Communication on Progress
StormGeo, August 2020
CoP Differentiation Level: GC Active
Dear Mr. Secretary-General,

On behalf of StormGeo, I am proud to offer our continued support for the United Nations (UN) Global Compact and its initiatives, including the Ten Principles, which cover human rights, labor, environment, and anti-corruption. This letter is a declaration of our intent to uphold and actualize these principles through the utilization of the resources, expertise, and thought leaders within StormGeo. We are committed to prioritizing the UN Global Compact and its principles within the culture and operations of our organization, as well as to engage in partnerships that will advance the broader goals of the UN, with a focus on both the Sustainable Development Goals and the Action Platform for Sustainable Ocean Business. StormGeo has made our commitment known to staff, stakeholders and the general public.

In the attached annual Communication on Progress (CoP), we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Kind Regards,

Søren Andersen
CEO, StormGeo
August 12, 2020
Referring to Principles 1 and 2 of the UN Global Compact, StormGeo supports and respects the protection of internationally proclaimed human rights, as well as makes sure our operations are not complicit in human right abuses. We do this by maintaining an inspiring, safe, and healthy work environment, as stated in our Quality Management System (QMS).

// Actions of Implementation

We have several global policies and guidelines in place pertaining to human rights, such as policies on Corporate Social Responsibility (CSR), health and safety, equality and diversity, harassment and bullying, sanctions, internal communication, and whistleblowing, as well as a code of conduct for suppliers.

The following are some of StormGeo’s main human rights tenets:

- StormGeo opposes all forms of unlawful and unfair discrimination, such as those based on gender, race, ethnic origin, disability, age, nationality, national origin, sexuality, religion or belief, marital status and social class.
- StormGeo treats all employees – and requires its employees to treat their colleagues – fairly, equally and with respect.
- StormGeo regards breaches of our diversity and equality policy as misconduct, which could lead to disciplinary proceedings.
- StormGeo encourages employees to raise genuine concerns or any suspicions they may have concerning misconduct, without suffering any detrimental treatment as a result of voicing their concerns.
- StormGeo performs an annual risk assessment at each office. From this, our Global Health, Safety, Security & Environment (HSSE) Manager compiles an annual report with suggested actions to be discussed with the Global Human Resources (HR) Manager. The report is presented in a number of management meetings.
- StormGeo expects its business partners to respect local religious and cultural customs, as well as the rights and integrity of local communities and indigenous people.

These policies and guidelines are communicated to all new employees upon training, made available to all employees at all times, and updated continuously. Additionally, we adhere to local rules and regulations and adapt to local culture and traditions. Together, these processes ensure we build one united company culture and unified production system.

StormGeo’s aim is to be a non-discriminatory workplace. Within StormGeo’s workforce, 30 different nationalities are represented, as are many different religions. StormGeo ensures equal opportunities and rights in recruitment, remuneration, and working conditions, as well as promotion, personal development, and protection against harassment. Furthermore, StormGeo aims to be an inclusive organization with regards to reduced functional ability.

// Measurement of Outcomes

We do not tolerate harassment in StormGeo. We encourage our employees to submit a report if they feel discriminated against. No harassment cases were reported in 2019. Furthermore, in our annual, anonymous employee survey of 2019, 87% of our employees reported being treated with respect and dignity. Together, the two data points seem to indicate an environment where, throughout 2019, employees a) felt safe to report harassment and/or discrimination; and b) did not feel the need to do so.
Referring to Principles 3, 4, 5 and 6 of the UN Global Compact, StormGeo upholds the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment and occupation. We do this by maintaining an inspiring, safe and healthy work environment, as stated in our QMS.

// Actions of Implementation

We have several global policies and guidelines related to labor in place, which include policies on CSR, health and safety, harassment and bullying, privacy data, sanctions, internal communication and whistleblowing, as well as a code of conduct for suppliers.

Some of the actions StormGeo takes to enforce these guidelines include:

- StormGeo’s health and safety management system conforms to—and is based on—the International Organization for Standardization (ISO) 45001 standards.
- StormGeo’s organization is structured and managed in accordance with the Norwegian Code of Practice for Corporate Governance.
- StormGeo identifies, manages, and implements control measures and reports on all activities impacting health and safety, as well as promotes a positive health and safety culture.
- StormGeo ensures our procedures, risk management, and work environment inspire and increase the well-being of all our employees.
- StormGeo provides information, education, training, and supervision on these policies, so that all employees are competent to do their tasks, as well as consults with our employees and contractors on matters affecting their health and safety.
- StormGeo expects its business partners not to employ children below the age of 15 or any higher minimum age for employment, according to applicable laws, as well as below the age of 18 for any form of hazardous work.
- StormGeo expects its business partners not to employ people against their will or require employees to lodge identity papers or deposits (financial or otherwise) as a condition of their employment.

These policies and guidelines are communicated to all new employees upon training, made available to all employees at all times and updated continuously. Additionally, we adhere to local rules and regulations and adapt to local culture and traditions. Together, these processes ensure we build one united company culture and unified production system.
These processes are nothing without our people. The StormGeo community is our most important asset and the core of our success. StormGeo’s community identity is expressed through our four core values:

// Passion
Our employees are skilled, dedicated, and comprise a wonderful international team. Communication is a top priority, and while “yes” is nice to hear, “why?” is just as valuable. We push our leaders to set targets that motivate their teams. We develop products that excite and inspire us so we can pass that passion onto our customers.

// Integrity
It is vital that each employee feels their contributions are respected, that they are trusted to do their tasks well, and that they can conduct themselves with integrity.

// Bravery
We encourage our employees to be brave in everything they do. Fear of failure should not get in the way of identifying creative solutions to the new challenges we face in today’s rapidly changing environment.

// Innovation
At times we may encounter hurdles and challenges. Other times we may find successes where we didn’t expect to find them. Whatever the result, we always learn, adapt and change. We innovate, and we get better every time to the benefit of our clients and the world we live in.

These values serve as a foundation for our interaction, both internally and externally. We share a working culture that respects, celebrates and harnesses differences, while at the same time coalesces around a common set of ethical guidelines.

// Measurement of Outcomes
To further implement the Principles 3, 4, 5 and 6 of the UN Global Compact in our daily operations, StormGeo has identified some Key Performance Indicators (KPIs) to measure our success.

For 2019, the KPIs relating to labor were:

I. Zero serious incidents reported in the StormGeo Group.
II. Incident/near-miss investigations closed within 30 days.

Here, serious incidents are defined as significant events, which demands a response beyond the routine, resulting from uncontrolled developments in the course of the operation of any establishment or transient work activity. Incidents or near-miss occurrences are defined as events that have the potential to cause injury or ill health, and/or damage, and/or loss, but which were avoided.

Both KPIs were achieved. More specifically, the total number of first-aid cases, lost time injuries, medical treatment cases, restricted work cases, near-miss reports and dangerous occurrences were 1, 1, 1, 0, 1 and 0, respectively, bringing the total number of incident/near-incident reports to 4.

We also aim for less than 4% total sick leave, defined as the total number of sick days divided by total number of workdays for all employees. In 2019, this number was 1%. In comparison, our employee retention rate was 91%.

Moreover, we target 80% employee engagement, measured by an annual, anonymous employee survey. This is defined as the average proportion of ‘agrees’ and ‘strongly agrees’ to statements about job demands, personal development, organizational culture, internal communication, company commitment, leadership and wellbeing.

In 2019, this proportion was 76%.

For 2020, we have set the following KPIs related to labor:

i. Incident/near-miss investigations closed within 30 days.
ii. Increase the share of female employees from 33 % to 35 %.
iii. No serious incidents reported.

We continue to strive toward these KPIs and measure them either every month, or when applicable. They help us drive business awareness and action in support of achieving Sustainable Development Goal (SDGs) 3 on Good Health and Well-Being, 5 on Gender Equality, and 8 on Decent Work and Economic Growth.
Referring to Principles 7, 8 and 9 of the UN Global Compact, StormGeo supports a precautionary approach to environmental challenges, undertakes initiatives to promote greater environmental responsibility and encourages the development and diffusion of environmentally friendly technologies. We do this by maintaining an inspiring, safe and healthy work environment, as stated in our QMS.

// Actions of Implementation

StormGeo’s policies and guidelines related to the environment include:

- StormGeo's environmental management system conforms to (and is based on) ISO 14001 and 14064-1 standards.
- StormGeo manages and reports on all activities impacting the environment and sustainability.
- StormGeo is committed to the continuous improvement of environmental performance and management.
- StormGeo takes measures to minimize the environmental impacts of business travel by using telephone and video meetings. We also encourage the use of public transport, and usually only provide economy class flight tickets with a lower carbon footprint.
- StormGeo has implemented and is continuously improving energy saving initiatives and technologies to reduce natural resource consumption. Some of the steps we have taken include scheduling electric devices, lights, and heating/cooling to working hours; using electronic documentation; and purchasing energy-efficient equipment.
- StormGeo focuses on waste reduction and recycling through introducing internal recycling programs and by purchasing materials that use less packaging or recycled packaging.
- StormGeo procures environmentally responsible goods and services where possible.
- StormGeo has identified local sustainability representatives at each of its 24 offices to initiate better communication on environmental initiatives, areas in need of improvement and best practices within the entire organization in collaboration with the Global Sustainability Manager.
- StormGeo expects its business partners to avoid pollution and to minimize emissions and waste production and rather to develop and implement environmentally friendly technologies and processes in their activities.

These policies and guidelines are communicated to all new employees upon training, made available to all employees at all times and updated continuously. Additionally, we adhere to local rules and regulations and adapt to local culture and traditions. Together, these processes ensure we build one united company culture and unified production system.

As a participant in the UN Global Compact and its Action Platform for Sustainable Ocean Business, we are especially committed to advancing SDG 14, Life Below Water. As a part of this, growing numbers of our employees have taken the pledge to reduce their consumption of single-use plastics, now solely using StormGeo stainless steel straws and reusable water bottles. SDG 14 is also embedded into our business model through our provision of weather routing services to the shipping industry, which reduce fuel consumption by an average of 2.5% according to the International Maritime Organization (IMO), thus reducing the carbon dioxide (CO₂) and sulfur oxide (SO₂) that would otherwise pollute our atmosphere and acidify our oceans.

Nearly 75% of the work we do supports ocean industries. With strong footholds in shipping and renewable energy, we have a depth of knowledge built over more than two decades that includes weather intelligence, ocean science, climatology, business operation effects on the ocean, and algorithms for decision support. This
knowledge helps our clients reach their own sustainability initiatives. In addition, we encourage our thought leaders within the aforementioned fields to contribute relevant knowledge to the UN Global Compact and its participants to support the achievement of the 17 SDGs.

The work we do externally, particularly for our shipping clients, has big impacts on the environment. In 2019, we supported close to 65,000 voyages with weather routing, saving about 650,000 metric tons (MT) of fuel. This equates to the removal of close to 2 million MT of CO₂, and more than 22,000 MT SO₂ from the atmosphere and ocean. Additionally, we support 30% of all offshore wind production, providing enough energy to power more than 20 million homes per year.

StormGeo’s internal and external work on the environment are highlighted as part of our commitment to our vision and mission.

// Vision

A world beyond climate change.

At StormGeo, we know that climate change has to be confronted. We envision a world that has adapted, coped with, and minimized its effects—a world that has effectively moved beyond climate change. We embrace our responsibility to make a difference for our clients and to offer solutions in the market that can bring us to this future.

// Mission

Every day, we enable our clients to navigate a changing environment by unlocking the value of data.

We believe the most important decisions should be made based on leading edge advanced analytics with the most reliable data. StormGeo’s mission is to be a trusted resource our clients can turn to, guiding them through a rapidly changing future.

// Measurement of Outcomes

To further implement the Principles 7, 8 and 9 of the UN Global Compact in our daily operations, StormGeo has identified a number of KPIs to measure our success.

For 2019, these KPIs were:

I. Environmental documentation ready for ISO 14001 certification.
II. No increase in tons of CO₂ equivalents (tCO₂ eq)/full-time equivalent (FTE) from previous reporting year.
III. 3% overall reduction in greenhouse gas (GHG) emissions from previous reporting year.
IV. Improve waste management practices throughout the StormGeo Group with increased communication and initiatives.

Here, KPI IV was fully achieved and I partially achieved, while KPI II and III were not. For KPI I we completed an ISO 14001 gap analysis, with 80% documentation ready for certification. KPIs II and III are measured through annual carbon account reports. These allow us to benchmark our carbon footprint and evaluate our progress over time.

At StormGeo, we have been reporting on our carbon accounting since 2011. We now report from all our offices with at least five FTEs. In 2019, this was 15 offices, accounting for 521.7 of the total 543.0 FTEs in StormGeo (96.1%). In comparison, nine offices reported in 2018, accounting for 312.1 of the total 401.0 FTEs (77.8%) then.

The input data are reported by the local HSSE and/or sustainability representatives at the individual offices. Using conversion factors, the data are then converted to carbon footprints; that is, the total GHG emissions caused by the reported activity, measured in tCO₂ eq. The factors are purchased from the specialized sustainability consultancy CEMAsys, using the international standard A Corporate Accounting and Reporting Standard (Revised edition) by the Greenhouse Gas Protocol (GHGP).

Input data and conversion factors are compiled and verified by our Global HSSE and Sustainability Managers, who present the data in an annual carbon accounting report. The report is broken down into three scopes:

- Scope 1 - Direct GHG emissions due to fuel combustion, company vehicles and fugitive emissions.
- Scope 2 - Indirect GHG emissions due to consumption of electricity, heating/cooling and steam.
- Scope 3 - Indirect GHG emissions from other sources such as purchased goods and services, investments, leased assets and franchises, transportation and distribution, business travel, employee commuting, waste disposal and use of sold products.
In 2019, our overall carbon footprint was 2,780 tCO₂eq, of which 2 tCO₂eq, 336 tCO₂eq and 2,442 tCO₂eq came from Scopes 1, 2 and 3, respectively. Figure 1 presents these numbers, illustrating how StormGeo’s largest carbon footprint stems from indirect GHG emissions.

StormGeo’s total footprint was 254.8% higher than in 2018. We believe this increase can be explained by various factors. First, the carbon accounting in 2019 represents 521.7 FTEs relative to 312.1 FTEs in 2018 due to acquisitions. Second, we improved our reporting methods for 2019, resulting in more complete reporting in existing categories and more extensive reporting in new categories relative to 2018. Third, we saw a substantial increase in business air travel, at least in part due to the extraordinary situation of having first an interim CEO, then later a new CEO, who both visited most of our 24 offices worldwide.

On the other hand, in two of the categories where we had complete reporting in 2018, stationary combustion (scope 1) and energy consumption (scope 2), we measured a considerable decrease. These changes come from our three American offices, which continued to switch their energy sources from fossil fuels to non-GHG emitting sources in 2019.

Taking StormGeo’s growth in personnel and offices over the last year into account, the 2019 carbon footprint was 127.1% and 139.0% higher than in 2018 per FTE and office area, respectively. These numbers may provide a more accurate picture of the success of our environmental measures, empowering us to better tailor our environmental procedures to reduce our 2020 carbon footprint under the new and improved reporting methods.

For 2020, we have set the following KPIs related to the environment:

i. Map the share of renewable energy sources in the electricity mix to our offices and the price of increasing this share.

ii. Reduce non-recycled waste going to landfills and incineration from 30% to 25%.

iii. Reduce our overall greenhouse gas emissions by 3% relative to 2019.

iv. Assess sustainable contributions by our shipping services.

v. Close gaps for ISO 14001 certification.

We continue to strive toward these KPIs and measure them every month, or when applicable. They help us drive business awareness and action in support of achieving SDGs 7 on Affordable and Clean Energy, 11 on Sustainable Cities and Communities, 12 on Responsible Consumption and Production, 13 on Climate Action, 14 on Life Below Water, and 17 on Partnerships for the Goals. Given COVID-19 in 2020 where our employees began working remotely, we have seen the merits of a remote workforce. We expect to continue this flexibility going forward and believe this will further reduce emissions with fewer employees traveling to an office, increased virtual meetings and less business travel.
Referring to Principle 10 of the UN Global Compact, StormGeo works against corruption in all its forms, including extortion and bribery. We do this by maintaining an inspiring, safe, and healthy work environment, as stated in our QMS.

**// Actions of Implementation**

We have several global policies and guidelines related to anti-corruption in place, which include policies on CSR and sanctions, as well as a code of conduct for suppliers.

- StormGeo does not engage in or tolerate any form of corruption, bribery, extortion or embezzlement.
- StormGeo expects its business partners not to engage, be complicit in, or encourage any activity, practice, or conduct that would be an offence under, or breach of, any applicable laws relating to corruption and bribery.

These policies and guidelines are communicated to all new employees at the time of onboarding, made available to all employees at all times and updated continuously. Additionally, we adhere to local rules and regulations and adapt to local culture and traditions. Together, these processes ensure we build one united company culture and unified production system.

In StormGeo, we comply with the Corporate Governance recommendations through regular Board of Directors meetings, regular operational monitoring, information provided in annual reports and other materials. In addition to the Code of Practice, our Board of Directors has adopted the Employee Conduct Code. These policies form a comprehensive set of ethical guidelines and guidelines for the corporate social responsibility of the StormGeo Group.

The Employee Conduct Code defines the Group’s standards for conduct of all business, legal, and ethical matters carried out, and arising in, daily business. This is meant as a tool and a guide for dealings with customers, partners, interaction with competitors and fellow employees, as well as in financial areas.

We demand honesty and integrity in all our business relations. No employee may instigate, invite to, or accept services that conflict with legislation directly or through an intermediary. Business transactions made on behalf of StormGeo must be available for documentation in accordance with proper business codes of conduct.

**// Measurement of Outcomes**

To further implement the Principle 10 of the UN Global Compact in our daily operations, StormGeo has identified a KPI to measure our success.

For 2020, we have set the following KPI related to anti-corruption:

i. Inform all employees in ethics and anti-corruption.

We continue to strive toward this KPI and measure it every month or when applicable. It helps us drive business awareness and action in support of achieving SDG 16 on Peace, Justice and Strong Institutions.
The Ten Principles of the UN Global Compact

// Human Rights
- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

// Labor
- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

// Environment
- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

// Anti-Corruption
- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.