity and inclusiveness.

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### Our Vision



Safety drives us. We are global innovators turning tools and practices into practical solutions to support the industries we serve.

### Our Mission



To serve the public interest as well as the needs of our members and clients by promoting the security of life and property, and preserving the natural environment.

### Our Goals



Safety, service and solutions are the three goals that define the activities of ABS.





## OUR VALUES. THE SPIRIT OF ABS.

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**Safety.** What we do matters to the lives of people and the quality of the environment. We are vigilant in our goals to improve safety practices and minimize risk exposure and downtime.

**People.** We have a globally diverse and engaged workforce that is trained to the highest level. The various skills, perspectives and experiences of the ABS employees is what makes them our best asset.

**Integrity.** In everything we do, we are honest, ethical and trustworthy. Clients depend on us as an impartial, objective resource.

**Reliability.** You can count on us. We're easy to reach and quick to respond. We deliver practical, tailored solutions that exceed expectations.

**Innovation.** Solving problems is good. Anticipating problems is better. We do both through continuous research and development focused on staying ahead of the curve.

**Teamwork.** The best safety solutions are achieved together. We work closely with our stakeholders as a dependable, flexible and efficient partner. We are dedicated to sharing our experience and contributing to the education of future industry leaders.

**Quality.** Expect the best. When we set out to solve a problem we do it right. We are thorough and relentless in the pursuit of safety.



# SUSTAINABILITY CENTERS

## Overview

Promoting sustainability in the maritime and offshore industries is a key focus for ABS. We believe that to meet the global sustainability ambitions, investments must be made in developing new technologies and solutions. In addition to this, stakeholders in the maritime and offshore sectors need to be supported with adequate advisory input from technical experts.

ABS is constantly striving toward enhancing sustainability practices in the industry and assisting our clients with relevant expertise, to enable them to achieve ESG excellence. Each of our sustainability centers provides unique expertise and works in close coordination with each other to deliver a comprehensive range of sustainability services.

### HOUSTON

**Center for alternative fuels, waste streams and human centric expertise**

- Further team expansion with added capabilities in ESG, Carbon Accounting, Energy Analytics, Port Decarbonization and Hydrogen FuelsMarket leadership at the forefront of helping introduce and disseminate the concept of green shipping corridors and related analysis
- Significant contribution to United States (U.S.) regional regulatory agencies with regulatory studies, particularly in the harbor craft space, and supported projects from the Great Lakes to California
- Development of the following publications in 2023: Beyond the Horizon: View of the Emerging Energy Value Chains, Offshore Sustainability Insights Series and ESG Blueprint
- Enhanced capabilities to help the South American market with decarbonization studies in the offshore oil and gas space including expansion of HAZID/HAZOP capabilities

### COPENHAGEN

**Center for vessel innovations and fuel technologies expertise**

- Contributions to the European Maritime Safety Agency (EMSA) reports on e-fuels, nuclear and ammonia safety studies
- Active participation in the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping
- Support for multiple joint development projects (JDPs) related to alternative fuels
- Leadership of ongoing working group studies for carbon capture
- Client support in developing ESG reports
- Support for conducting feasibility studies, risk assessments and pilot projects for onboard carbon capture, including coordination of an international working group focused on onboard carbon capture

### DOHA (GLOBAL GAS)

**Center of excellence and expertise in gas services**

- Support for the development phase of several floating liquefied natural gas (FLNGs), floating storage and regasification units (FSRUs) and floating storage units (FSUs)
- Assistance for the development of liquefied carbon dioxide (LCO<sub>2</sub>) carrier
- Advisory services to flag States and industry bodies for the development, amendment and implementation of regulations and guidelines
- Capacity building and training of external and internal stakeholders on gas services
- Participation in risk analysis studies

### SHANGHAI

**Center for carbon emission regulatory compliance and decarbonization strategy expertise**

- Assistance for shipping companies to achieve the International Maritime Organization's (IMO) energy efficiency regulatory compliance for existing vessels
- Feasibility studies to support shipowners' decision-making in adoption of low-carbon fuels



## ATHENS

Center for vessel regulatory compliance, design benchmarking, model tests, energy efficiency technology, computational fluid dynamics (CFD) analysis, performance and efficiency expertise

- Multiple private webinars for individual operators, providing them guidance on relevant Energy Efficiency Existing Ship Index (EEXI), EU Emissions Trading System (EU ETS), FuelEU and Carbon Intensity Indicator (CII) regulations in terms of potential impact on their fleet and the relevant rectification measures recommended for adoption
- Active participation in International Association of Classification Societies (IACS) Environmental Panel and project teams, IMO and EU projects
- Periodic webinars for the Hellenic Marine Environment Protection Association (HELMPEPA) on the topic of “Alternative fuels: a comparative analysis of potential pathways to carbon neutrality”
- Presentations at major industry conferences
- Regulatory support services for major companies
- Evaluation of retrofitted energy efficiency technologies (EETs) based on analysis of high frequency measurements for bulk carrier operators
- Derivation of vessel’s fuel consumption based on a combination of potential improvements, while accounting for trade routes and hindcast MetOcean data
- Analysis of sea trial measurements as per ISO 15016:2015, with the view to ascertain new speed-power curve
- Several minimum propulsion power assessments to enable owners to make decisions regarding main engine power limitation
- Assistance for operators to improve their vessels’ greenhouse gas (GHG) rating for commercial purposes
- CFD analysis for derivation of speed-power curve for EEXI purposes
- Vessel-specific advanced studies to investigate operational and technical improvement options for a vessel’s forthcoming CII scores
- Review of technical specifications with the view to improve a vessel’s specification by providing recommendations on topics relating to energy efficiency, environmental and human-centered design
- Decision support through life-cycle cost analysis (LCCA) for different options such as primary fuel, EETs and innovative technologies, such as onboard carbon capture
- Decarbonization strategy support including a multifaceted analysis of client’s fleet including benchmarking fleet and deep dive vessel specific operational improvement analysis and technoeconomic analysis
- Retrofit Study: operational performance assessment and technoeconomic analysis of various retrofit options on clients’ vessels

## SINGAPORE

Center for sustainability reporting and ESG strategy expertise

- Market-leading ESG advisory and technical capacity with deep industry knowledge and experience
- Extension of ESG capacity to cover sustainable finance related consulting and assurance services with Second Party Options (SPOs) and tailored solutions
- Development of bespoke sustainability strategy roadmaps for the offshore and oil and gas sector
- Ongoing industry support with guidance, approvals and safety assessments for the first-ever methanol bunkering in Singapore, facilitating the energy transition in practice
- Ammonia dispersion analysis and dedicated studies in support of alternative fuels capacity and availability development
- Active support to participants in the ammonia bunkering EOI in Singapore
- Initiation of the green shipping corridor simulation study in support of a major cooperation initiative between Singapore and Los Angeles/ Long Beach
- Validation of a ship’s emissions on demand to cater for the continuous challenges of compliance and commercial settlement of owners and charterers
- Industry-wide cooperation with the largest Korean shipyards toward an industry standard Scope 3 emissions calculation for shipbuilding
- Continuous support to some of the largest LNG shippers and carriers in the world in verifying their emissions; setting an industry standard



## SERVICES AND SOLUTIONS

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The ABS global sustainability team consists of a strong network of experienced professionals with extensive sector knowledge and skills in the ESG domain. We offer our clients state-of-the-art services and solutions to enable them to meet their sustainability goals.

Our team works in close collaboration with leading academic institutions and industry leaders to develop pioneering and innovative sustainability strategies and products. Our sustainability services are categorized into the four key categories outlined below:



### Digital Sustainability (Integrated Solution)

- Digital Sustainability Strategy
- Project Management (Source Code Management)
- Data Analysis and Custom Apps



### ESG Excellence

- ESG Reporting and Assurance
- Sustainability Notations
- Task Force on Climate-related Financial Disclosures (TCFD) – Climate Risk Assessment
- Sustainable Procurement
- Rating, Benchmarking and Gap Analysis
- Carbon Accounting and GHG Inventory



### Sustainable Finance Solution Services and Advisory

- Framework Development
- Second Party Opinion
- Independent Evaluation Report (Poseidon Principles)



### Asset and Portfolio Improvement

- GHG Rating Improvement
- Techno-Economic Analysis
- Specification Reviews
- Energy Audits
- Technical Improvements Advisory
- SIM-based Energy Efficiency Evaluation
- Ship Recycling (IHM and Lifecycle Emissions)
- Power Train Configuration
- Ballast Water Management
- Alternative Fuels



## INDUSTRY PARTICIPATION AND COLLABORATION

### Regulatory Awareness and Educational Activities

ABS carried out hundreds of private webinars for shipowners, managers and operators, walking them through the complexities of the environmental regulatory framework, the impact to their fleets and providing detailed guidance on suitable initiatives to undertake for compliance.

In addition, ABS was honored with an award from the Coast Guard Foundation at the annual Texas Salutes the Coast Guard event, recognizing ABS' legacy of support and commitment to the service. The Coast Guard Foundation's Texas Salutes the Coast Guard award recognizes individuals, companies, or organizations who have provided significant support, or have demonstrated exemplary commitment to the Coast Guard Foundation, U.S. Coast Guard (USCG) personnel and families.

Further, the Foundation considers individuals, companies, or organizations that have demonstrated significant support to educational, and charitable endeavors that promote national security, maritime affairs, maritime commerce, the marine environment and its protection, and other related activities to develop expertise or inspire future generations of service.

### Athens Methanol Forum: Unlocking the Value of Methanol

In April 2023, ABS and leading members from the Greek shipping industry came together for an in-depth analysis of the potential

of methanol as a marine fuel to support shipping's decarbonization objectives.

ABS hosted the Athens Methanol Forum: Unlocking the Value of Methanol, bringing together shipowners, operators, shipyards and equipment manufacturers for an afternoon of presentations and a panel discussion.

ABS specialists shared material on market trends for alternative fuels, existing and emerging technologies supporting methanol's scale-up and the current regulatory framework around methanol.

### ABS Sustainability Summit

In September 2023, ABS hosted its 4th Annual Sustainability Summit that brought together leaders from maritime and other industries to explore the latest developments regarding the industry's global energy transition.

The summit witnessed the participation of representatives from leading organizations such as Grimaldi Euromed SPA, the Deputy Director of the United Kingdom Shipping Office for Reducing Emissions (UK SHORE) at the Department for Transport (DfT), the World Bank, the World Economic Forum, Oldendorff Carriers, the Mediterranean Shipping Company (MSC Group) and several others.

One of the key issues highlighted during the summit is that there is still a significant amount of work to be done between now and 2050 if the industry is to hit net zero on carbon emissions; however, there is a pathway for the industry to get there.





# GUIDANCE FOR ESG EXCELLENCE

## ABS ESG Blueprint

With the increasing demand for ESG reporting in the maritime, offshore and oil and gas industries, many owners and operators are incorporating ESG criteria into their operations. The ABS ESG Blueprint is a new report that builds upon the work ABS is doing to support clients in their sustainability reporting and assurance journeys.

The report investigates the market and institutional ESG drivers such as GHG emissions and data privacy while covering best practices in both the marine and offshore sectors. The ABS report maps out a path to achieve ESG excellence and expands on ways to incorporate ESG values into a company business model.



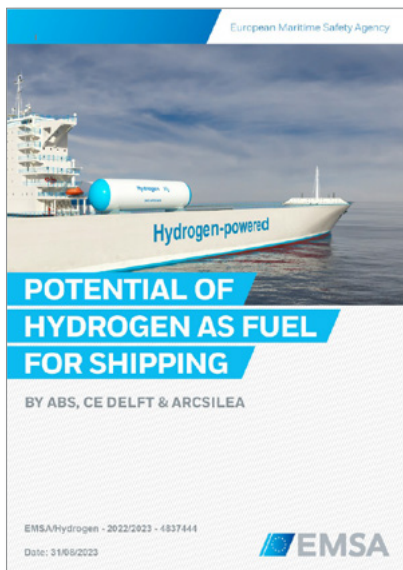
## ADVANCING RESEARCH

ABS conducts research in the areas of vessel design, alternative fuels, digital technologies, decarbonization pathways, net-zero strategies and ESG excellence.

### European Maritime Safety Agency (EMSA)

In 2023, an ABS-led consortium, including CE Delft and Arcsilea, produced a publication for the European Maritime Safety Agency (EMSA) focusing on wind-assisted propulsion systems (WAPs), which are seen as a technology that could reduce the fuel consumption from ships and, consequently, lower their GHG and other emissions. In addition, the same consortium developed and published a report on the

Potential of Hydrogen as Fuel for Shipping. While shipping has limited experience using hydrogen as a fuel and some of the key technologies (such as engines) remain under development, there is sufficient land-based experience with its production and use that would serve as a sound basis for the transition to a marine fuel.







## Green Shipping Corridor and Clean Energy Hubs Simulation Studies

The future is a new interconnected network of clean energy marine hubs and transportation pathways with decarbonized maritime transportation supply chains that safely provide a low carbon footprint for all types of cargo and passenger transportation. ABS is playing a key role in regional coalitions that have a maritime nexus and are working together to tackle these challenging energy transition initiatives.

ABS is working to make sure that maritime interests are represented and maritime partners find opportunities in hydrogen hubs, carbon capture hubs, and green shipping corridor initiatives.

A great example of how ABS is leading with innovative technology for supporting these initiatives is simulation technology. ABS has developed simulation technology for modeling and optimizing all types of complex maritime operations, including for applications for green shipping corridors and Clean Energy Transportation Corridors.

ABS has developed a green shipping corridor simulation, which is a computer-based tool that focuses on the dynamics between stakeholders and settings within a green shipping corridor. This simulation takes into account a wide range of factors to provide the fuel mix, storage capacity, bunkering resources

and other resource planning required to reduce emissions in various trade routes.

By using this simulation, shipping companies are able to improve their efficiency, reduce their environmental impact and costs associated with fuel consumption and have more confidence in adopting the right alternative fuel for their needs. The simulation tool models the dynamic relationship between elements of a green corridor, and the different stakeholders can assess the impact of various parameters on the green corridor outcomes. The tool also offers optimization capabilities by allowing the adjustment of parameters to achieve certain objectives.

ABS is performing a variety of roles in the establishment of these corridors and is currently the facilitator for several of the first green shipping corridors.

These initiatives require advanced analysis beginning at the pre-feasibility stage through the full life cycle of corridor development.

The simulation is effectively a “Digital Sandbox” for considering the many different possible options for a corridor based on a wide range of modeling variables that cannot be realistically addressed in any other way.

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## Founding Strategic Partner of the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping

ABS as founding member of the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping continues its engagement on multiple projects. This research center is designed to support shipping’s decarbonization initiatives,

and ABS provides key expertise to the center’s maritime decarbonization initiatives and research projects to help inform and shape the decarbonization and development of the industry.



# OUR SUSTAINABILITY PRIORITIES



## Our People

Our people are our most valuable assets. We embrace diversity and equity as part of our commitment to global citizenship. We engage with our personnel and provide them with clear career choices, as well as equal opportunities. We respect the rights of our people across the globe and together bring positive social benefits to the wider community.

## Health and Safety

Ensuring the health and safety of our personnel is our top priority. We established our own safety management system and a comprehensive monitoring mechanism to achieve enhanced safety performance. We actively identify safety hazards and risks in our workspaces and create initiatives to mitigate those risks to reduce the number of

incidents. In 2023, we continued to improve on our analytical tools which allows ABS to better quantify safety metrics and performance leading indicators at the business unit level. Enhancing deployment of messaging and customized safety training has increased awareness across the enterprise and reduced overall injury rates.



## Community Engagement

ABS believes in being a responsible corporate citizen and playing an active role in the communities where we operate. As a multinational organization, we recognize the importance of corporate social responsibility and actively engage in numerous local events, initiatives and community projects to make a positive impact on the lives of those around

us. Some examples include the United Way campaign in the United States, our global scholarship program, volunteerism and charitable contributions. By working together, we can help ensure that the communities where we live and work are vibrant and thriving places for generations to come.



## Governance and Integrity

At ABS, our reputation for ethical and reliable service is one of our most important assets. This means we must, at all times, operate with the highest level of integrity. Our Code of Ethics sets out the standards and practices that form the foundation for our conduct. Our strong commitment to ethics and integrity is not just good for business – it is part of the fabric of who we are as an organization and as individuals. Our clients trust us to be their

partner, and we trust one another to operate according to the highest standards of conduct. The same level of commitment to our values of diversity and inclusion, human rights and resource conservation is requested from our suppliers and outlined in our procurement policies. Commitment to ethics and integrity benefits ABS, our clients and the industry at large.

## Technology and Innovation

ABS is leading the way in supporting digitalization of the maritime industry. We recognize the importance of innovation and

digitalization in driving energy efficiency and reaching long-term sustainability targets.

## Environment

ABS is an industry leader in promoting environmental sustainability. We are committed to complying with all environmental laws and regulations in our global operating sites and reducing

the environmental impact in our business practices. Our research and innovation provide solutions to our clients for reducing their carbon footprint and achieving environmental compliance.

## AWARDS

ABS' performance and excellence in sustainability is recognized as industry-leading with multiple awards received over the last several years. In 2023, ABS Chairman

and CEO Christopher J. Wiernicki was awarded the GREEN4SEA Leadership Award recognizing his industry leadership and contribution to a more sustainable industry.

“We deeply value Mr. Wiernicki’s leadership towards a greener and more sustainable shipping industry. As a truly inspirational leader, Mr. Wiernicki keeps playing a decisive role in delivering net zero for shipping by 2050, supporting the green shipping corridors and clean energy marine hubs which are key priorities for shipping on the path to decarbonization.”

GREEN4SEA MANAGING EDITOR  
**APO BELOKAS**



National Safety Council – Occupational Excellence Achievement Award (2023) – for organizations with injury and illness records better than or equal to 50 percent of the Bureau of Labor Statistics for their NAICS code.



# ENVIRONMENTAL

ABS is an industry leader in environmental sustainability.





We strive to support the goal of decarbonization and guide the sustainability journey of the marine and offshore industries. We research and innovate the best solutions for our clients to support them in reducing their carbon footprint and achieving environmental compliance with all standards and regulations relevant to the marine and offshore industries.

# OUR ENVIRONMENTAL PERFORMANCE

## Environmental Management and Strategy

ABS is committed to complying with all environmental laws and regulations in our global operating locations and reducing the environmental impact in all our business practices. We established an environmental management system and are certified to ISO 14001.

### TOTAL PAPER USAGE



3,478 kilograms ↓  
2022 Usage: 10,800 kilograms

### TOTAL WATER CONSUMPTION



10,471 kiloliters ↑  
2022 Usage: 5,700 kiloliters

## Waste and Water Management

Our waste mainly comes from office operations and activities, including food waste, paper, ink cartridges, electronic waste and other kinds of office waste.

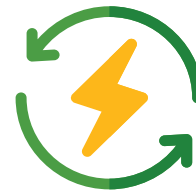
In order to limit the waste generated, ABS has set up several initiatives, such as reducing paper and ink usage, using reusable utensils and other dishes in the kitchen area, as well as paper, e-waste and battery recycling programs.

We strive to reduce our water consumption and enhance water conservation. Efforts include the use of low-flow appliances to reduce water usage for necessary tasks.

## Energy Management and Monitoring Carbon Footprint

We make strong efforts to enhance energy efficiency and reduce energy consumption at our global offices.

ABS ensures we lease LEED-certified facilities where available. Currently, approximately 54 percent of our total office space is in buildings that are LEED-certified or equivalent. These offices are located in the United States, Brazil, Canada, Singapore, China and Mexico. We monitor our carbon footprint and continuously seek improvement.



**TOTAL DIRECT ENERGY CONSUMPTION\***  
23,605 GJ ↓

2022 Consumption: 39,583 GJ

**TOTAL INDIRECT ENERGY CONSUMPTION\***  
12,915 GJ ↑

2022 Consumption: 11,974 GJ



**TOTAL SCOPE 1 EMISSIONS\***  
1,756 tCO<sub>2</sub>e ↓

2022 Emissions: 2,067 tCO<sub>2</sub>e

**TOTAL SCOPE 2 EMISSIONS\***  
2,511 tCO<sub>2</sub>e ↑

2022 Emissions: 2,059 tCO<sub>2</sub>e

**TOTAL SCOPE 3 EMISSIONS**  
4,610 tCO<sub>2</sub>e

New for 2023

↓ Decrease from 2022 numbers    ↑ Increase from 2022 numbers

### \*Notes on Conversion Factors and Assumptions

**Direct Energy Consumption (GJ):** Includes fuel usage for heating purposes in ABS offices and gasoline equivalent in miles driven based on operational control approach.

**Indirect Energy Consumption (GJ):** Includes purchased electricity for ABS offices worldwide.

**Scope 1 Direct Emissions and Scope 2 Energy Indirect Emissions (tCO<sub>2</sub>e):** CO<sub>2</sub> equivalent conversion factors derived from EPA Inventory of U.S. Greenhouse Gas Emissions and Sinks, U.K. Department for Business, Energy & Industrial Strategy, IGES Grid Emission Factor and IEA Emission Factors.





## INDUSTRY COLLABORATION AND LEADERSHIP

ABS recognized early on that the clean energy transition requires teamwork, cooperation and sharing of expertise. That's why ABS continues to build on our position as a founding member of the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping, taking an active role in identifying, demonstrating and maturing viable operational zero-carbon solutions across the maritime value chain.

Together with leading flag States and other classification societies, ABS also supports the work of the Maritime Technologies Forum, whose goal is to facilitate the safe testing and

adoption of new technologies and help shape global regulation. As a founding member of the Blue Sky Maritime Coalition, ABS is actively engaged in the Coalition's workstreams and action-oriented projects aimed at achieving a commercially viable net-zero emissions waterborne logistics sector for North America.

ABS is also a partner in the Global Maritime Forum, an international not-for-profit organization committed to shaping the future of global seaborne trade to increase sustainable long-term economic development and human wellbeing.

**Mærsk Mc-Kinney Møller Center**  
for Zero Carbon Shipping





# TECHNOLOGY CENTERS

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## Innovation and new technologies are key to a sustainable future.

To help further innovation and technology development in the marine and offshore industries, ABS developed a global network of technology centers. Each center represents an investment in regional research and development and demonstrates our

commitment to collaborating with local industry on various projects and initiatives. These regional centers also allow us to leverage the full depth and breadth of experience from across our entire worldwide network to support safety and innovation, locally and globally.

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The centers:

- Support ideation by providing a ready pipeline of ideas into ABS
- Serve as focal point for areas of expertise
- Facilitate engagement with stakeholders at a local and global level
- Service as a talent incubator

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### HOUSTON TECHNOLOGY CENTER

- Applied research
- Data science
- Material science
- Ship hydrodynamics and structures
- Human factors

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### HARSH ENVIRONMENT TECHNOLOGY CENTER

Newfoundland, Canada

- Harsh Environment Operations

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### OFFSHORE TECHNOLOGY CENTER

Rio de Janeiro, Brazil

- Offshore innovation
- Engagement with CENPES
- Decommissioning



## GLOBAL SHIP SYSTEMS CENTER

Athens, Greece

Center of expertise for ship systems

- Ship systems including shafting arrangements
- Ship simulation

## GLOBAL SIMULATION CENTER

Singapore

- Simulation across the value chain and life cycle
- Green shipping corridors

## ELECTRIFICATION CENTER

Singapore

- Support for the electrification of harbor and coastal craft aligned to the initiatives from port authorities
- Hybrid electric/fuel cells
- Harborcraft, ports, cold ironing

## SHIP INNOVATION TECHNOLOGY CENTER

Shanghai, China

- Ship design support
- Model-based approaches to support engineering and certification, testing and survey
- Simulation and digital twin for condition monitoring, maintenance, survey and operation optimization
- Visualization technologies including virtual and augmented realities

## INTELLIGENT SYSTEMS TECHNOLOGY CENTER

Seoul, South Korea

- Smart and Intelligent Ship Systems
- Ship Autonomous Systems
- Future Ship Concepts
- Digital Twin of Ship Systems
- Smart Technologies for Shipyards

## ALTERNATIVE FUELS

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### ABS Publishes Industry-Leading Requirements for Liquid Hydrogen Carriers

The transportation of hydrogen, a key fuel of the energy transition in maritime, is another step closer to supporting projected market demands thanks to newly published industry-leading requirements from ABS.

The ABS *Requirements for Liquefied Hydrogen Carriers* address safety and technical standards

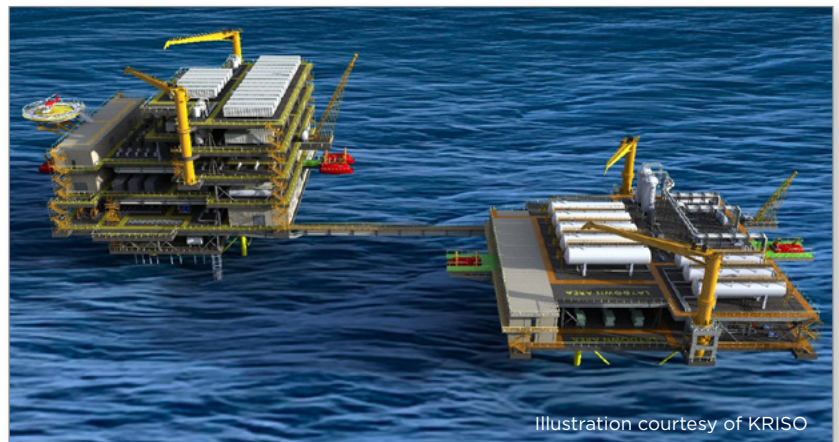
for vessels carrying liquefied hydrogen, expanding on the corresponding IMO Resolution MSC.420(97) that was adopted in November 2016. The ABS publication provides further support on criteria such as risk assessment, novel concepts, new technology qualification, cargo containment, pressure piping systems, ventilation and fire protection among others.

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### ABS Issues AIP for an Offshore Hydrogen/Ammonia Production Platform from KRISO

In 2023, an offshore hydrogen and ammonia production platform design from the Korea Research Institute of Ships & Ocean Engineering (KRISO) received approval in principle (AIP) from ABS.

The design developed by KRISO produces green hydrogen using electricity generated by a wind farm. Among the features, the design consists of a desalination system that desalinates seawater and turns it into clean water, an electrolysis system that produces hydrogen by electrolyzing water, a compression system that pressurizes the produced hydrogen, a nitrogen generation system that separates



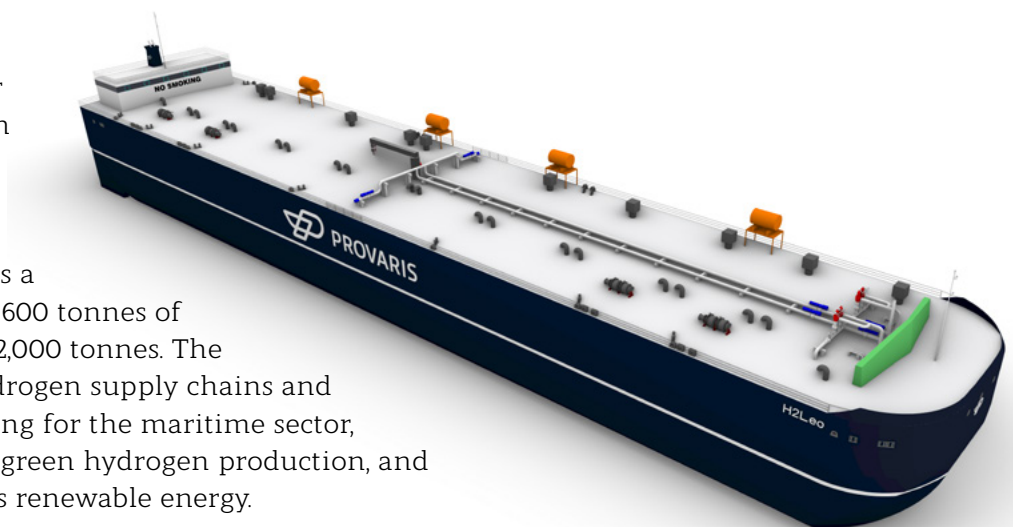
nitrogen from the air, and an ammonia synthesis system that produces ammonia by reaction of hydrogen. The ABS AIP focused on the safety and feasibility of the concept.

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### ABS AIP for Provaris' Innovative Compressed Hydrogen Technology

In 2023, ABS has presented Provaris Energy with an AIP for its innovative gaseous hydrogen floating storage concept in a ceremony at NOR Shipping.

The solution, dubbed H2Leo, has a design capacity range of 300 to 600 tonnes of hydrogen, expandable to up to 2,000 tonnes. The unit is designed for various hydrogen supply chains and applications, including bunkering for the maritime sector, intermittent/buffer storage for green hydrogen production, and long-duration storage for excess renewable energy.



Courtesy Provaris

The AIP is the latest support from ABS for Provaris, following ABS review and approval for Provaris' pioneering H2Neo design for a compressed H<sub>2</sub> carrier, an industry first for a bulk hydrogen gas carrier.



## ABS and NOV Subsea Production Systems to Enter Final Phase of Subsea Ammonia Storage Testing

ABS is providing new technology qualification (NTQ) services for game-changing subsea ammonia storage technology from NOV Subsea Production Systems.

The subsea storage system is part of a joint development project (JDP) that includes ABS, NOV Subsea Production Systems, Equinor, the Research Council of Norway and the Net Zero Technology Centre. This project unites a group of industry leaders actively enabling an economical subsea storage solution for the market.

The subsea technology brings a new and unique solution for the safe storage of larger volumes of fluids such as ammonia and other maritime e-fuels, enhanced oil recovery (EOR) chemicals and production chemicals.



▲ John McDonald, ABS President and COO, with Marius Bjørn, NOV Business Director.

## ELECTRIFICATION

### ABS and Sea Forrest Sign Pioneering MOU to Advance Maritime Electrification Technology

In 2023, ABS and Sea Forrest Power Solutions Pte Ltd (Sea Forrest), a subsidiary of BH Global, signed a memorandum of understanding (MOU) to drive advancements in cutting-edge maritime electrification technologies.

Supported by the new ABS Electrification Center in Singapore, the agreement will

cover projects for electric vessels, shore charging infrastructure along with related industry standards and marine classification requirements. ABS and Sea Forrest also intend to collaborate on a project to study the pertinent safety considerations for the development of fire resilient battery room or enclosure designs.

### ABS Publishes Comprehensive Guide for Offshore Electric Substations

In an industry first ABS published requirements addressing safety and technical standards for floating offshore wind substations.

Together with input from offshore wind project developers, original equipment manufacturers (OEMs) of substations, and transportation and installation (T&I) companies, ABS developed the *Requirements for Offshore Substations and Electrical Service Platforms* which addresses not only fixed

bottom substations but also includes new information for the rapidly increasing project size of global floating projects.

Floating offshore wind projects worldwide have been ramping up. Since 2022, new projects have been awarded and others are advancing along the waters of Scotland, Korea and the U.S. West Coast. Existing projects are entering advanced design stages, many with aggressive timelines as regions become more focused on energy security.

## ABS Launches Pioneering Global Electrification Center to Support Maritime's Net-Zero Transition

In 2023, ABS launched a global ABS Electrification Center to support maritime decarbonization projects.

Comprised of ABS engineers and technical specialists, the center will support a range of cutting-edge electrification projects for shipowners, shipyards and other stakeholders across the Asia Pacific region and around the world.

The center will also provide support for the electrification of harbor and coastal craft aligned to the initiatives from the Maritime and Port Authority of Singapore (MPA). Other projects specific to electrification will include research and development, design review, rule development, and new construction and retrofit projects. The center will use the latest technologies, including ABS' extensive experience in simulation and modeling.



▲ Teo Eng Dih, Chief Executive, MPA, and John McDonald, ABS President and COO.

## ALTERNATIVE ENERGY

### Novel Design for Floating Offshore Wind Approved by ABS

ABS issued an AIP to ECO TLP™ and MOCEAN-Offshore BV for its floating offshore wind turbine support structure. 

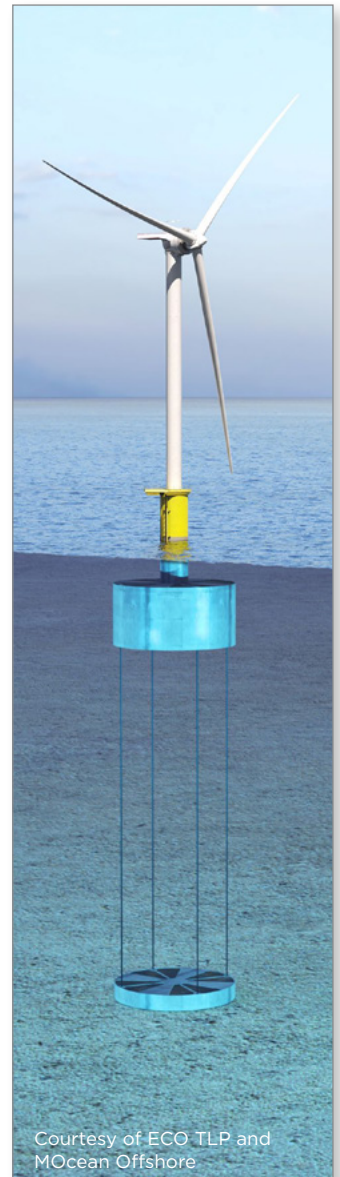
The unique design from ECO TLP™ utilizes slip-formed cylindrical concrete hulls and gravity anchors, which, when combined with a tension-leg mooring system, has a smaller footprint than traditional structures using steel column-stabilized hulls.

### ABS Approves Floating Offshore Nuclear Power Barge from HD KSOE and KEPCO E&C

A novel design for a floating offshore nuclear power barge from HD Korea Shipbuilding & Offshore Engineering (KSOE) and KEPCO Engineering and Construction Company, Inc. (KEPCO E&C) received AIP from ABS.

Project collaborators include ABS, HD KSOE, KEPCO E&C and the Liberian International Ship & Corporate Registry (LISCR). Representatives from each company met in Washington, D.C., for the AIP presentation.

The floating small modular reactor (SMR) barge is intended to serve as offshore power generation for remote communities and island electrification. HD KSOE provided basic designs for the marine systems; then ABS and LISCR completed design reviews based on class and statutory requirements. KEPCO E&C will continue to work on risk assessments for future applications.



Courtesy of ECO TLP and MOcean Offshore



## ABS Brings Global Experts and Maritime Industry Leaders Together for Nuclear Energy Forum in Washington, D.C.

“Nuclear energy has moved beyond a wildcard option and into the mainstream of potential solutions for a more sustainable maritime industry. Nuclear energy is not just about the potential for a reactor to operate on a ship. With advanced nuclear technology, the potential is so much more.”

That was the message from ABS Chairman and Chief Executive Officer Christopher J. Wiernicki, who welcomed nuclear energy experts, government representatives, academia

and senior maritime industry leaders from around the world for the very well-attended ABS forum, The Role of Advanced Nuclear Technologies in the Maritime Energy Transition in Washington, D.C.

“We see nuclear energy as an enabler for producing clean energy and clean fuels and as a power source for ship propulsion,” said Wiernicki. “Modern nuclear and renewable based energy systems extend our line of sight of solutions to achieve net zero by 2050.”



ABS Chairman and Chief Executive Officer Christopher J. Wiernicki addresses guests at the ABS forum, The Role of Advanced Nuclear Technologies in the Maritime Energy Transition, in Washington, D.C.

## Groundbreaking ABS Study Explores Potential of Commercial Nuclear Propulsion

The transformational impact of nuclear propulsion on the design, operation and emissions of a 14k TEU containership and a 157k dwt Suezmax tanker have been modeled by ABS and Herbert Engineering Corp. (HEC) in a groundbreaking study.

ABS commissioned HEC to carry out the study to explore the potential of advanced modern reactor technology for commercial marine propulsion. The study is designed to help industry better understand the feasibility and safety implications of nuclear propulsion and to support future development projects.

The study, which involved input from leading nuclear reactor developers, modeled the impact of two, lead-cooled, 30 megawatts (MW) fast reactors on the containership,



finding it would likely increase cargo capacity and operational speed, while eliminating the need for refueling during its entire 25-year lifespan. On the Suezmax vessel, the study found the addition of four, 5 MW, heat-pipe microreactors, while decreasing cargo capacity, would raise operational speeds and only require refueling once during its 25-year life. Both concept vessels would emit zero CO<sub>2</sub>.

# CARBON CAPTURE

## ABS Awards AIP to Hanwha Ocean for Carbon Capture Technology



▲ John McDonald, ABS President and COO, with Jong Seo Kim, Hanwha Ocean COO/ Commercial Vessel Business.

An exciting new addition to onboard carbon capture technologies from Hanwha Ocean, formerly Daewoo Shipbuilding and Marine Engineering (DSME), received ABS AIP.

The emissions reduction technology captures CO<sub>2</sub> from the exhaust gas by the process of absorption, regeneration and separation. To date, a feasibility study, risk assessment and basic engineering for an onboard carbon capture system have been completed by Hanwha Ocean and supported by ABS Engineering in Busan and ABS Technology in Houston.

ABS and Hanwha Ocean met at Nor-Shipping 2023 for the presentation of the AIP.

## ABS Approves Latest Liquefied Carbon Dioxide Vessels for PETRONAS, MOL and SDARI

New vessel designs to carry and store liquefied carbon dioxide (LCO<sub>2</sub>) from PETRONAS, Mitsui O.S.K. Lines, Ltd. (MOL) and Shanghai Merchant Ship Design and Research Institute (SDARI) received AIP from ABS in June 2023.

Designs for a 96,000 m<sup>3</sup> LCO<sub>2</sub> floating storage and offloading (FSO) unit and an 87,000 m<sup>3</sup> LCO<sub>2</sub> carrier were reviewed in accordance with the latest ABS Rules.

“Safe and efficient transport and storage of LCO<sub>2</sub> is a developmental cornerstone of the carbon value chain, which has such a critical role to play in the energy transition. ABS is proud to be able to use our industry leading expertise in the development of LCO<sub>2</sub> carriers to support adoption of these important new assets with an unwavering focus on safety,” said Arnab Ghosh, ABS Vice President, Regional Business Development.



▲ Left to right: Zhou Zhi-Yong, SDARI Vice President, Arnab Ghosh, ABS Vice President, Regional Business Development, Emry Hisham, PETRONAS Head of PETRONAS Carbon Management Division, and Yasuchika Noma, MOL Executive Officer.



## BLUE ECONOMY

### **Diversified use of the Ocean Space — First Ever International Requirements for Offshore Spaceports Developed by ABS**

Recognizing the increase in global demand for offshore spacecraft launch and recovery, ABS announced the publication of the first international requirements for the design and construction of offshore spaceports during the 2023 Offshore Technology Conference (OTC) in Houston.

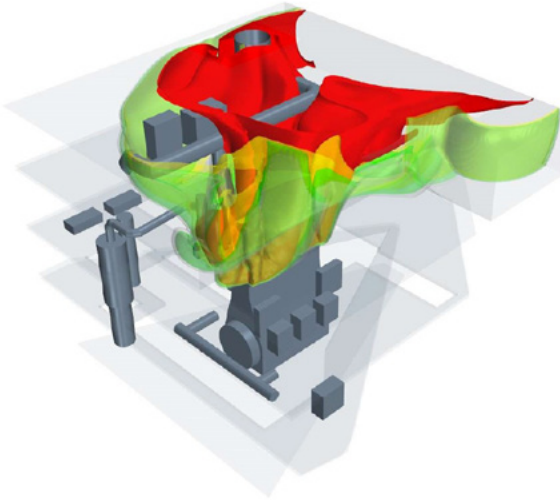
ABS produced a new set of requirements based on service experience with industry leading aerospace rocket launch and recovery companies to guide the burgeoning maritime aspects of the space flight industry in the safe design and construction of offshore assets. Previously there were no industry requirements to address an offshore spaceport's unique concept of operation.

Spaceports are marine or offshore assets that conduct spacecraft launch or recovery. The ABS *Requirements for Building and Classing Offshore Spaceports* addresses several vessel types including barge type units, column-stabilized, offshore installations and self-elevating units.



## MODELING, SIMULATION AND STUDIES

### ABS Uses Simulation and Modeling to Tackle Ammonia's Safety Challenge



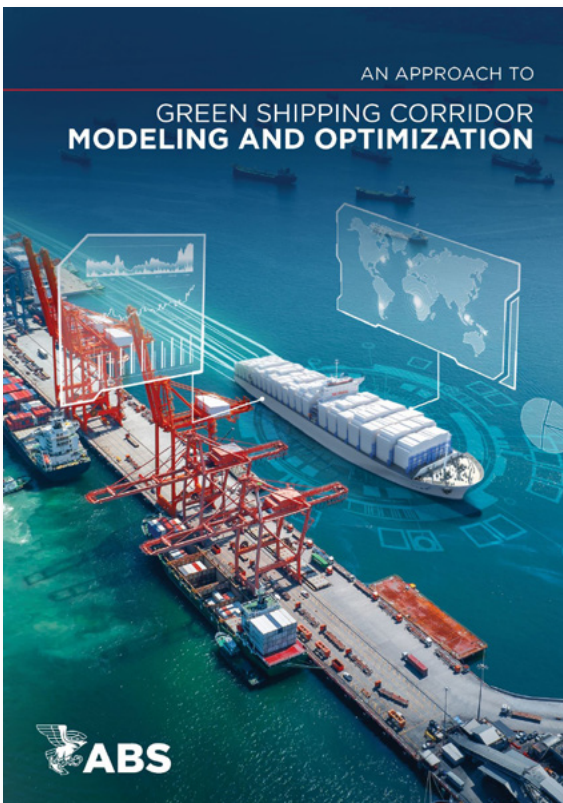
▲ ABS used CFD techniques to model the behavior of ammonia leaks.

In a pioneering safety development, ABS is using advanced modeling and simulation technologies to develop emergency response methods to assist ports and crew in responding to ammonia leaks or spills.

It is the first step toward a comprehensive and fast ammonia release response system, capable of predicting the behavior of an ammonia plume and directing emergency mitigation services accordingly.

Thanks to its potential for zero-carbon emissions, ammonia is widely viewed as a promising fuel solution for a more sustainable industry but its high toxicity presents significant operational challenges on board and ashore.

### ABS Launches Industry First Green Shipping Corridors Modeling and Simulation Service

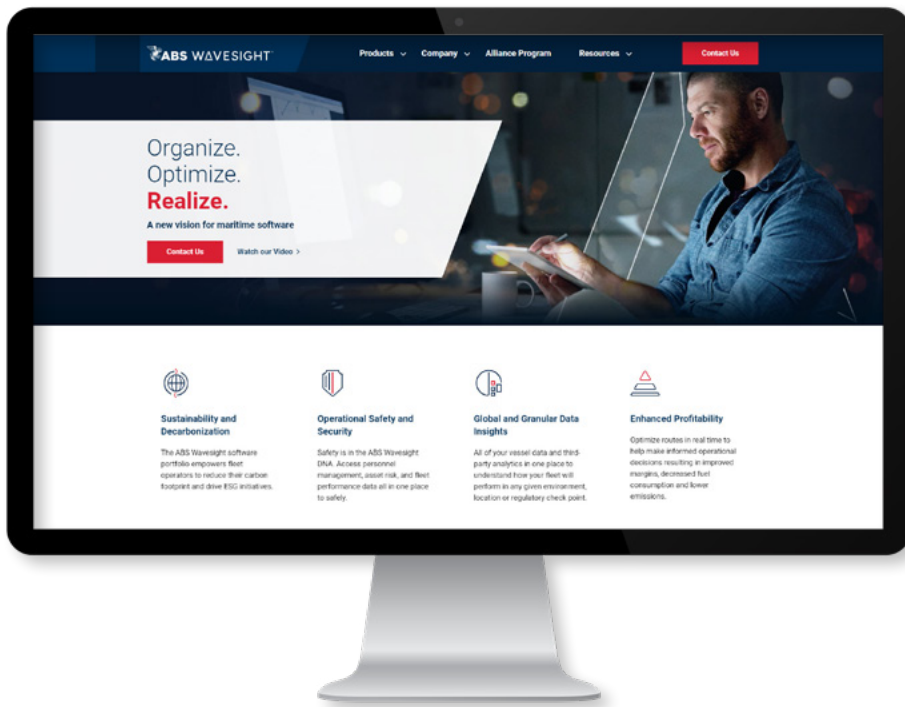


In a world first, ABS launched a pioneering new Green Shipping Corridors Simulation service in 2023 designed to support international design and development of clean energy initiatives.

The advanced modeling capability provides a detailed simulation of the complex nexus of stakeholders involved in corridor development, providing the data required to support policy and investment decisions.

“Green shipping corridors will be at the heart of any successful movement to decarbonize our industry. But these initiatives require advanced analysis beginning at the pre-feasibility stage through the full life cycle of corridor development. With assets and operations from multiple stakeholders and a wide range of operational, policy, and regulatory issues to consider, simulation and optimization tools are ideal for providing critical analysis that accounts for uncertainties of the many variables affecting corridor design,” said Christopher Wiernicki, ABS Chairman and CEO.





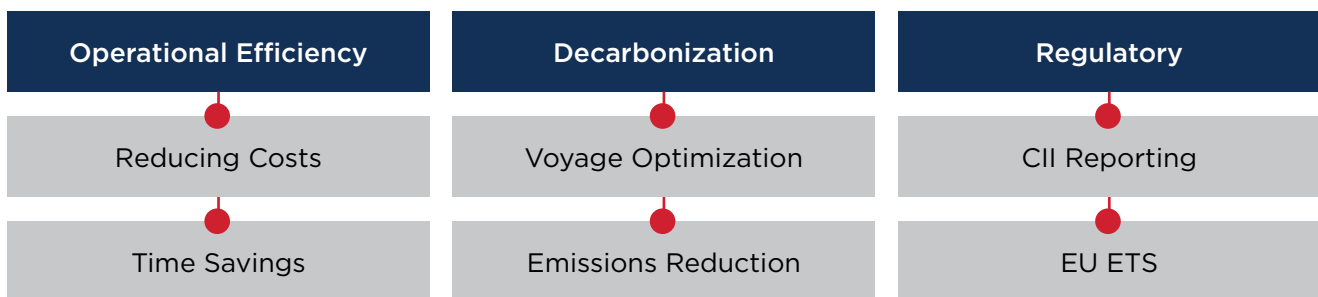
Over the past year, ABS Wavesight, the ABS affiliated maritime software as a service company, embarked on a journey marked by significant milestones in innovation, collaboration and leadership in sustainability. From its cutting-edge software products – Nautical Systems, My Digital Fleet and eLogs – to the unweathering brand commitment called Mission Green, and growing Alliance Program, ABS Wavesight is well positioned to support ABS and Affiliated Companies in achieving a future where efficiency and environmental stewardship coalesce.

## ABS Wavesight™ Software

With an installation base of more than 5,000 vessels, across blue water, brown water and offshore markets, the ABS Wavesight software

portfolio is actively contributing to the sustainable evolution of maritime operations worldwide.

### ABS WAVESIGHT PORTFOLIO OUTCOMES



### Delivering Measurable Client Value



More than **\$10 million** in savings



Fuel reduction of more than **12.3 million tons (mt)** per voyage



CII grades increased **2-3 ratings**




More than **50,000 mt** of CO<sub>2</sub> avoided

## Nautical Systems®

The leading fleet management platform announced more than eight new releases and 100 new features, with a focus on the system's modules that make the most impact for owners and operators in improving operational efficiency, ensuring safety and driving performance.



ABS Wavesight President and CEO, Paul Sells, announcing Nautical Systems updates at the 2023 NS User Conference in New Orleans, Louisiana. 

## ABS My Digital Fleet™

In 2023, ABS Wavesight unveiled regulatory-rich updates to power compliance and competitiveness. Software enhancements focused on ABS My Digital Fleet's sustainability tracking and measurement capabilities to

help clients accurately monitor and report on regulatory requirements, such as CII, EU ETS Allowances, Fuel EU costs, Poseidon Principles and Sea Cargo Charter performance.

## eLogs

ABS Wavesight's leading point solution for digitized recordkeeping has proven to play a crucial role in steering the maritime industry toward a more sustainable future. The integration of digital logbooks within maritime operations facilitates a holistic approach to sustainability through several key aspects such as enhanced accuracy and

transparency, improved regulatory compliance, fuel optimization and facilitating eco-friendly decision-making. Since its launch in 2021, eLogs is now one of the only digital logbook solutions to be approved by more than 20 flag States including the recent approval by the U.S. Coast Guard.

## ABS Wavesight Alliance Program

ABS Wavesight is leading the charge toward a more collaborative future through our Alliance Program. Built on a culture of participation and partnership with other leading companies both within and outside of maritime, each partnership is emblematic of a shared passion for technology and innovation. Today, the Alliance Program continues to grow and function as a way to both empower clients and the industry with the tools needed to support a cleaner and more sustainable environment.

access among ABS Wavesight clients to its vessel, machinery and software data.

The alliance ActZero, a leading cybersecurity company, is one that protects ABS Wavesight products and its users' data from malware and ransomware attacks.

ABS Wavesight's integration with Procureship provides users access to a procurement cycle optimization tool. By connecting ABS Wavesight Nautical Systems™ with the e-procurement platform, clients receive customized reports with tailored recommendations to optimize the purchasing and procurement process.

Marlink is a smart network solutions company that, in partnership with ABS Wavesight, will help optimize connectivity for the next generation of digital services, as well as improve



**Mission Green — The ABS Wavesight Mission to a Greener Future**

While innovation and digitalization play a critical role in driving energy efficiency and achieving long-term sustainability targets, ABS Wavesight recognizes its own role and environmental footprint in the “green shift.” By being mindful of waste and adopting sustainable habits across all business practices, ABS Wavesight employees are committed to implementing change by taking specific measures to ensure sustainability is who we are and what we do as a company.

**Waste-free Marketing** – ABS Wavesight is committed to delivering communication through eco-friendly channels and leveraging locally sourced goods and services.

**Responsible Sourcing and Partnerships** – ABS Wavesight promotional items are not only sustainably sourced but are in partnership with many suppliers who share the same environmental values as the company.

**Employee Volunteer Initiatives** – In collaboration with ABS and Affiliated Companies, ABS Wavesight encourages participation in company volunteer programs such as beach and park clean-up projects that foster community engagement and sustainability.



## PARTNERSHIPS

Building partnerships with industry stakeholders sparks innovation, which helps us create solutions to emerging challenges. ABS actively collaborates with owners and operators, shipyards and manufacturers, governmental entities, other classification organizations and industry coalitions to investigate and explore new technology and services for sustainable solutions and future industry development. This map shows our current Joint Development Projects (JDPs) by type and country.

**UNITED STATES**  
TECHNOLOGY — 10

**DENMARK**  
SUSTAINABILITY — 4

**NETHERLANDS**  
SUSTAINABILITY — 1  
TECHNOLOGY — 2

**UNITED KINGDOM**  
OPERATION — 1

**GERMANY**  
TECHNOLOGY — 1

**SWITZERLAND**  
SHIP SYSTEMS — 1

**ITALY**  
SUSTAINABILITY — 1  
OPERATION — 1

**In total**

**72 JDPs**  
in  
**8 KEY AREAS**  
spanning  
**13 COUNTRIES**



**NORWAY**

SUSTAINABILITY — 1  
TECHNOLOGY — 1

**CHINA**

ENGINEERING — 2  
TECHNOLOGY — 6

**GREECE**

SHIP SYSTEMS — 4  
TECHNOLOGY — 3  
SUSTAINABILITY — 1

**SOUTH KOREA**

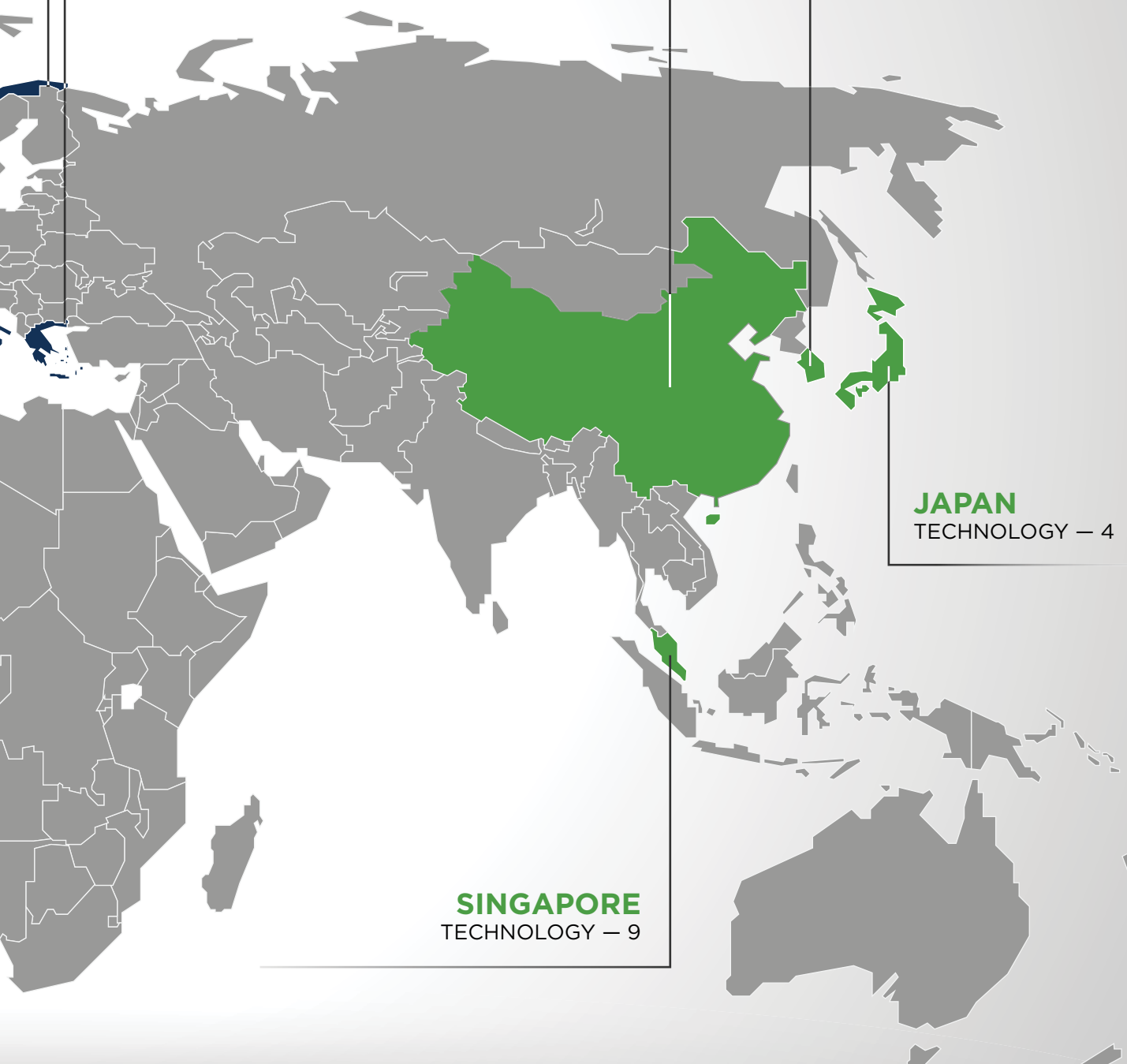
ENGINEERING — 3  
SUSTAINABILITY — 2  
TECHNOLOGY — 14

**JAPAN**

TECHNOLOGY — 4

**SINGAPORE**

TECHNOLOGY — 9







# SOCIAL

For ABS, our responsibility in the social arena is to our employees' health, safety, fair treatment, and career opportunity as well as contributing to the social fabric of the communities in which we operate.









## OUR PEOPLE — DIVERSITY AT ABS

At ABS we capitalize on the strength of the broad range of cultures, talents, life experiences and traits of our global team. ABS is committed to building on our track record of diverse talent and to complying with all employment-related laws and regulations in our 53 operating countries and our own policies. As stated in our global human resources policy manual, ABS

provides equal opportunity in all aspects of employment and personnel practices, including recruitment, advancement, salary and benefits, termination and retirement, regardless of one's race, national origin, gender, age, marital status, gender identity, citizenship status, transgender status, color, physical or mental disability, sexual orientation, veteran status or religion.

### Our team



**77**  
unique self-identified nationalities



**38**  
unique self-identified ethnicities



**50.9%**  
non-American

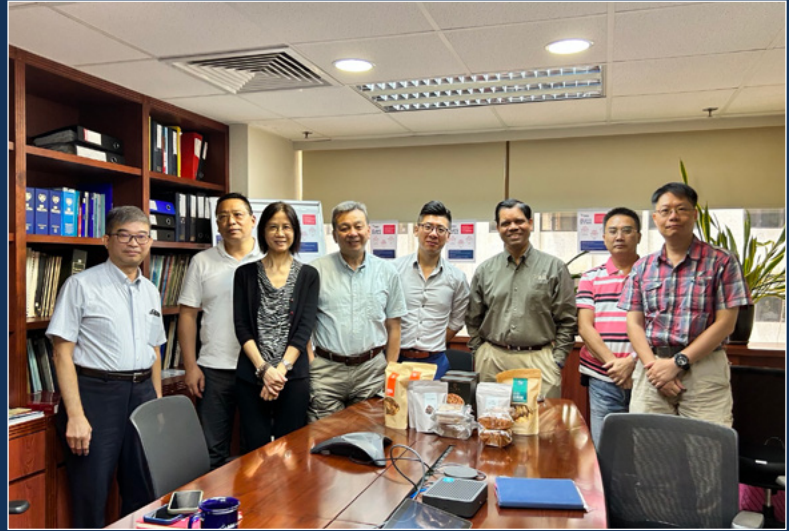


# SPOTLIGHT

## Safety Day 2023 at ABS

In June 2023, the corporate HSQE department of ABS held a worldwide Safety Day to reinforce the importance of safety as a core value of the company. Personnel participated in the event

at their local offices, where they learned about ABS' safety performance in 2023, how to prevent accidents or injuries, and the importance of being "SafetyPresent."



## DE&I Momentum: Continuing the Journey Toward Inclusivity and Equity in 2023

In 2022, ABS began its diversity, equity and inclusion (DE&I) journey by establishing a charter that was centered around the mission and SPIRIT of ABS. We also established an executive committee to serve as governance over this new organization and ensure that its efforts were focused on the following key objectives:



- To attract, hire, develop and retain the best people we can for our organization, focusing on actual and potential contributions regarding their performance, competence, collaboration and professional accountability.
- To foster an inclusive culture and to ensure current and future opportunities for all of our employees are based on competence and performance regardless of traits or differences. This includes being intolerant of behaviors that objectify such traits or that discriminate based on those traits.
- To create and manage a strong and diverse talent pipeline and leverage ABS' existing training and development, performance management, retention and succession planning program to create opportunities for all employees.
- To attract and retain high-caliber people by building a culture of achievements, linking rewards and performance.
- To comply with all mandatory diversity reporting requirements and use them to support our diversity strategy and associated policies and actions.

In 2023, we established three employee resource groups (ERGs):



Military Veterans and Professionals



Black Organization for Leadership and Development



Striving for Equity, Mentorship and Inclusion for Latinx/Hispanic Leaders and Allies



## DE&I Executive Committee



**Njsane Courtney**  
Vice President of  
Human Resources  
(Global DE&I Officer)



**Chuck Kemper**  
Chief Human Resources  
Officer (DE&I Executive  
Sponsor)



**Laura Fulton**  
Chief Financial Officer  
(DE&I Corporate  
Executive Advisor)



**Joshua Divin**  
Senior Vice President  
(DE&I Operations  
Executive Advisor)



**Jake Stenzler**  
Vice President,  
Government (DE&I  
Executive Advisor,  
ABS Group)



**Charisse Coleman**  
Vice President, Deputy  
General Counsel (DE&I  
Legal Advisor)

To ensure that our DE&I efforts reflect the global communities in which we operate, we also established operationally led regional teams in South America, Europe, the Middle East and Africa, Greater China and APAC. These regional leaders are:

Ernesto Guerra  
(Latin America)

Ezekiel Davis  
(Europe)

Samir Souiai  
(Middle East)

Johnny Garrett  
(APAC)

Paul Karam  
(Greater China)

The response from our global workforce was phenomenal. Together, we accomplished the following:



**3,000+**  
participants

**30**  
events

**15**  
community  
outreach events

**52**  
total activities

**4**  
panels

**8**  
countries

**3**  
global events

## Key Accomplishments of Note



ABS was awarded the Department of Defense Employer Support of the Guard & Reserve (ESGR) that celebrates outstanding employers who provide exceptional support to employees currently serving in the Reserve or National Guard components. ABS was one of only 15 employers selected for this prestigious award.



We conducted a number of panel discussions across the globe where employees and guest speakers shared their personal stories around achieving personal excellence.

ABS also began laying the groundwork for establishing an ERG-led mentorship program aimed at supporting and guiding members of our ERGs. This initiative is designed to provide invaluable mentorship, guidance and sponsorship to a broader spectrum of our employees, fostering an inclusive environment where everyone has the opportunity to thrive. By pairing experienced mentors with individuals from our diverse ERGs, we aim to facilitate professional development, provide mentorship and create pathways for career advancement. This program underscores our commitment to nurturing talent, fostering inclusivity and ensuring that every employee has the support and resources they need to succeed within our organization. This program is scheduled to launch in Q2 of 2024.

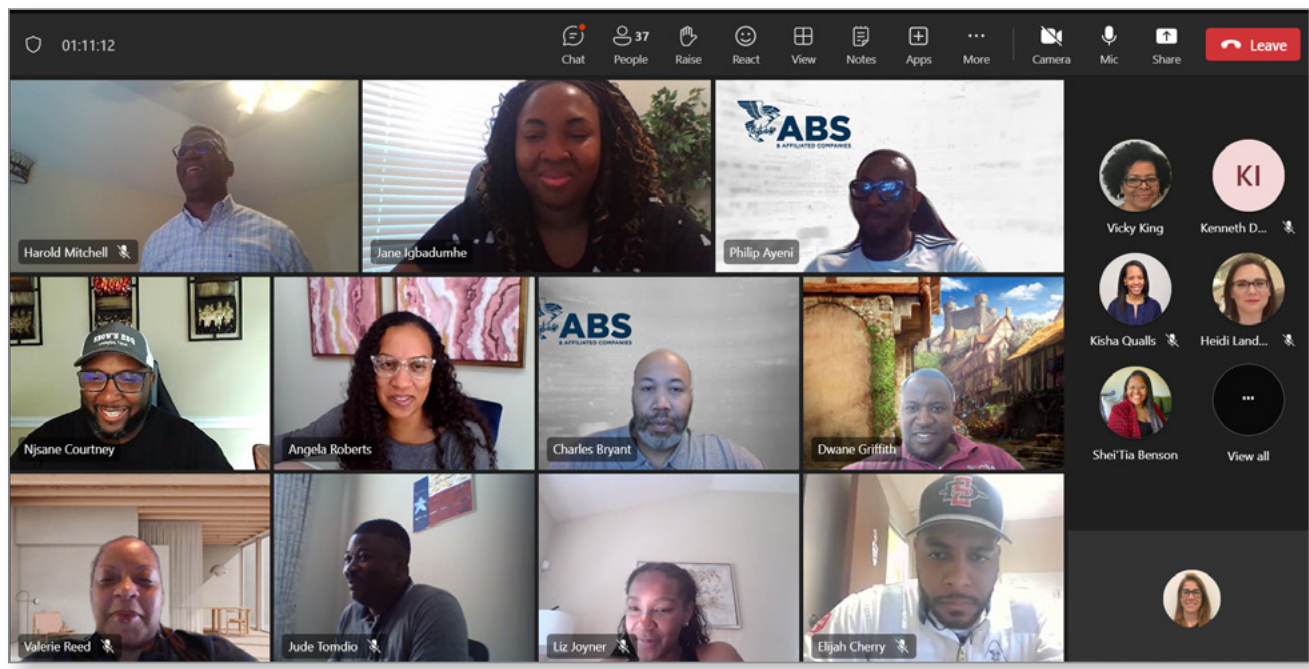
A promotional graphic for the DE&I Employee MentorSHIP Program. It features the ABS logo at the top left. The main text reads 'BECOME A MENTOR' in large, bold letters, with 'DE&I Employee MentorSHIP Program' below it. The graphic includes a list of benefits: 'Make a lasting impact', 'Have a personal satisfaction', 'Strength the leadership', and 'Enhance networking'. At the bottom, it states 'To participate, you must be a member of an Employee Resource Group. For more information, email [dei@eagle.org](mailto:dei@eagle.org).' The background shows a group of diverse people smiling and interacting.



We also made an impact in the communities in which we operate. For example, members of our engineering staff partnered with Sayers Elementary to begin establishing a STEM program in a school within an underserved community.



### Other DE&I Events



BOLD Global Virtual Networking Event



WING: Executive Presence for Women



BOLD Panel: Achieving Excellence Through Adversity





## FOSTERING TALENT AND CAREER DEVELOPMENT

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As the maritime industry continues to grow and transform, a highly talented and professional workforce is needed to support

ABS to maintain competitiveness, and to help ABS solve emerging challenges within the industry.

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### Our Initiatives

To develop world class talent, ABS focuses not only on attracting highly skilled workers, but also on retaining skilled colleagues by offering fulfilling career paths. ABS supports advanced degrees through our global tuition reimbursement program, and we have designed development programs for employees in a way which ensures their careers can thrive.

The Aspire Program is a development program designed for new university graduates, and in 2023 was expanded beyond our corporate offices to include our first international program in Singapore, with the hiring of

three Aspires in July 2023. In 2023, our career development programs, the Beacon Career Development Program for all employees and the Propel Accelerated Leadership Development Program for identified high potential employees received significant overhauls to reboot them and maintain high engagement among the workforce. Additionally, new programs were launched in management and leadership development for both first line supervisors as well as senior leaders, both of which included significant amounts of training dedicated to DE&I awareness.





## The Aspire Program

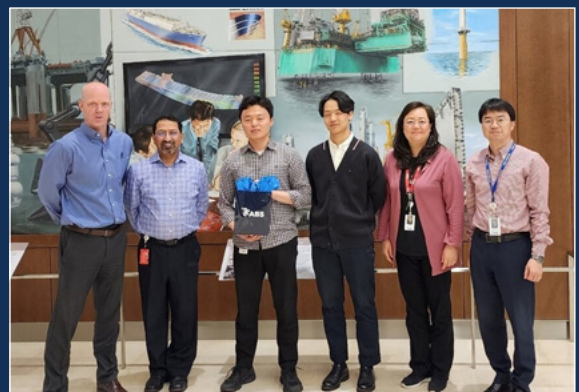
- Provides recent engineering and computer sciences graduates the opportunity to rotate around the business with professionals in our engineering, survey, technology and business-focused departments, along with technical and professional training for 12 months.
- The program launches every July. Since the program started, a total of 133 employees have completed it, and we have expanded to our first international location in Singapore beginning in 2023.

Pictures below are interns and Aspires completing their research project and engaging with the ABS Chief Technology Officer. The students and early career staff completed research on The Future of Hydrogen in the

Maritime Industry. Their activities included attendance at industry conferences as well as engaging with industry representatives, ABS engineers and researchers.



ABS also hosted students from Seoul National University, Korea in our Houston office. The students completed research on alternative fuels with support from the ABS team.





- Offers professional and career development tools, resources, trainings and frameworks to all employees and their managers to plan further professional development goals and objectives to achieve further growth.
- All employees can participate.
- We made significant changes to Beacon in 2023 and introduced the concept of our new, focused career development open enrollment modules covering six specific subjects such as Critical Thinking and Growth Mindset. Globally, more than 250 individuals enrolled in the new programs, and we saw a spike in interest in our internal careers pages. During 2023, the main Beacon site on our intranet received a 271 percent increase year over year in employees visiting our online information pages.



- Offers tailored development opportunities for high potential employees.
- Individuals are invited to join this program through the nomination of their management teams.
- Since the launch, over 246 high potential employees have been inducted into the program.
- The demographics of the Propel Program show our strength in diversity, as the majority of the total Propel participant population comes from outside of the United States and all areas of ABS' global footprint are represented. For our newest senior level Propel participants who joined the program in 2023, 77 percent are diversity candidates in terms of race, gender or nationality.

## Management and Leadership Programs

ABS introduced new programs for first line supervisors as well as senior leaders. In 2023, we had more than 50 global managers complete the first line supervisors training course and 17 senior leaders completed the new executive education course, held in partnership with Texas A&M University's Mays School of Business





# TRAINING

In 2023, ABS continued to expand its learning capabilities. Over 160,000 formal training hours were completed by ABS employees during the year as they continued to develop skills for the future in topics such as emerging technologies,

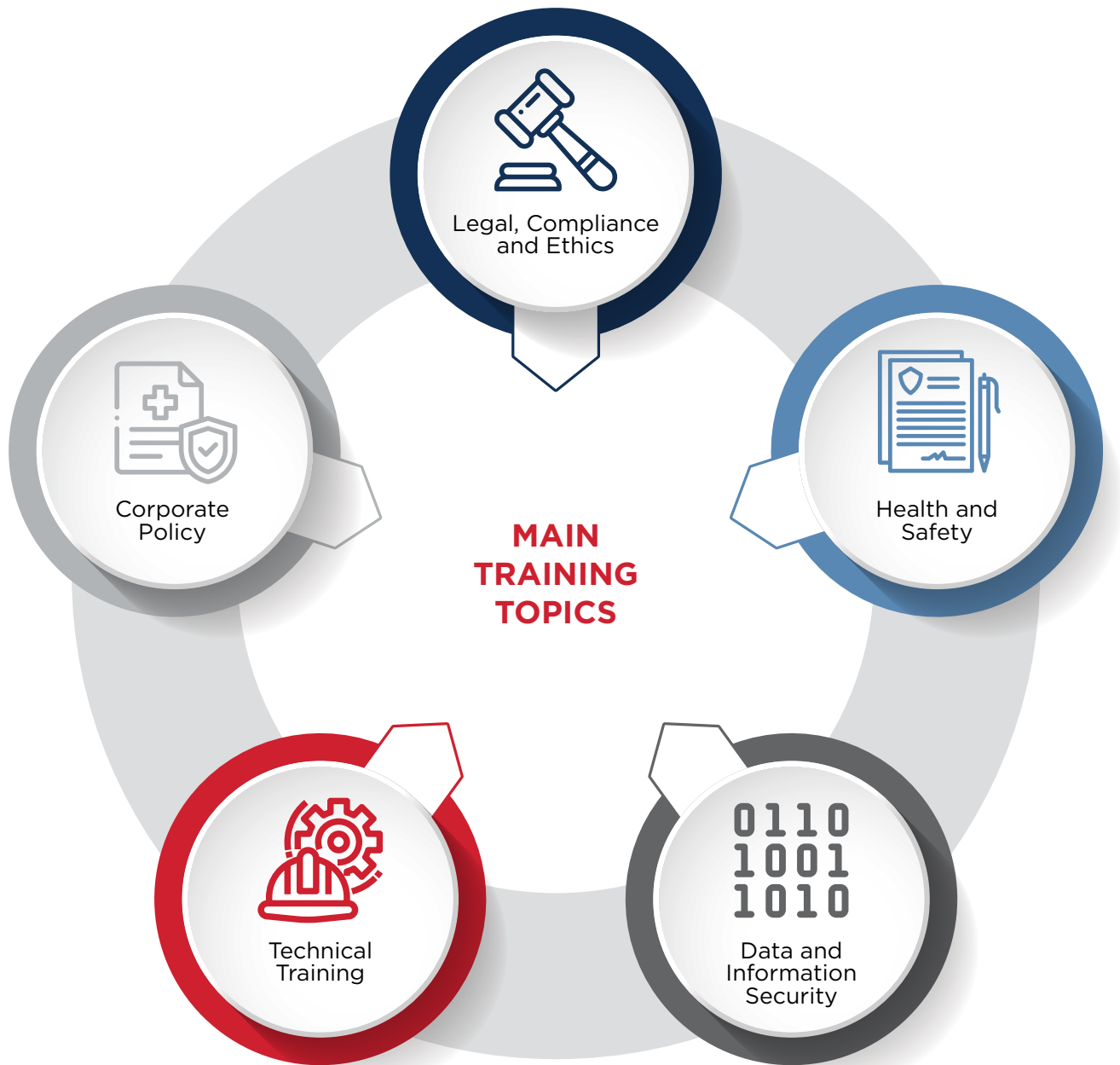
cyber resilience and goal-based standards. Nearly 60 percent of these completed training hours were focused on our surveyor, engineers and auditors obtaining new qualifications to core ABS client services.

## Training Performance in 2023

Training topics spanned a total of **548 unique titles**

ABS surveyors averaged **82 hours of training** per person

ABS personnel completed **162,723 hours** of formal training





## BRINGING VALUE TO SOCIETY – COMMUNITY ENGAGEMENT

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Growing and developing with local communities is an important part of corporate social responsibility and a way to give back to society. ABS is committed to supporting the broader community in the places where we operate. We participate in multiple activities which bring benefits to local communities to show our enthusiasm and sincerity, including collaborating with

non-governmental organizations, encouraging employees to become involved in charitable and environmental causes, and providing scholarships and mentorships. Since 2012, ABS has contributed more than \$274 million in charitable and community contributions. In 2023, we continued those efforts, donating more than \$14 million to worthy causes.

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### **The Mission to Seafarers**

Founded in 1836, The Mission has a presence in 200 ports in 50 different countries worldwide. They are the largest seaport-based welfare organization in the world, providing vital help

and support to seafarers as they undertake their essential work 365 days per year, regardless of their rank, nationality, gender or religion.

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### **Eastern Shipbuilding Charities**

The Eastern Shipbuilding Charities has raised funds for the last 24 years to help local initiatives and charities in Bay County, Florida.



# United Way Campaign

ABS and its Houston office personnel continued the tradition of supporting the United Way campaign, marking the 28th consecutive year of service to the community. ABS and the United Way joined forces to support more than 80 organizations in the Greater Houston area providing food, healthcare, education and other necessities to those in need. In 2023, ABS built on the United

Way theme of Connecting People to Possibility to build internal connections. With the support of ABS employee resource groups (ERGs), connections were built across the organization between leadership, staff, early career staff and ABS retirees. In addition to the monetary donations, more than 6,500 pounds of canned food items were donated to a local food bank.





## Kids Meals Inc.

Using food and supplies donated by ABS, employees assembled 100 boxed lunches that were donated to Kids Meals Inc., an

organization whose mission is to feed Houston's hungriest pre-school aged children.

## Charitable Organizations in India

In 2023, ABS donated to several charitable organizations in India:

- Mamata Bal Sadan Saswad, Pune – dedicated to the care and education of destitute women and orphans, aiding women in establishing businesses.
- The Jeshtarith Foundation – a private foundation focused on elderly care, particularly addressing challenges like dementia, and advocating for dignified,

independent living for seniors.

- The National Mission for Clean Ganga (NMCG)/Clean Ganga Fund – a government environmental initiative aimed at rejuvenating the Ganges River by addressing pollution and ensuring its future.
- UMANG – providing education and therapy to students with cerebral palsy, mental disabilities, learning disabilities, autism, etc.

## ITU Maritime Faculty Alumni Social Assistance Foundation (DEFAV)

ABS donated to the ITU DEFAV, a foundation dedicated to providing health and education assistance to maritime personnel who are in

need, their spouses and children, including providing scholarships to marine students in Turkey.

## Galveston Bay Beach Clean-up

In February, ABS employees volunteered at the Galveston Bay for a beach clean-up and debris survey, helping to support this essential

environmental rehabilitation of the Texas gulf coast region.





## Turkey Earthquake, Red Cross Donation

On February 6, 2023, a magnitude 7.8 earthquake struck southern and central Turkey and northern and western Syria. While all ABS employees in Turkey were safe, some of our personnel did have extended family in the affected region. As an organization with a

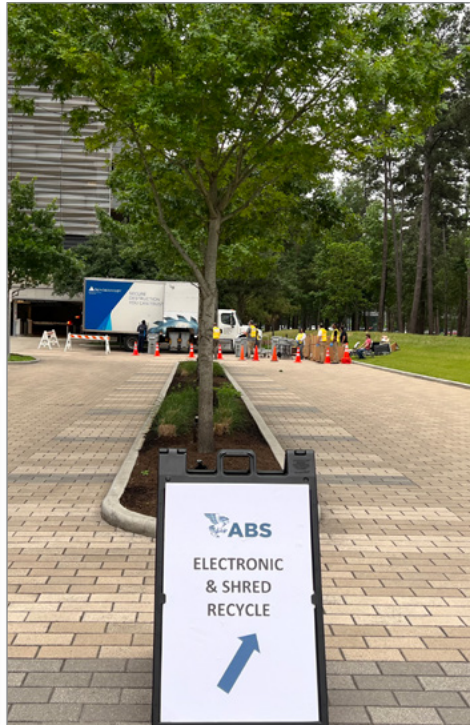
safety mission, we wanted to assist in the recovery efforts and help those affected by this disaster, so ABS donated to the International Federation of Red Cross and Red Crescent Societies – IFRC to support their work.

## Earth Day at ABS HQ

At ABS, protecting the environment is at the core of our mission. In 2023, ABS celebrated Earth Day by encouraging its Houston-based employees to recycle old electronics safely and shred paper documents. Employees were asked to clean out their homes and bring their e-waste and documents to ABS for proper

recycling. In total, employees recycled over 5,000 pounds of electronics and 4,000 pounds of paper.

Employees in South America received a coffee mug, to help focus on the elimination of plastic cups in the office.



## University Relations

ABS continued its commitment to advancing education and research through our ongoing global university engagements and partnerships.



◀ In 2023, ABS continued its engagement with Texas A&M Qatar where extensive research was completed regarding the application of carbon capture technology and its role in the marine sector. The study considered a process systems engineering based approach to enable the marine transportation system to operate taking into account restrictions in carbon emissions. To lay the foundation of this initiative, the team developed a framework considering the design and operation of ships and their supply chains as part of a decarbonized energy system.

In partnership with Texas A&M University (TAMU), ABS expanded their global strategic relationship with a \$2.5m donation to endow the Ocean Engineering Department Chair and to fund the new ABS Laboratory for Ocean Innovation. The investment creates a maritime research powerhouse, uniting ABS' extensive marine and offshore experience, with TAMU's world-class academic research capability to tackle the most pressing challenges the industry faces today and train the next generation of talent. ▶



In 2023, ABS and TAMU collaborated on two sustainability research projects. The first project identified safety concerns and consequences of ammonia release during marine operations. The project identified the key hazards, including effects on human health and marine life, related to ammonia release either onboard or during bunkering operations. The other project identified the fire safety of current and emerging battery technologies. The project studied battery fire safety codes and regulations and led to a report on the hazards and risks associated with current lithium-ion batteries and emerging battery technologies, including sodium-air, zinc-air, lithium-sulfur, and sodium-ion batteries. Both projects continued into 2024.

ABS now has endowments at eight institutions. ABS chairs and professors continue to grow students and advance the body of maritime technical knowledge.

- ABS Chair of Naval Architecture and Marine Engineering and ABS Chair of Marine Transportation at the State University of New York (SUNY) Maritime College
- ABS Chair of Engineering at the California State University Maritime Academy (Cal Maritime)
- ABS Chair of Metallurgical and Materials Engineering at the Colorado School of Mines
- ABS Chair of Ocean Engineering at the University of California Berkeley (UC Berkeley)
- ABS Chair of Marine and Offshore Design Performance at the University of Michigan
- ABS Career Development Chair at the Massachusetts Institute of Technology (MIT)
- ABS Chair of Naval Architecture and Marine Engineering at the Webb Institute
- ABS Chair of Ocean Engineering at Texas A&M University

## ABS Scholars

In 2023, ABS donated over \$1.2 million in the form of scholarships to over 45 universities globally. Award recipients are current undergraduate and graduate students with majors in fields ranging from ocean engineering and naval architecture to computer science and cybersecurity. ▼







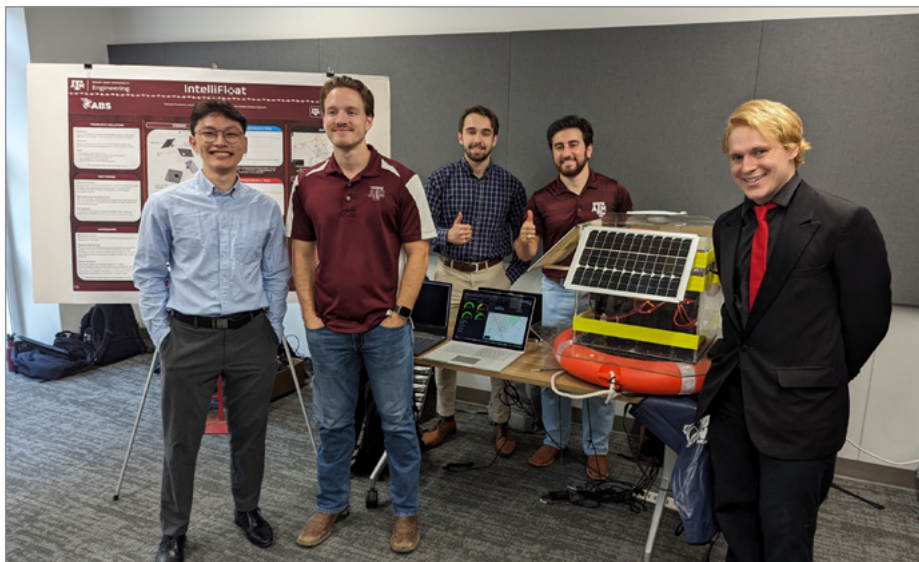
Visit with ABS Scholars at Vanderbilt University, October 2023. ▲



Scholarship presentation at Memorial University of Newfoundland, November 2023. ▲

### On-campus Engagement

ABS also expanded its support of education and growing the next generation of technical talent through on-campus engagement. With over 40 on-campus events, ranging from career fairs, information sessions, technical presentations, capstone competitions and receptions, on-campus engagement doubled in 2023.



◀ "IntelliFloat" Capstone Student Team, Texas A&M University.

ABS Visits ABS Scholar at Alabama A&M University, November 2023. ▶



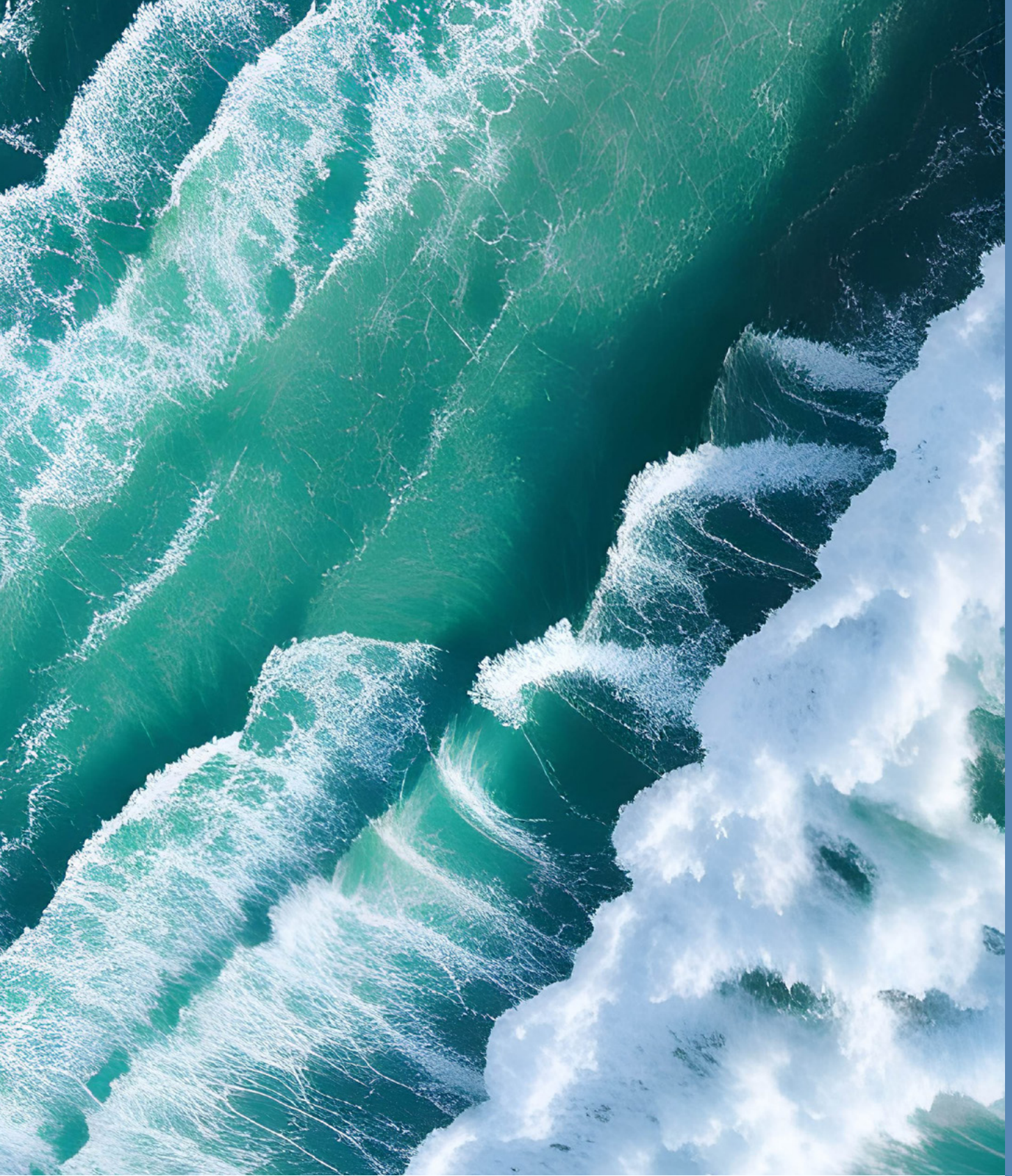




# GOVERNANCE

Governance at ABS starts with the strength of our board of directors, our officers and our senior leadership.





It is underpinned by a deeply embedded quality management system comprised of policies and procedures and high performing functions including ethics and compliance and HSQE.



## ABS LEADERSHIP

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**CHRISTOPHER J. WIERNICKI**  
Chairman and CEO of ABS,  
Chairman of ABS' Affiliated Companies



**JOHN MCDONALD**  
President and Chief  
Operating Officer (COO)



**BOB CLYNE**  
Executive Vice  
President and  
General Counsel



**LAURA FULTON**  
Senior Vice President and  
Chief Financial Officer  
(CFO)



**CHUCK KEMPER**  
Senior Vice President  
and Chief Human  
Resources Officer  
(CHRO)



**KARA PELECKY**  
Senior Vice President and  
Chief Information Officer  
(CIO)



**PATRICK RYAN**  
Senior Vice President  
and Chief Technology  
Officer (CTO)





**VASSILIOS KROUSTALLIS**  
Senior Vice President,  
Business Development



**JESSICA MAHAFFEY**  
Senior Vice President  
and Chief Marketing  
Officer (CMO)



**JOSH LAVIRE**  
Vice President of Health,  
Safety, Quality and  
Environment (HSQE)



**ADAM MOILANEN**  
Vice President and  
Chief Surveyor



**DEREK NOVAK**  
Vice President and  
Chief Engineer



**MARTA JOHNSON**  
Vice President and  
Chief Compliance  
Officer



**RYAN MOODY**  
President and CEO,  
ABS Group of  
Companies, Inc.



**PAUL SELLS**  
President and CEO,  
ABS Wavesight™

**ABS Board of Directors**



Christopher J. Wiernicki  
*Chairman*



Michael L. Carthew  
*Lead Director*



John McDonald



David W. Grzebinski



William E. Jenkins



Susan K. Neely



Louis A. Raspino



Mark H. Ross



Philip J. Shapiro



Craig H. Stevenson Jr.



Elizabeth D. Whitaker, Esq.



Darryl K. Willis



## ABS Group of Companies, Inc. Board of Directors



Christopher J. Wiernicki  
*Chairman*



Ryan Moody  
*President and Chief Executive Officer (CEO)*



Dennis M. Houston



T. Peter Pappas

## ABS Wavesight™ Board of Managers



Christopher J. Wiernicki  
*Chairman*



Paul Sells  
*President and Chief Executive Officer (CEO)*



Laura Fulton  
*Chief Financial Officer (CFO)*

## Board Committees



Nominating and Corporate Governance



Audit



Finance



Compensation



Education and Scholarship



## ABS Advisory Council

Morten Arntzen

Mark W. Barker

William T. Bennett Jr.

Michael L. Carthew

Robert G. Clyne

John G. Coumantaros

Thomas B. Crowley Jr.

Cesare d'Amico

Richard D. DeSimone

Dimitrios J. Fafalios

Angeliki N. Frangou

Peter John Goulandris

David W. Grzebinski

Michael S. Hudner

William E. Jenkins

Capt. Robert E. Johnston

Capt. Spyros N. Karnesis

Renee Klimczak

Charles Kurz II\*

Donald R. Kurz

Gerhard E. Kurz\*

John P. Laborde\*

Michael C. Lemos

Dr. Donald Liu

Peter G. Livanos

John P. McDonald

Adam W. Moilanen

Derek Novak\*

C.R. Palmer\*

T. Peter Pappas

Spyros M. Polemis

Antony Prince

Stein Rasmussen

Bruce S. Rosenblatt

Dott. Alcide Ezio Rosina\*

Stefano Rosina

Philip J. Shapiro

Capt. Cesare Sorio\*

Craig H. Stevenson Jr

Katherine Trauth

Nikolaos P. Tsakos

Chee Chen Tung

Michael D. Tusiani

Capt. Graham Westgarth

Christopher J. Wiernicki

*\*Emeritus Members*

## ABS Committee Structure

ABS Committee meetings are a forum for ABS members, including owners, operators, charterers and industry representatives from flag Administrations, owner associations, and the shipbuilding and insurance sectors, to come together with ABS leaders and discuss industry issues and developments. These forums are an important part of an ongoing dialogue with industry to address technical, operational and regulatory challenges.

Black Sea Regional Committee

Germany National Committee

Greater China Regional Committee

Hellenic National Committee

India National Committee

Italy National Committee

Japan National Committee

Korea National Committee

Middle East Regional Committee

North America Regional Committee

Northern Europe Regional Committee

Qatar National Committee

Southeast Asia Regional Committee

U.K. National Committee

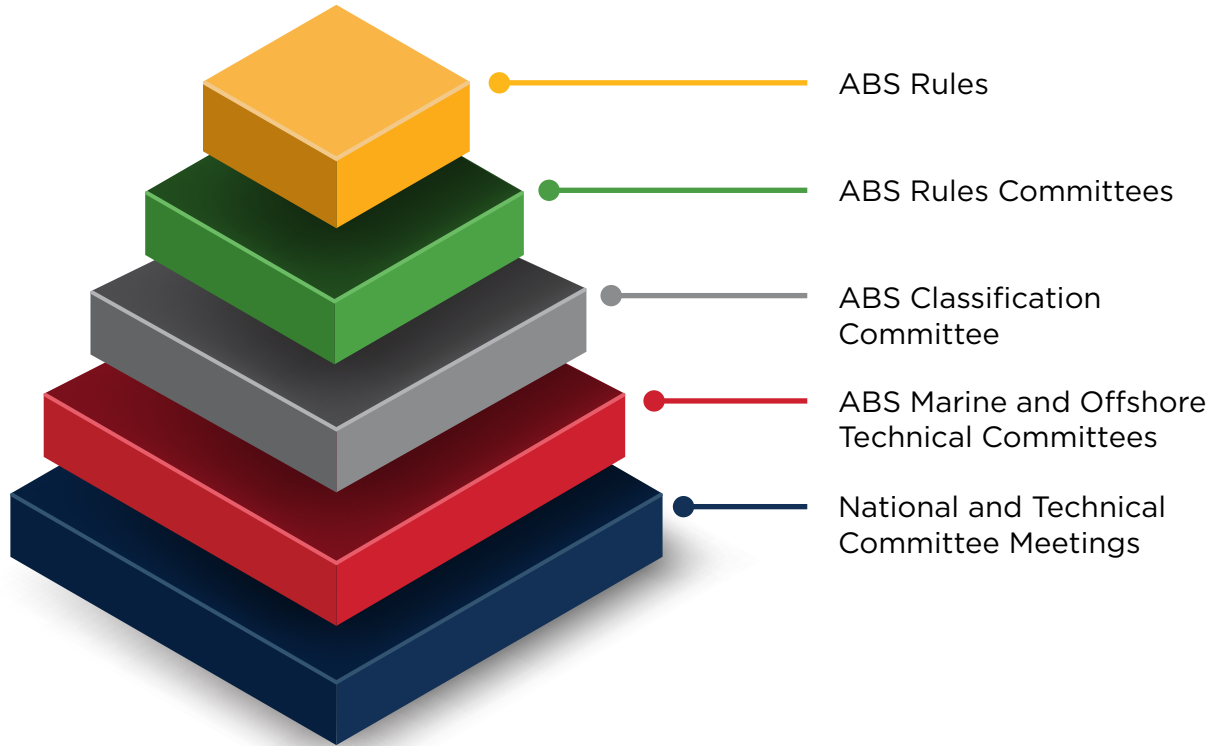
South America Regional Committee



## ABS Rules Committee and Technical Committees

Derived from principles of naval architecture, marine engineering and other engineering disciplines, ABS' Rules are developed and updated through the ABS Rules Committee. The ABS Rules Committee is supported by the ABS Marine and Offshore Technical Committees, which review all new or modified Rules and serve in a senior advisory role to the ABS Rules Committee. The ABS Marine and Offshore Technical Committees are

supported by a structure of national and regional technical committees as well as marine, offshore and shared sector special technical committees. Members of ABS' technical committees actively participate in the development and updating of standards used in the design, construction and surveys of vessels, other marine and offshore structures and a host of specialized systems.



## ABS Organization and Membership Structure

ABS is a not-for-profit organization. It has no capital stock and pays no dividends. The income derived from its classification activity is generated from fees for its services. All funds are used solely for the performance of these services, and any surplus of receipts in any one year is used for the extension and improvement of such services, including research and development.

Management responsibilities are vested in the elected board of directors and the advisory council, chosen from the approximately 944 members of ABS. This membership is drawn from persons considered to be prominent within their marine field of endeavor, principally shipowners, shipbuilders, naval architects, marine engineers, engine builders, material manufacturers, marine underwriters and government representatives. None of the members receive any compensation for services rendered.

As an international technical organization, it is essential that ABS stays informed of and, when appropriate, leads marine-related safety developments worldwide. ABS accomplishes this through general committee structure consisting of individuals prominent in marine and offshore related industries.

Organized and managed in this manner, and reflective of the wide spectrum of interests of its members, ABS provides the industry with a recognized organization for self-regulation. Activity outside the realm of classification is conducted through the operating subsidiaries of ABS Group of Companies, Inc. and ABS Wavesight™, affiliates of ABS. Activities of these affiliates are conducted on a for-profit basis.



“A world-class safety culture entails focus, attention and consistent actions to drive positive change. That is how I would describe the efforts of ABS employees around the globe. We are focused on our mission and passionate about being a leader in safety excellence.”

**Christopher J. Wiernicki**  
ABS Chairman and CEO

## Our Safety Management

ABS is committed to complying with all safety laws and regulations in countries where we operate.

We set the corporate health, safety, quality and environmental (HSQE) objectives to guide our safety management and continue to improve our management system using the HSQE policy, objectives, audit results, analysis of data, corrective and preventive actions, and management review.

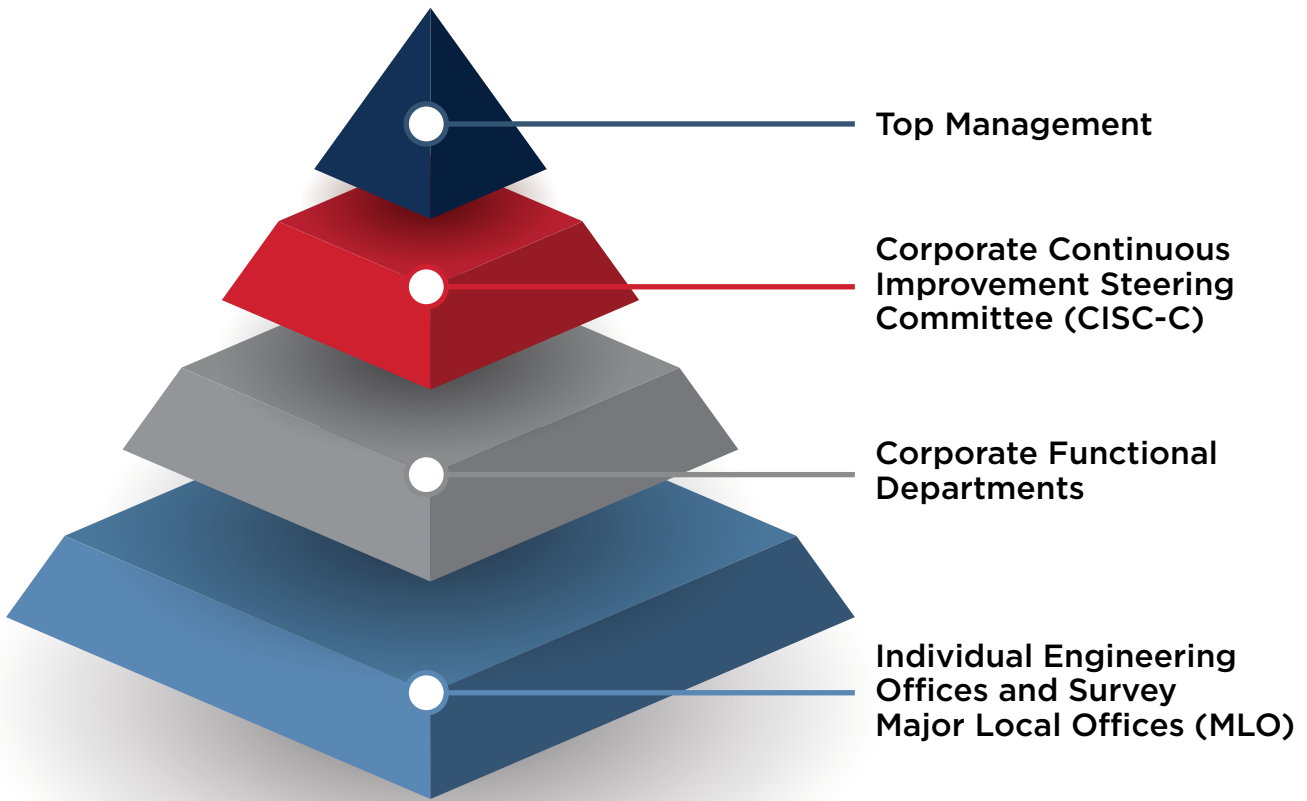
We implement robust occupational health and safety processes and policies as a part of our ongoing safety excellence initiative. This includes the “Stop Work Obligation” rule giving all personnel the authority and the responsibility to intervene if safety is in question in any aspect of their work, or the work taking place around them. ABS personnel are empowered to advocate for everyone’s safety.

We ensure timely reporting of potential incidents or hazards and regularly document near misses.



# Leadership

Our safety management system is designed to ensure the commitment to HSQE policy at all levels at ABS.



**Top Management** Ensure the communication and implementation of HSQE policies, requirements, objectives and accomplishments.

**Level 1 Meeting** The Corporate Continuous Improvement Steering Committee (CISC-C) establishes the objectives and targets and communicate these to the operational level. The Corporate Committee on Surveyor Safety ensures that opportunities for improvement in ABS work processes, training and our integrated management system are continuously updated and improved.

**Level 2 Meeting** Ensure implementation of applicable processes to meet the objectives and report the status to CISC-C.

**Level 3 Meeting** Support the implementation of objectives and encourage continual improvements.



## Safety Performance

In 2023, our safety theme continued to be “SafetyPresent.” This is a program dedicated to behavior-based safety and focuses on changes in behaviors and conditions in our workspace. Additionally, this theme allowed ABS to streamline its targeted messages towards critical safety behaviors, the promotion of situational awareness of working conditions and creating a migration vehicle for increased awareness and safety culture improvement.

**0**  
**Fatalities**

**1**  
**Lost Time Incidents**

In 2023, ABS saw a year-on-year reduction in total recordable injuries (TRI), and a sharp reduction in the total injury rate (one million hours). Driving incidents related to an injury decreased by 19 percent. ABS saw a 195 percent increase in non-loss incident reporting with 1,617 reports being submitted – a key leading indicator of employee engagement. The most common type of incident hazard category reported in 2023 based on risk level ranking was slip, trip, and fall (same level), followed by fall (different level).

Also in 2023, our field safety manual was revised to include requirements for personnel transfers to vessels and updated requirements for entering confined spaces, which were identified for improved employee safety. We also had very good engagement by our employees exercising their Stop Work Obligation and getting immediate corrective actions implemented to improve the safety of our employees and those around them.

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## Risk Management

Safety is our first consideration during all working procedures. We have identified potential risks and hazards in our regular workspace and regulate the safety of personnel from different aspects to help provide comprehensive protection from incidents, illustrated as follows:



### Follow Safe Work Procedures

ABS expects all personnel to follow safe work procedures and integrate our nine critical safety behaviors to keep safety front of mind. We believe that our critical safety behaviors are a key component of a robust safety culture.



### Understand and Use PPE

All workers should understand where personal protective equipment (PPE) fits in as a safety control and use it. They should also know how to inspect and maintain PPE according to the manufacturer’s instructions. We are continuously updating our PPE specifications to capture advances in safety technologies.





**Fit for Work**

Being fit for work is an ABS procedural requirement and acts as a safety control against incidents.



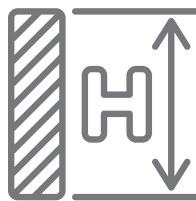
**Drive Safely**

We train personnel on driving safety with a behavioral mindset with comprehensive best practice procedures further supported by a focus on proper equipment.



**Hazard Recognition**

ABS requires all workers to know the hazards in our workplace and apply safety controls accordingly.



**Working at Height**

Personnel are required to know the basics of fall protection and provide assistance to others when necessary.



**Confined Space Entry**

ABS provides notices and training of safety work procedures before workers enter confined spaces.



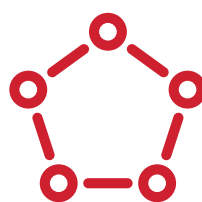
**Stored Energy**

We regulated that the electrical potential and gravity of stored energy should be relieved or only approached within suitable boundaries.



**Stop Work**

All ABS personnel have the obligation to intervene and stop work if the manner or condition of the working benign performed could harm oneself or tother or damage property or the environment.



**Take 5**

ABS expects everyone to utilize the “look, think, recognize, control, begin” strategy before starting the work.

## QUALITY PERFORMANCE

Through 2023, ABS' focus on industry fundamentals allowed the company to grow its classed fleet to 289 million gross tons (m gt); strengthen its leading position in existing fleet and orderbook share; maintain industry leadership across the entire global offshore market; and continue to guide the industry in safety.

In 2023, ABS continued high-quality service delivery to a global client base. ABS maintained

its leading position on overall Port State Control (PSC) performance, being the top-performing Recognized Organization (RO) in the three most active PSC regions of the world since 2017.

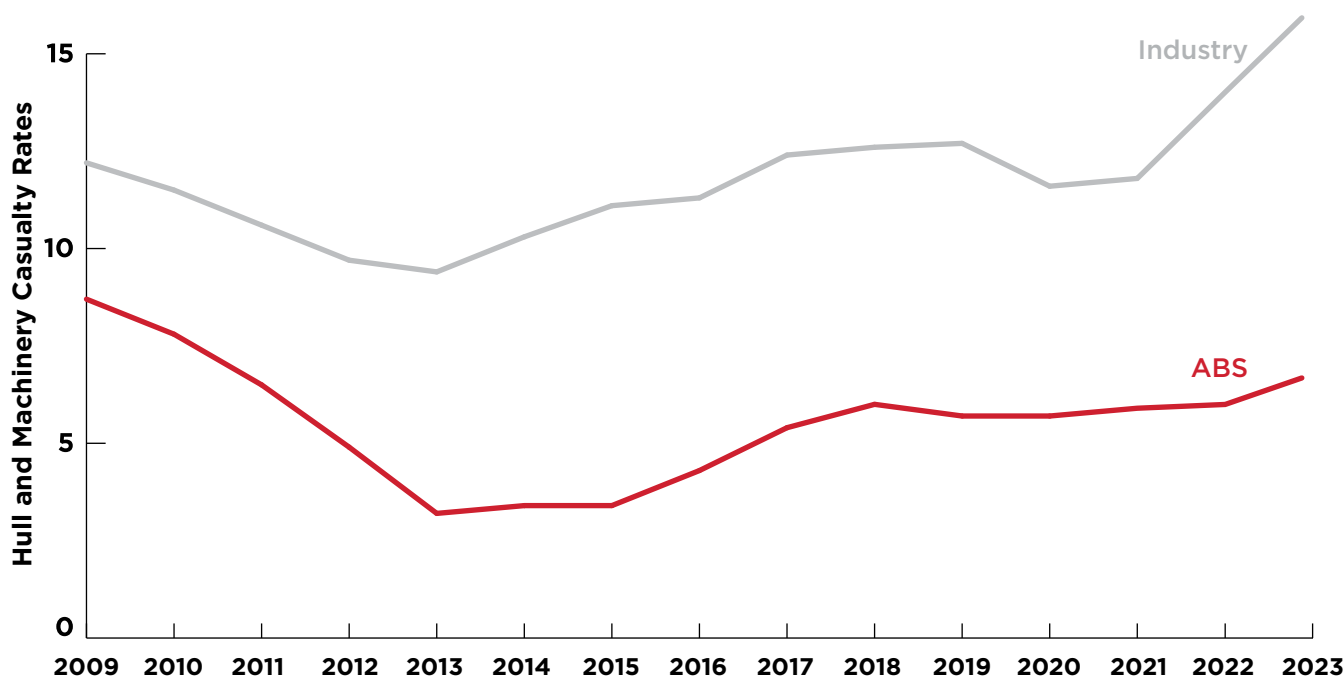
- U.S. Coast Guard (USCG) – ABS maintained zero RO-related detentions for the last 15 years.
- Paris MoU – ABS had one or fewer RO-related detentions each year over the last 11 years.
- Tokyo MoU – ABS averaged one RO-related detention per year over the last eight years.

### 2023 3-year Rolling PSC Rankings

	Global	USCG	Paris MoU	Tokyo MoU
ABS	1	1	1	2
DNV	2	7	2	4
NK	3	8	4	5
RINA	5	9	6	3
LR	4	10	3	9

### Hull and Machinery Casualty Rates

Average	10-year	3-year
ABS	5.5	6.6
Industry	12.9	15.4



Casualties per 1,000 vessels per year – Seagoing Vessels >500 gt. Overall casualties includes operational casualties  
Source: Informa (LMIU) Database – December 2023



# ETHICS AND INTEGRITY

Integrity, as one of the values of ABS, guides us to consistently act in accordance with the highest level of ethical conduct. We are dedicated to upholding the highest standards of ethical conduct in all of our operations. Our reputation for integrity and reliability is a key asset and embodies the SPIRIT of ABS.

We require all employees and third-party partners to strictly adhere to our Code of Ethics,

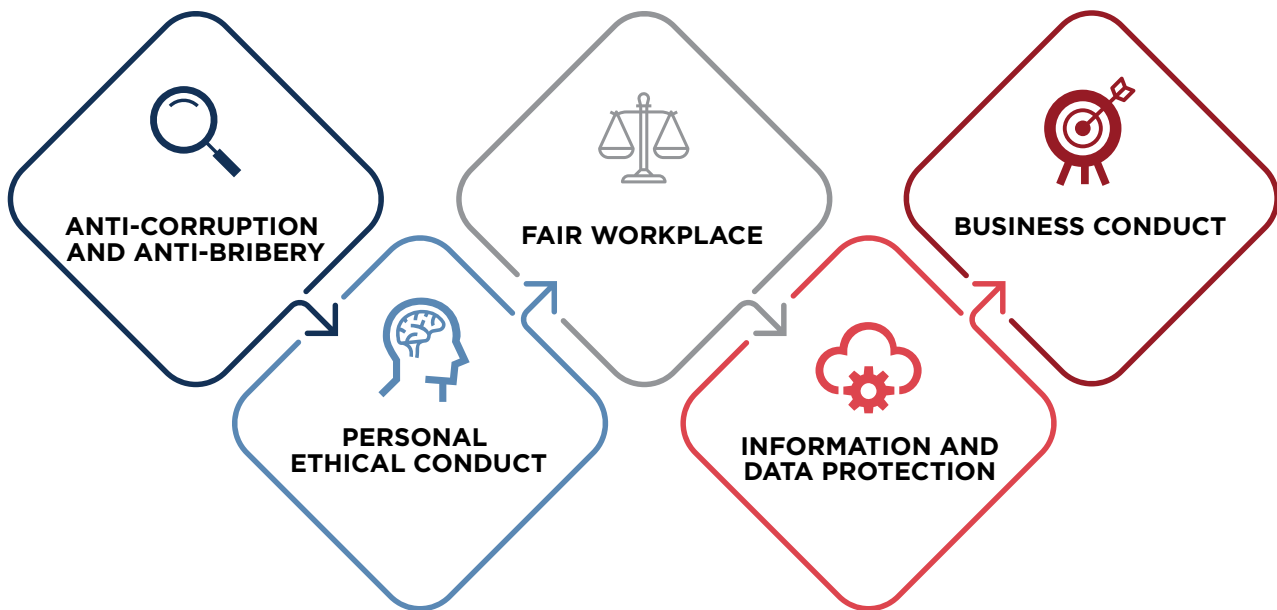
which sets a standard for ethical behavior and helps maintain the trust of our services and clients. In reinforcing our commitment to ethics, we have implemented live and interactive internal training programs and a multi-channel communication strategy for all employees and third-party partners. We also perform due diligence on potential suppliers.

## Governance and Policy

Our Code of Ethics is supported by a robust governance framework that promotes a culture of integrity among our personnel. We have established an Ethics and Compliance unit within the Legal department to oversee the implementation and enforcement of the Code of Ethics, as well as our Anti-Bribery, Conflict

of Interest, Anti-trust and Competition Law Policies.

The effectiveness of our compliance program is regularly assessed through internal and external audits to identify risks and improve our policies and initiatives.



## Reporting and Whistleblower Protection

ABS encourages open and transparent reporting of ethical concerns and provides multiple channels for confidential and anonymous reporting. Our non-retaliation policy protects

whistleblowers and fosters a culture of transparency. Employees can report concerns through email, phone, mail or online to the Ethics and Compliance unit.



## DATA PRIVACY AND CYBERSECURITY

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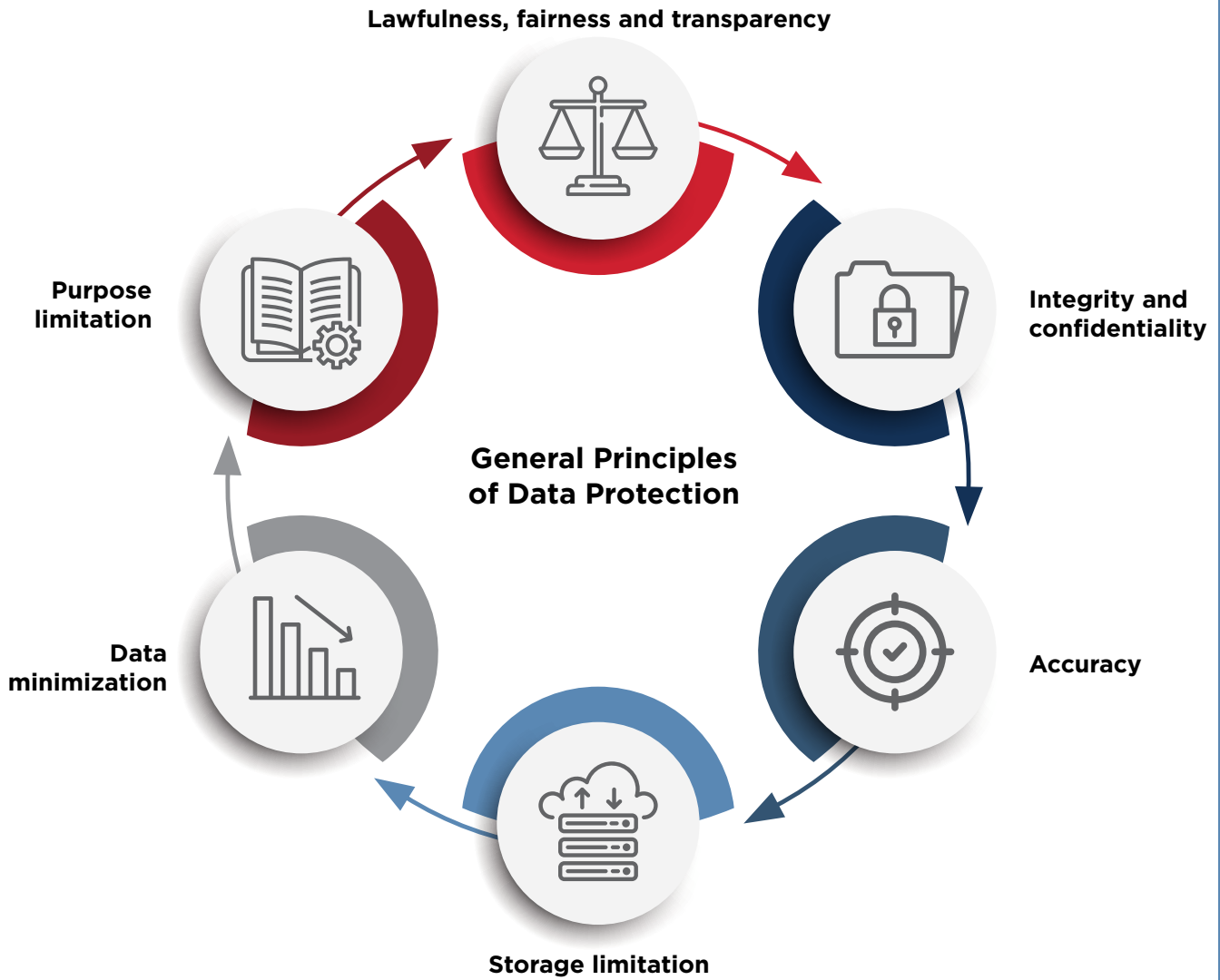
ABS, as a leader in digital technology and innovation in the maritime industry, believes that effective cyber risk management is the cornerstone of providing exceptional services. We recognize the significance of lawfully and ethically handling personal data for successful operations and preserving the trust of both our clients and employees. Our commitment extends beyond our own cybersecurity to assisting our clients in managing their cyber risks effectively.

We are committed to complying with all the laws and regulations related to personal data protection and privacy in all countries where we do business including, where applicable, the European Union's (EU) General Data Protection Regulation (GDPR). In our Data Privacy Policy and Code of Ethics, we clearly state our objective to protect all private and personal data of our personnel and clients. We promise all personal data, including address, phone number, race, medical information and other sensitive information, will only be gathered, used and disclosed on a business need-to-know basis or when required by law or court order.

We ensure that only appropriate individuals have access to personnel data and sensitive information. Client data is also handled carefully and is only used for business purposes within the organization. ABS and its affiliated companies have adopted the approach of Privacy by Design, which is a commitment that the privacy of data is maintained properly through the life cycle of a particular processing activity.

In October 2023, ABS supported the National Cybersecurity Alliance and the U.S. Department of Homeland Security (DHS) on Cybersecurity Awareness Month by sharing weekly messages that contained useful information, short educational videos, helpful resources and tips to enable our employees to better protect themselves at work and home. Participating in this annual event is crucial for our employees as it enhances their awareness of potential cyber threats and equips them with the skills to safeguard sensitive information, thus strengthening the overall security posture of ABS.





## STAKEHOLDERS

### Stakeholder Engagement

The identified key stakeholders of ABS include our employees, our clients, vendors and suppliers, academic institutions, industry organizations, financial institutions and regulatory bodies. We value the feedback from our stakeholders because we believe different insights can drive us to a better future. Therefore, ABS actively engages with both internal and external stakeholders to understand their key expectations for ESG performance to further shape implementation of our ESG strategy.







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