



STATS GROUP
A WORLD OF DIFFERENCE





PEOPLE & SOCIETY



ECONOMIC



ENVIRONMENT



INNOVATION

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STATS GROUP
A WORLD OF DIFFERENCE

A MESSAGE FROM OUR CEO

I am pleased to present the 2022 Sustainability Report for STATS Group, outlining our commitment to driving higher levels of safety and supporting the industry in the transition to a low carbon future. With a vision firmly rooted in sustainability, we aim to support our clients in meeting their net-zero targets whilst continuing to implement initiatives to reduce our own environmental impact.

As part of our growth strategy, we are internationalising our business in key energy hubs around the world. To provide our specialist technology to our customers regionally, we have expanded our presence by developing local workforces and supply chains. This strategy is providing many benefits, such as reducing international shipping and travel, and generating in-country value to positively contribute to the socio-economic development of the communities where we operate.

Reducing our carbon footprint is a key priority for STATS Group. We are actively working to reduce emissions from our manufacturing processes by reviewing opportunities for environmentally friendly materials and processes. Additionally, we recognise the significance of our supply chain and are working on ideas where we can collaborate to reduce emissions collectively.

Our focus on innovation places us in an ideal position to provide support not only to the traditional hydrocarbon sector but also as the industry evolves towards more sustainable energy supplies. We understand the importance of staying ahead of the curve and adapting to changing market dynamics, and we are proud our technology supports our clients and industry partners to achieve their sustainability and net-zero targets.

Furthermore, we are setting aspirational targets to create a diverse and inclusive workforce. We believe a diverse team fuels innovation and fosters a vibrant company culture. Embracing

diversity enables us to leverage a broad range of perspectives and experiences, driving our success in a rapidly evolving industry.

I am proud of the progress our team has made and excited about the opportunities that lie ahead. Together, we will continue to prioritise safety, champion sustainability, and shape a future that is both responsible and prosperous.



LEIGH HOWARTH
CHIEF EXECUTIVE OFFICER,
STATS GROUP



COMPANY OVERVIEW

STATS Group are market leaders in the supply of pressurised pipeline isolation, hot tapping and plugging services to the global energy industry. DNV type approved isolation tools provide leak-tight double block and bleed isolation that enables safe and efficient maintenance and repair of onshore, topsides and subsea pipeline infrastructure.

STATS has gained an excellent reputation for providing a responsive, client-centred approach combined with expertise and innovative products which:

**DRIVE HIGHER LEVELS
OF
SAFETY IN THE
INDUSTRY**

**ENHANCE
ENVIRONMENTAL
PERFORMANCE BY
REDUCING FLARING
AND VENTING
ACTIVITIES**

**IMPROVE ASSET
PERFORMANCE
WHILE REDUCING
SYSTEM OR PLANT
DOWNTIME**

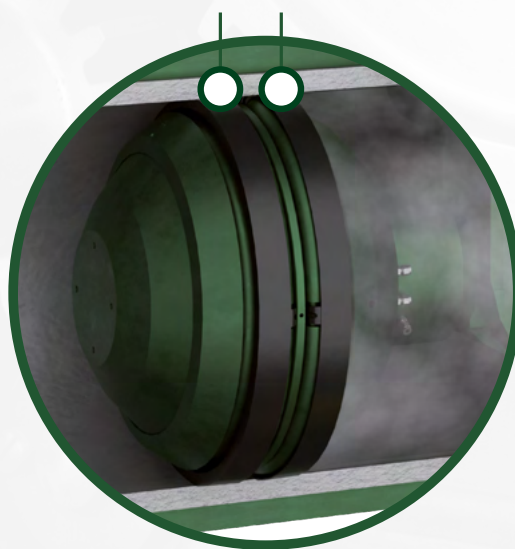
**SUPPORT THE
INDUSTRY
TRANSITION TO A LOW
CARBON FUTURE**

Project management and engineering services are provided to support client needs including turnaround scopes, feasibility studies and contingency planning. In-house expertise extends over the entire life-cycle of hydrocarbon assets from construction, maintenance, asset life extension, through to decommissioning and on to hydrogen transportation and carbon capture and storage.

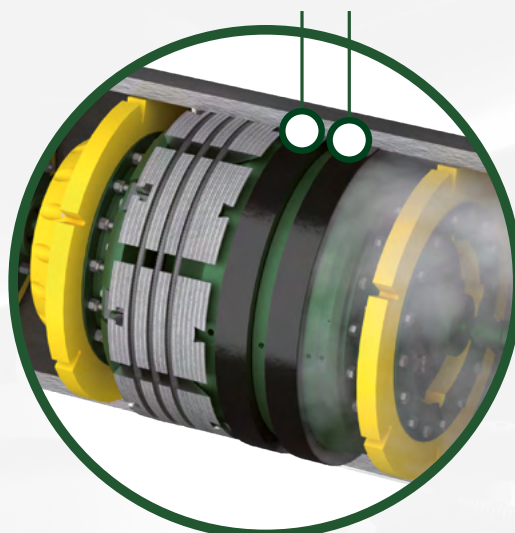
STATS provide high quality, fit-for-purpose solutions to ensure the pipework and pipeline infrastructure of its clients meet the technical, safety and environmental standards required.



BISEP® Dual Leak-Tight Seals
Double Block & Bleed Isolation



Remote Tecno Plug® Dual Leak-Tight Seals
Double Block & Monitor Isolation



2022 HIGHLIGHTS



£59m Revenue:
2022



344 Global
Employees



ZERO LTI's
2022

OPERATIONAL BASES

AMERICAS

USA - Houston
Canada - Edmonton

UK

Scotland - Aberdeen
(Headquarters)

MIDDLE EAST

UAE - Abu Dhabi
Qatar - Doha
Oman - Muscat

ASIA PACIFIC

Malaysia - Kuala Lumpur
Australia - Perth

25 YEARS
1998 - 2023

INDUSTRIES SERVED



OUR VALUES:

TEAMWORK



WE VALUE THE
COLLECTIVE EFFORT

- We're one global team
- We all have a role to play
- We listen to each other

RESPECT



WE DEMONSTRATE
INTEGRITY IN ALL WE DO

- We're open, honest and fair
- We play by the rules
- We do the right thing

DELIVERY



WE COMMIT TO RELIABLE
DELIVERY

- We're responsive to our clients' needs
- We understand commitment
- We deliver on time

INNOVATION



WE ENCOURAGE
QUESTIONING MINDS

- We learn by asking questions
- We make time to find safe, reliable solutions
- We celebrate efficient innovation

OUR VISION:

TO PROVIDE SPECIALIST TOOLS AND TECHNOLOGY SERVICES FOR A SAFER ENERGY INDUSTRY

Our vision is to drive higher levels of safety and support the industry in the transition to a low carbon future.

Our focus on innovation means we're ideally placed to continue this support, not only in the traditional hydrocarbon sector, but also as the industry transitions to more sustainable energy supplies.

SUSTAINABILITY STRATEGY

We are committed to incorporating sustainability into our core activities to assess and measure our social and environmental impact.

SUSTAINABILITY STEERING GROUP

The actions we take in support of our Sustainability Policy are coordinated by our Sustainability Steering Group, co-led by Lisa Mitchell, Commercial Director and Derek Smart, Director of QHSE & HR, with representation from across our business and operations.

 LEIGH HOWARTH Chief Executive Officer GROUP	 CO-CHAIR DEREK SMART Director of QHSE & HR GROUP	 CO-CHAIR LISA MITCHELL Commercial Director GROUP	 DARRAN PLEDGER Marketing Manager GROUP	 RON JAMES Sales Director Europe UK
 MARK GAULT General Manager Middle East MIDDLE EAST	 SUMY SHIJU Regional QHSE Manager MIDDLE EAST	 VIKAS SHANGARI General Manager Qatar MIDDLE EAST	 STEPHEN RAWLINSON Regional Director North America NORTH AMERICA	

SUSTAINABILITY PROGRESS

- 🔍 Assessed STATS global carbon exposures per ISO 14064 1&2 against scope 1, 2 and 3 to create a baseline carbon footprint.
- 👥 Created our Sustainability Steering Group as well as some smaller regional working groups.
- 📄 Issued our first annual sustainability report in July 2022.
- ✅ Validated carbon savings associated with our isolations operations.
- 🏆 Won the Energy Industries Council's (EIC) Sustainability Award for 2022.

What's Next...

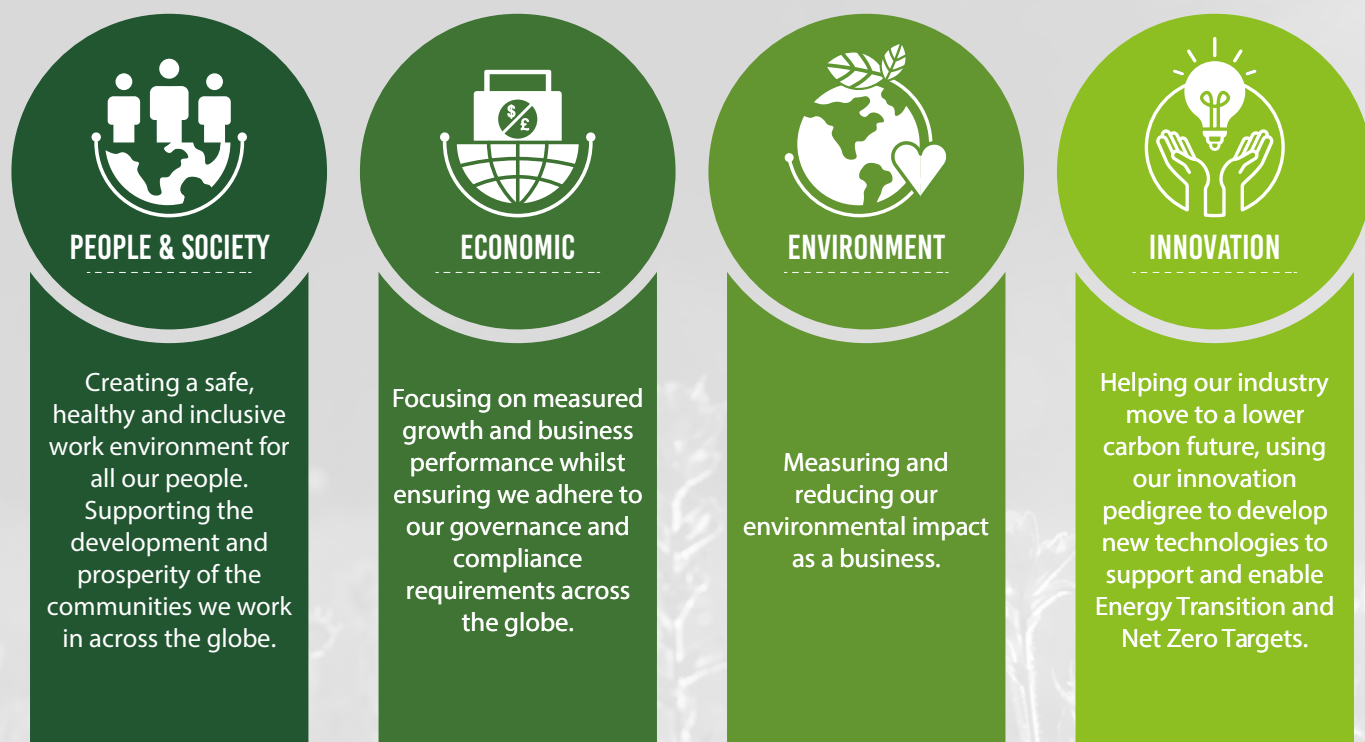
- 🔍 Setting targets and KPIs for 2023.
- 👥 Focussed progress on scope 1 and 2 emissions.
- 👥 Increase our diversity across our group.

**STATS RECEIVES
THE AWARD FOR
SUSTAINABILITY FROM THE
ENERGY INDUSTRY COUNCIL
(EIC) IN OCTOBER 2022**



SUSTAINABILITY PILLARS

Our four-pillared approach to sustainability ensures the development and implementation of an integrated strategy across all aspects of our business and all regions in which we operate. Each of our pillars is cross-referenced against the relevant Sustainable Development Goals.



In addition to the Sustainability pillars, the following key underlying themes are imperative to execute our strategy and support the pillars.





PILLAR 1: PEOPLE & SOCIETY

Creating a safe, healthy and inclusive work environment for all our people. Supporting the development and prosperity of the communities we work in across the globe.

- **Proactively** seek and support opportunities to improve the **health** and **well-being** of our employees.
- Provide **learning** and **career development** opportunities across the organisation.
- Proactively promote and encourage **diversity & inclusion** (D&I) across the company.
- Continually engage, support and **add value** to the **local communities** where we operate.
- Educate and **encourage** our people to help us collectively **achieve** the **sustainability targets** we set.



IN THIS SECTION:

Safety, Health, Environment & Quality

Training & Competency

Diversity & Inclusion

SAFETY, HEALTH ENVIRONMENT & QUALITY

STATS is committed to the health and safety of our workforce and the communities where we operate. Our goal is to have everyone, everywhere, go home safe every day. STATS encourages everyone within the company to be responsible for safety and to implement safe work practices to ensure no one gets hurt. Our commitment to safety is embedded in the STATS Values, and our safety culture is continuously reinforced by executive leadership, with oversight from our Board of Directors.

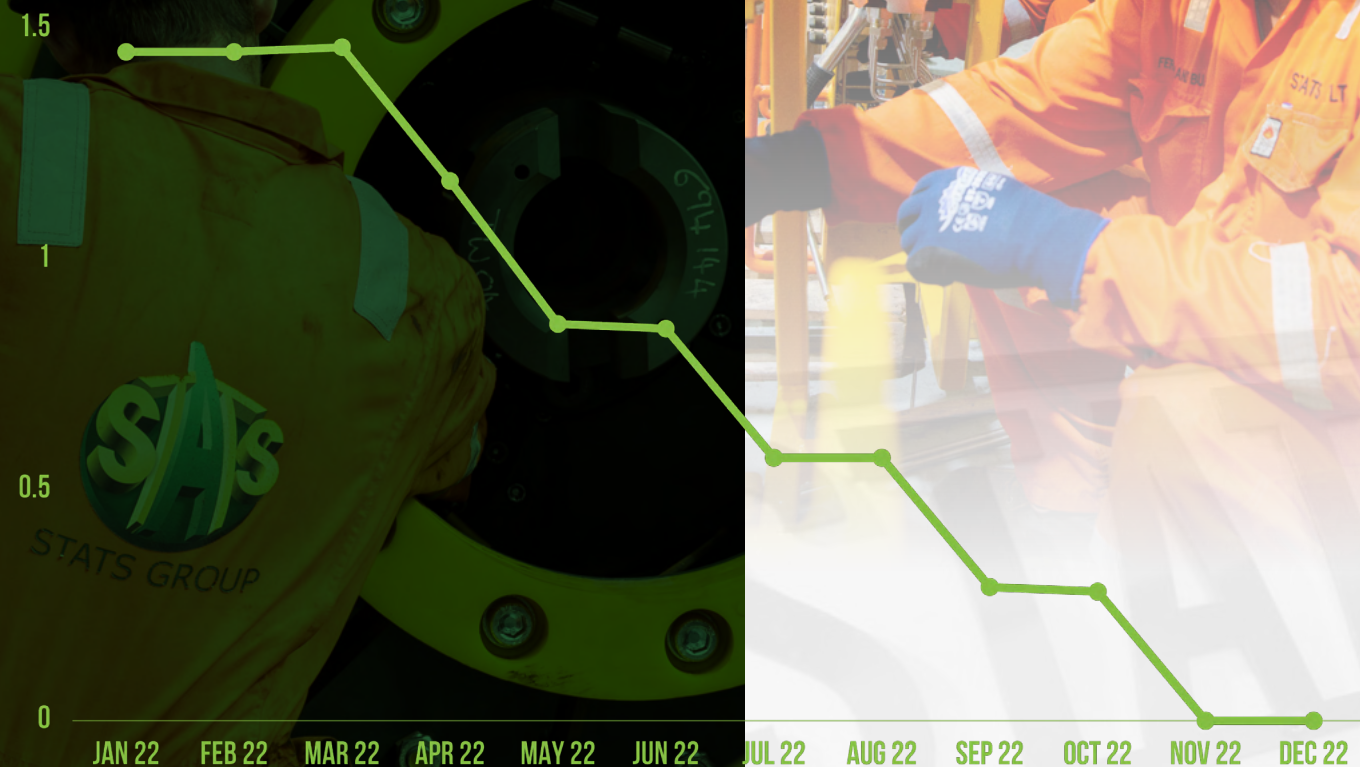
Occupational health and safety, operational safety and pressure testing are among our most important issues, and we continue to prioritise continuous improvement in these areas through our environment, health and safety strategy.

Our safety performance across all of our facilities and in the field has been good throughout 2022. As a result, we have seen our Total Recordable Incident rate reduce from 1.45 to 0 over 2022.

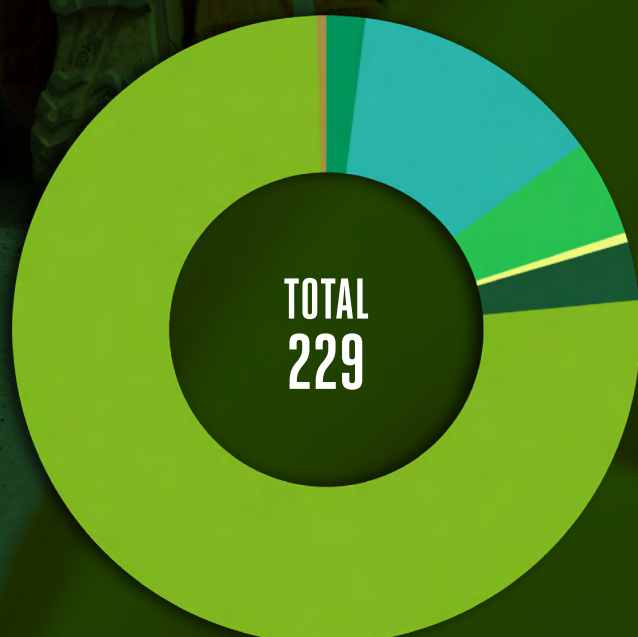


TOTAL RECORDABLE INCIDENT RATE 2022

TRIR = Number of incidents x 200,000 / Total number of hours worked in a year



INCIDENT BREAKDOWN 2017 - 2022



- RESTRICTED WORK CASE (0.5%)
- LOST TIME INCIDENT (0.5%)
- ENVIRONMENTAL (2%)
- MEDICAL TREATMENT CASE (3%)
- HIGH POTENTIAL (5%)
- FIRST AID CASE (13%)
- NEAR MISS (76%)

	2017	2018	2019	2020	2021	2022	TOTAL
ENVIRONMENTAL	1	0	2	1	0	0	4
FIRST AID CASE	5	9	4	1	5	5	29
HIGH POTENTIAL	1	3	3	1	2	2	12
LOST TIME INJURY	1	0	0	0	1	0	2
MEDICAL TREATMENT CASE	0	3	2	0	3	0	8
NON INJURIOUS ACCIDENT / NEAR MISS	53	56	21	15	11	17	173
RESTRICTED WORK CASE	0	0	0	0	1	0	1
TOTAL	61	71	32	18	23	24	229

TRAINING & COMPETENCY

Our training and competency systems are focused on ensuring no harm to people and no damage to equipment whilst Managing Pressure and Minimising Risk. By ensuring our employees are well-trained and competent our projects are executed safely, minimising errors, and maximising positive impacts.

Our competent employees are well equipped to identify and address potential risks and hazards associated with our projects, reducing the likelihood of costly mistakes and negative consequences for the environment. At STATS we have a culture of continuous learning and improvement, fostering a dynamic approach to sustainability that adapts to changing circumstances and emerging challenges. This culture requires ongoing commitment and dedication from all employees. Our employees understand how their training and competence contributes to the long-term success and positive impact of the business.

By investing in training and competence development for sustainability, we empower our teams to become champions of positive change, driving a sustainable future for STATS, our clients, and the broader community.

TRAINING COURSES
COMPLETED 2022

1,300+

TECHNICAL
TRAINING COURSES

140+

ONGOING
TRANSFERENCE OF
CLASSROOM-BASED
LEARNING ONTO
ONLINE COURSES

18 online
training courses

10 new online
courses added

SAFETY RELATED
TRAINING COURSES

850+

NEW INTERNAL
ASSESSORS TRAINED

34

£300K

INVESTED IN TRAINING
DEVELOPMENT



SENIOR LEADERSHIP TEAM
COMPLETED CONSCIOUS
LEADER PROGRAM



UNCONSCIOUS
BIAS



RESILIENCE



MENTAL
HEALTH IN THE
WORKPLACE



EQUALITY,
DIVERSITY &
INCLUSION

DIVERSITY & INCLUSION

At STATS we recognise that the success of our business is directly tied to the people who work with us. We understand that a diverse team fuels innovation and fosters a vibrant company culture where people feel respected and empowered. By actively seeking, recruiting, and developing talent from a wide range of backgrounds, we leverage a broad range of perspectives and experiences, driving our success in a rapidly evolving industry.

WE ARE PROUD TO FOSTER DIVERSITY WITHIN OUR WORKFORCE, AND WE ARE SETTING ASPIRATIONAL TARGETS TO CREATE A DIVERSE AND INCLUSIVE WORKFORCE AT ALL LEVELS ACROSS THE BUSINESS.



We are committed to creating an inclusive and productive work environment that is representative of and responsive to various cultures and groups. Our goal is to provide equal opportunities for everyone to thrive, and we achieve this by employing fair, objective, and innovative practices throughout all stages of employment. We are dedicated to ensuring that:

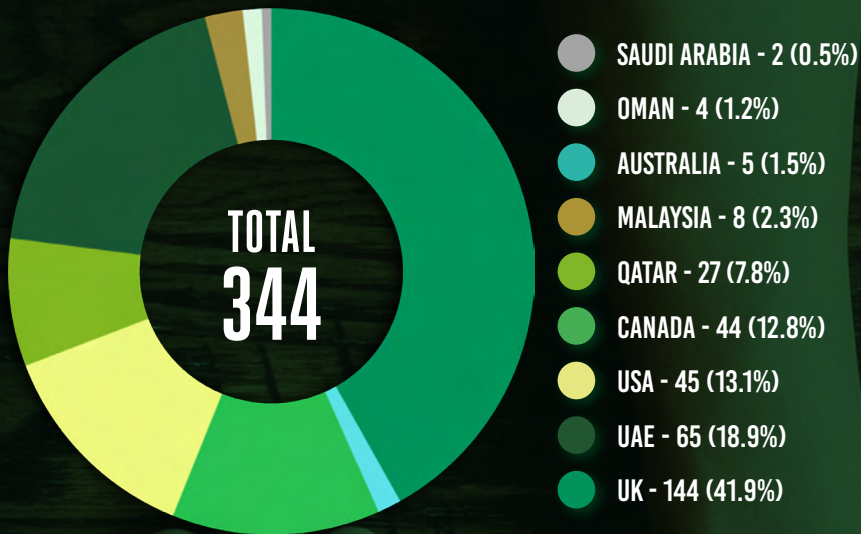
ALL EMPLOYEES AND POTENTIAL EMPLOYEES ARE TREATED FAIRLY AND WITH RESPECT, REGARDLESS OF THEIR EMPLOYMENT STATUS.

EVERY INDIVIDUAL HAS THE RIGHT TO WORK IN AN ENVIRONMENT FREE FROM HARASSMENT, BULLYING, OR ANY OTHER FORM OF UNWANTED BEHAVIOR. WE REJECT DISCRIMINATION BASED ON FACTORS SUCH AS GENDER STATUS, MARITAL STATUS, CIVIL PARTNERSHIP STATUS, PREGNANCY, RACE, DISABILITY, AGE, POLITICAL OR RELIGIOUS BELIEF, OR SEXUALITY.

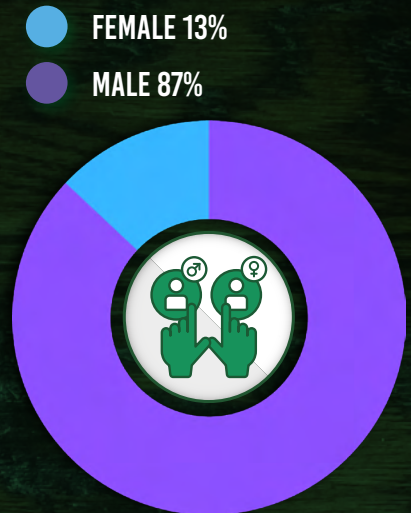
ALL EMPLOYEES HAVE AN EQUAL CHANCE TO CONTRIBUTE THEIR TALENTS AND REACH THEIR FULL POTENTIAL, REGARDLESS OF ANY DEFINING CHARACTERISTICS THAT MAY GIVE RISE TO UNFAIR DISCRIMINATION.



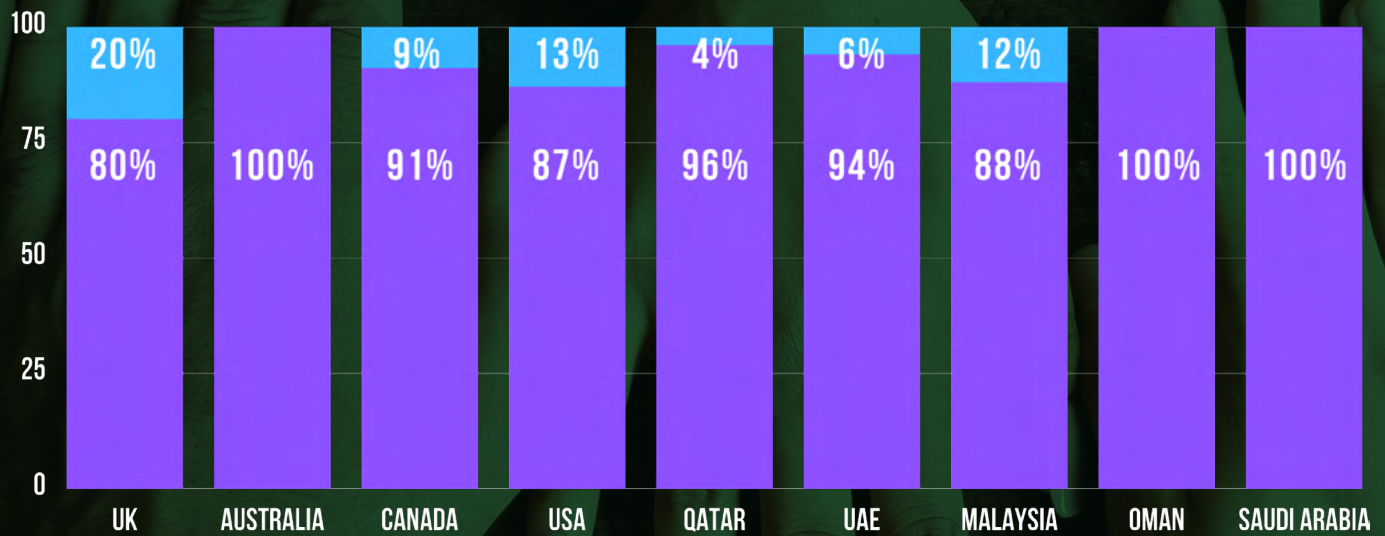
GLOBAL HEADCOUNT



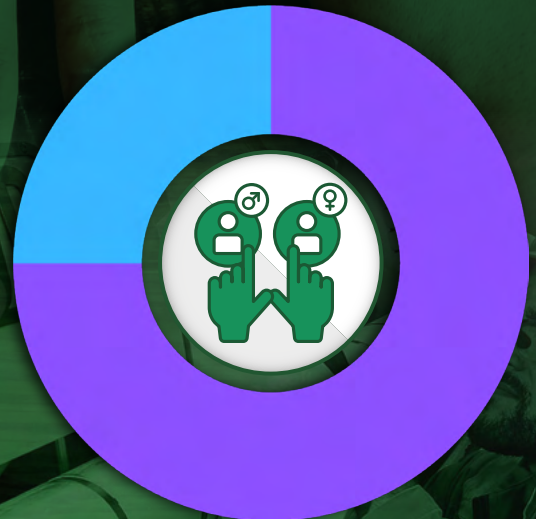
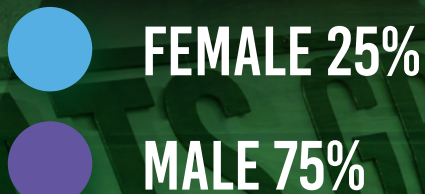
HEADCOUNT BY GENDER



GENDER SPLIT BY LOCATION



GENDER SPLIT TARGET BY 2028

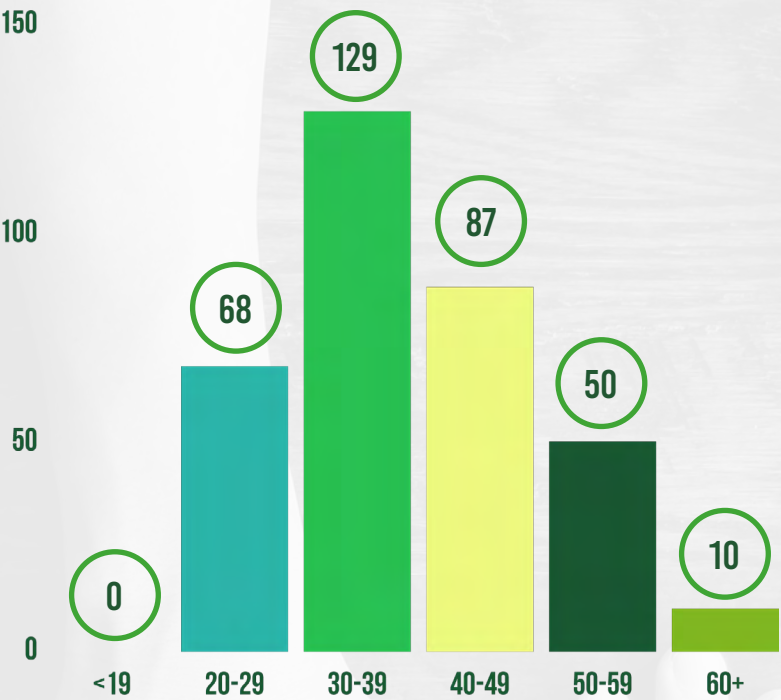


HEADCOUNT SPLIT BY FUNCTION

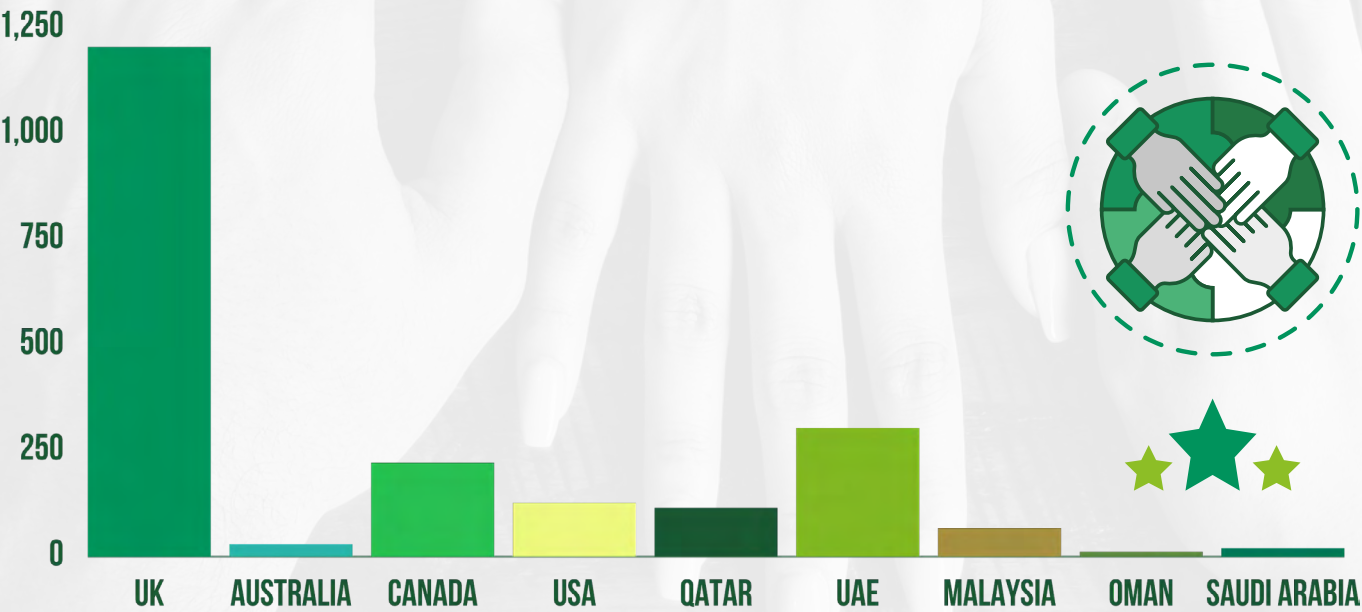
- BUSINESS DEVELOPMENT - 7%
- SUPPORT FUNCTION - 23%
- DIRECT OPERATIONAL - 70%



EMPLOYEE AGE RANGE



TOTAL YEARS EXPERIENCE WITH STATS BY REGION



OVER 2,000 YEARS
EXPERIENCE
ACROSS OUR GLOBAL TEAM



HEADCOUNT SPLIT BY NATIONALITY





PEOPLE & SOCIETY



ECONOMIC



ENVIRONMENT



INNOVATION

PILLAR 2: ECONOMIC

Focusing on measured growth and business performance whilst ensuring we adhere to our governance and compliance requirements across the globe.

- **Comply** with environmental **legislation**, regulatory and other relevant reporting requirements.
- Progress with our **considered** and **profitable growth** strategy - with focus on local delivery.
- Proactively seek **collaboration** opportunities with industry partners that enable our sustainability goals to be achieved.
- Continually assess opportunities for implementation of a **circular economy** approach within our business.



IN THIS SECTION:

Corporate Responsibility

In-Country Value

Community Engagement

CORPORATE RESPONSIBILITY

1 We are committed to being open, honest, inclusive and respectful, and providing a working environment free from harassment. We aim to have a positive influence on the communities where we operate.

2 Respect for human rights is fundamental to our values of honesty, integrity and respect for people. We want to make a positive impact and help to support vulnerable groups in society. We aim to prevent opportunities for modern slavery to occur within our businesses or supply chains.

3 We seek to ensure we comply in all respects with all applicable legislations in the jurisdictions where we operate with regard to money laundering, terrorist financing and transfer of funds. We seek to validate surety of fund sources and destinations.

4 We ensure we comply with all tax laws in the jurisdictions where we work and operate. We have a firm anti-tax avoidance policy and do not support tax evasion or its facilitation through our organisation or on behalf of others.

5 We always ensure we are compliant with any applicable sanctions at all times. It is essential that we and our stakeholders, customers and suppliers uphold the highest standards of compliance with the laws of all governmental jurisdictions.

6 As a business, we recognise that bribery and corruption have a detrimental effect on communities wherever they occur. It is our policy to maintain the highest level of ethical standards in the conduct of our business affairs and we have a zero-tolerance approach to bribery and corruption.

7 We commit to always complying with all the laws of any jurisdiction where our companies operate, perform work, or transact. This compliance expectation extends to the conduct of our clients, employees, suppliers, and stakeholders.

8 Our business is built around the preservation of our own proprietary concepts and knowledge. We seek to protect these rights when they are being used in the course of our business. We ensure that where information, data, trade secrets or ideas are shared with us by others, that we take the same level of care as we would with our own.

9 We actively participate in the wider energy industry and aim to be at the forefront of technology, standards development and compliance. Our vision is to drive higher levels of safety and support the industry transition to a low carbon future.

1
RESPONSIBLE

2
HUMAN RIGHTS

3
ANTI-MONEY
LAUNDERING

4
TAX

5
SANCTIONS

6
ANTI-CORRUPTION

7
LEGAL
REQUIREMENTS

8
CONFIDENTIALITY

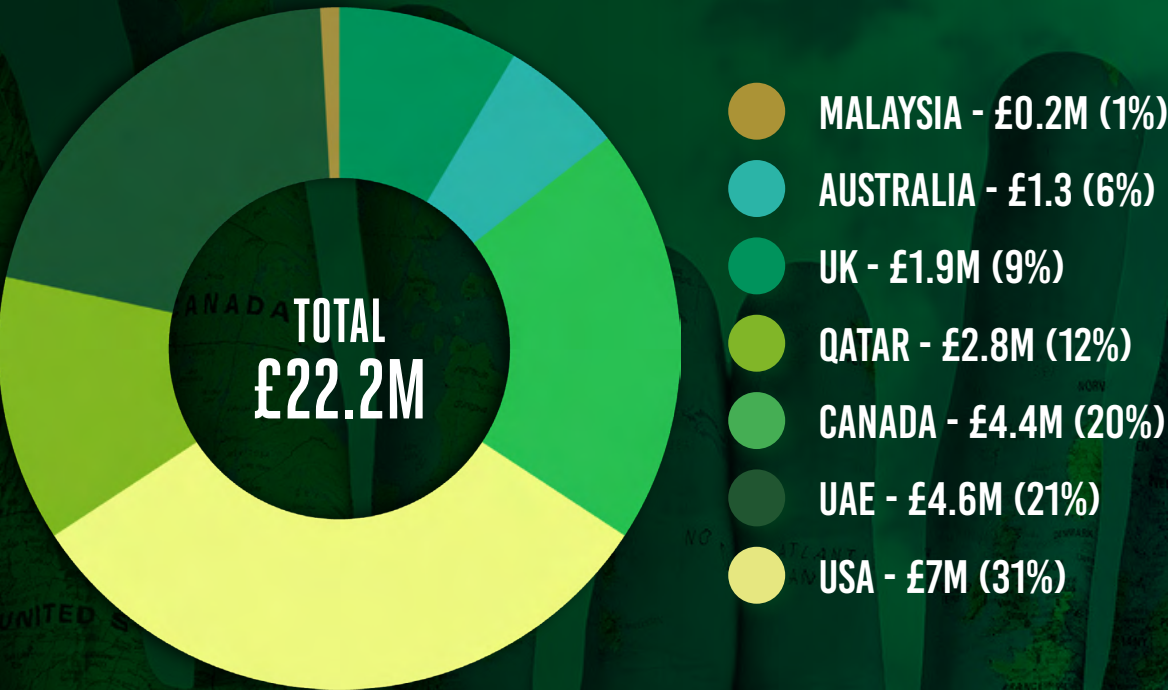
9
INDUSTRY
BODIES

We seek to demonstrate honesty and integrity in everything that we do and have an excellent reputation for conducting business in accordance with the highest ethical standards. STATS believes good business is undertaken with honesty and in full and transparent compliance with the relevant laws and regulations maintaining a consistent standard of behavior.

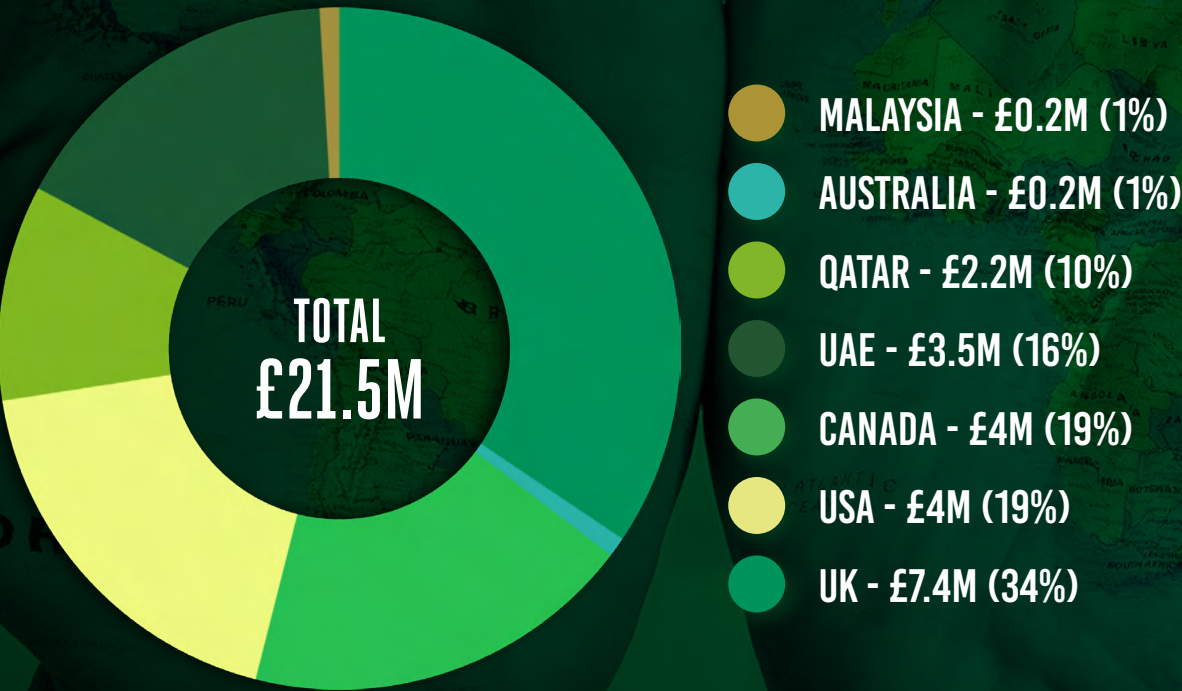
IN COUNTRY VALUE

Our strategy of localisation has enabled STATS to be closer to its customers, ensuring faster response times, lower cost delivery, a more personalised service, and a reduced client carbon footprint associated with transporting equipment internationally. Not only has this model been vital in building resilience during challenging periods, but it equally offers a bright, scalable, sustainable future for the company.

LOCAL MATERIAL SPEND BY COUNTRY

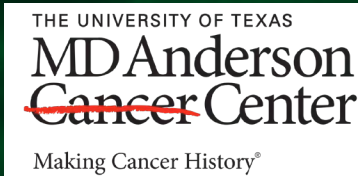


INCOME TO OUR STAFF



COMMUNITY ENGAGEMENT

Our success is interdependent with the prosperity of the communities where we operate. At STATS we are committed to engaging with communities to make a positive contribution to charities and community-driven solutions.



5 Charity
Committees
across
STATS Locations

£3,700

FUNDRAISED BY STAFF

£10K+

DONATED

100+

VOLUNTEERING HOURS





PEOPLE & SOCIETY



ECONOMIC



ENVIRONMENT



INNOVATION

PILLAR 3: ENVIRONMENT

Measure and reduce our environmental impact as a business.

- **Assess**, baseline and manage our overall **environmental impact** and **performance**.
- Proactively seek opportunities to **reduce** our **carbon footprint**.
- **Support** our **clients** and the wider industry to **reduce emissions** within our core business activities.
- Continually seek and **implement solutions** to **reduce waste** that we produce as a business, and **manage our resources** efficiently.



IN THIS SECTION:

Carbon Reduction Journey

Emissions

Reducing Venting and Flaring

CARBON REDUCTION JOURNEY

2020

- Sustainability Policy Implemented

2022

- Expert Appointed to perform gap analysis of carbon footprint data

2024

- Implement all region scope 2 data collation and monthly reporting

2026

- Baseline all Scope 3 emissions

2030

- Implement Scope 3 Emissions 10 year reduction plan

2040

- Reassess exposures – determine full reduction potential – Scope 3

2042

- Implement final 3 year reduction plan – scopes 1, 2 and 3

2021

- Sustainability Steering group formed
- Change to green electricity supplier for UK

2023

- Define materiality assessment
- Implement all region scope 1 data collation and monthly reporting

2025

- Implement Scope 1 & 2 Emissions 10 year reduction plan

2027

- Implement all region scope 3 data collation and monthly reporting

2035

- Reassess exposures – determine full reduction potential – Scope 1 and 2

2041

- Assess carbon credits requirements

2043

- Appoint external assessor to reassess full carbon footprint

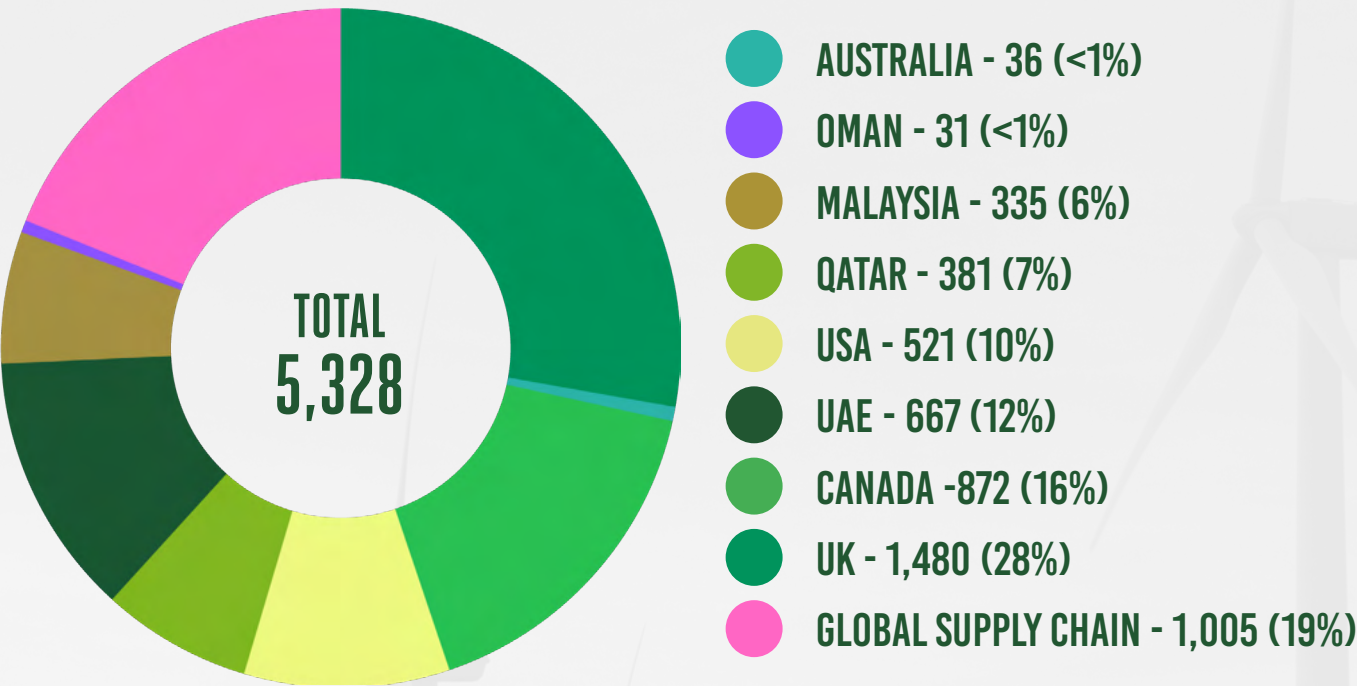
Achieve
Net-Zero Plan

2045

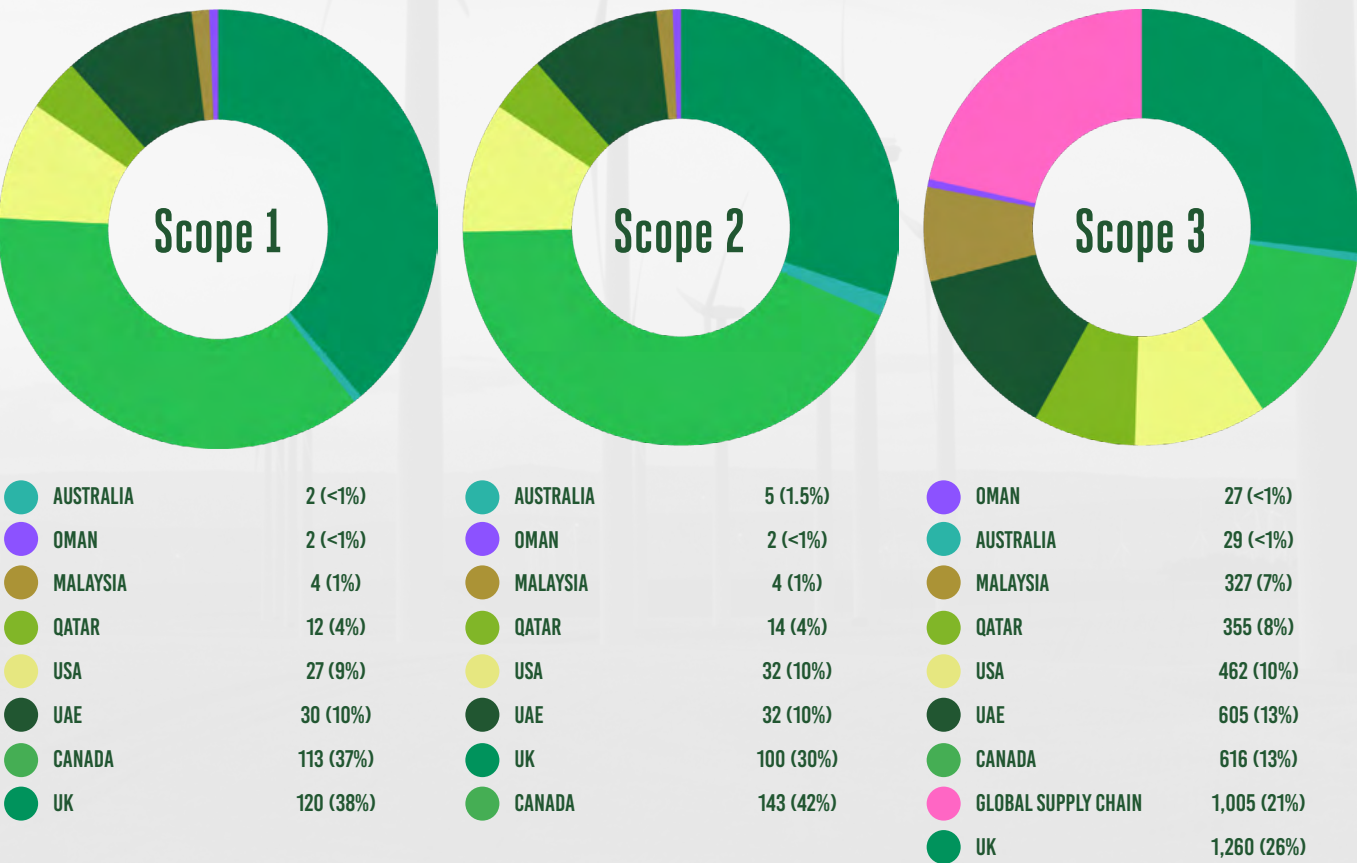
EMISSIONS

STATS global operations were calculated to have an annual footprint of 5,328 Tonnes CO2e. Below is a summary of our carbon emissions for each of our regional operational facilities.

ANNUAL CARBON EMISSIONS BY REGIONAL ACTIVITY (TONNES CO2E)



ANNUAL SCOPES 1, 2 & 3 EMISSIONS BY REGIONAL ACTIVITY (TONNES CO2E)



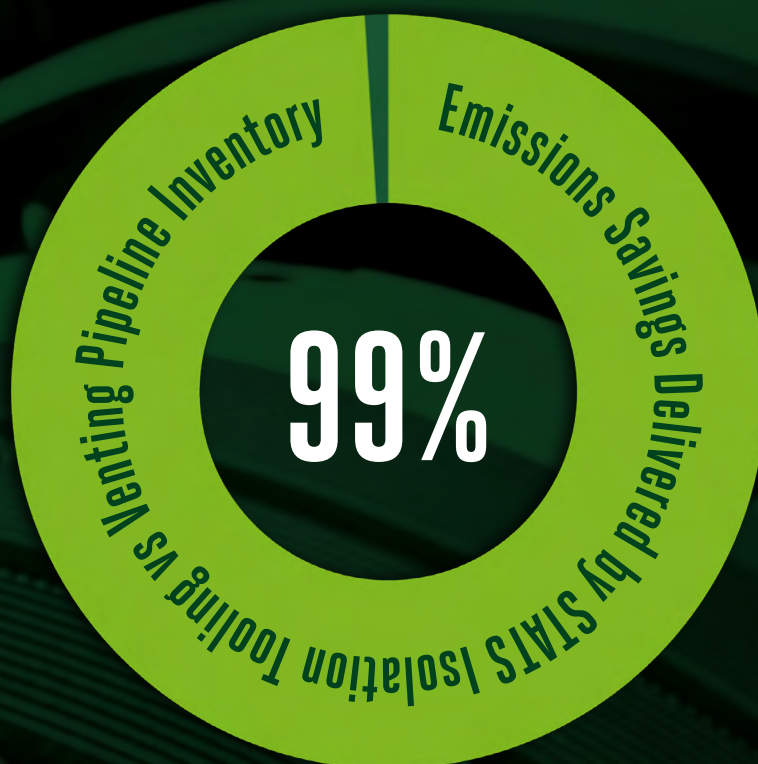
REDUCING VENTING & FLARING

WHAT'S YOUR VIEW ON FLARING AND VENTING? USE US AND YOU SHOULDN'T HAVE ONE.

With STATS, emissions related to temporary isolation are minimised or avoided altogether, keeping hydrocarbons in the pipeline. No venting. No flaring. Which means a better environment. Better KPIs. And better sustainability credentials. In fact, a better operation all round, really. It's a world of difference.

STATS GROUP
A WORLD OF DIFFERENCE

Find out more at statsgroup.com



SIZE	COMPONENT	PIPELINE DIAMETER	PIPELINE LENGTH	EMISSIONS SAVINGS (TONNES CO2E)
PLATFORM TO BACTON RECEIVING TERMINAL	Natural Gas (vented) at 90bar	24"	55km	2,454
PLATFORM TO ST FERGUS RECEIVING TERMINAL	Natural Gas (vented) at 90bar	36"	452km	48,121

Large pipeline sections and process plant systems are frequently vented to facilitate valve repair and other maintenance activities. Temporary isolation tools minimise this requirement by providing safe, localised isolation where incumbent valves are not available.

Using STATS proprietary double block and bleed isolation technologies for localised repair and maintenance allows worksites to be safely isolated without the need to depressurise large sections of the pipeline, thereby avoiding the need to discharge significant quantities of greenhouse gases into the atmosphere.

STATS TECHNOLOGIES HAVE BEEN INDEPENDENTLY VERIFIED TO DELIVER CARBON EMISSIONS SAVINGS OF OVER 99% COMPARED TO VENTING A PIPELINE FOR REPAIR AND MAINTENANCE.



PEOPLE & SOCIETY



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INNOVATION

PILLAR 4: INNOVATION

Helping our industry move to a lower carbon future, using our innovation pedigree to develop new technologies to support and enable Energy Transition and Net-Zero targets.

- Support the industry's energy transition and net-zero initiatives, through our technology excellence – including hydrogen and CCUS sectors.
- Continue seeking and implementing digital solutions to reduce our environmental impact and improve business efficiency.
- Act as a supply-chain champion for energy industry SME's to help deliver a lower carbon future.



IN THIS SECTION:

Supporting Clients

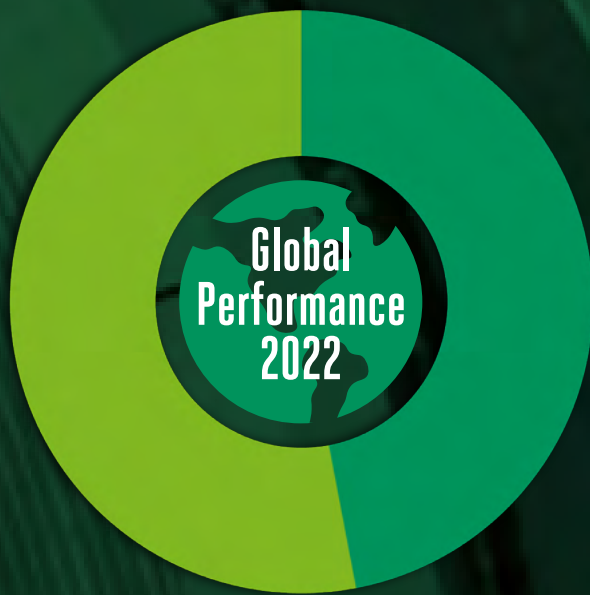
A SAFER Energy Industry

New Developments

SUPPORTING CLIENTS

STATS provide high quality, fit-for-purpose solutions to ensure that the pipework and pipeline infrastructure of its clients meet the technical, safety and environmental standards required. We have gained an excellent reputation for providing a responsive, client-centred approach combining expertise and innovative products

CLIENT SATISFACTION



- **EXCEEDED MY EXPECTATIONS (47%)**
- **MET MY EXPECTATIONS (53%)**
- **MISSED MY EXPECTATIONS (0%)**



SPECIALIST TOOLS AND TECHNOLOGY SERVICES FOR A SAFER ENERGY INDUSTRY

STATS aim is to drive higher levels of safety and support the industry in the transition to a low carbon future. Our focus on innovation means we're ideally placed to continue this support, not only in the traditional hydrocarbon sector, but also as the industry transitions to more sustainable energy supplies.



NEW DEVELOPMENTS

With investment in carbon capture and storage and hydrogen accelerating, there is a growing focus on how existing pipeline infrastructure can be repurposed.

The requirement for isolation and intervention technology to isolate these critical energy pipelines safely and efficiently for repair, maintenance and modifications is increasingly important.

Supporting pipeline owners and operators' transition to more sustainable energy, STATS double block and bleed isolation technology is already proven to provide high integrity isolation in both hydrogen and high-pressure liquid CO₂ pipelines.



STATS BISEP®, CO₂ LINE, NEW MEXICO



SERVICES

LEARN MORE ABOUT OUR COMPREHENSIVE RANGE
OF PRESSURISED PIPELINE ISOLATION, HOT TAPPING,
PLUGGING AND TESTING SERVICES



PRODUCTS

FIND OUT MORE ABOUT OUR EXTENSIVE RANGE OF
PROPRIETARY PRODUCTS.



GET IN TOUCH

IF YOU HAVE A QUESTION OR WOULD LIKE MORE
INFORMATION, WE ARE HERE TO HELP YOU



STATS GROUP
A WORLD OF DIFFERENCE