



HSEQ ANNUAL REPORT 2019

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INTRODUCTION

2019 was a busy year for GMS with a significant number of vessel mobilisations. We also moved two of our large E-class vessels from Europe to the Middle East. We are currently operating in Europe in an Offshore Wind Farm and in the Middle East in support of offshore Oil and Gas operations. Our typical activities offshore involve moving vessels in field to platforms and well head towers, lifting operations and maintenance and hotel services. We employ over four hundred staff from multiple countries. Most of our staff work offshore on our vessels and in 2019 our working manhours totalled 2,081,525. This Annual Report provides an overview of our HSEQ performance across the company for the period of January 2019 to December 2019.

HEALTH AND SAFETY REVIEW

There were three injuries reported in 2019, two Lost Time Injuries (LTI) and one Medical Treatment Case (MTC).

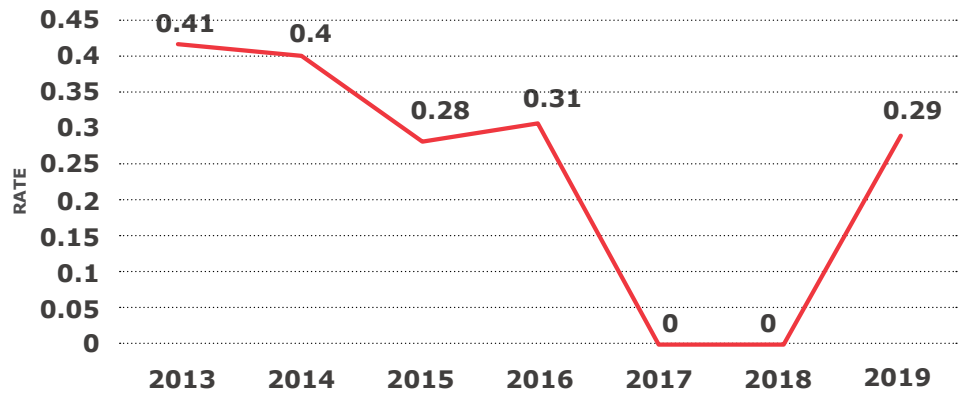
The two Lost Time Injuries occurred offshore while vessels were in operations, and the Medical Treatment Case occurred onshore in one of our site workshops.

Our aim as a company is to provide a safe and injury-free working environment for all our employees, clients, visitors and subcontractors. As a result of these injuries, our Total Recordable Injury Rate (TRIR) increased from 0 (2018) to 0.29 (2019).

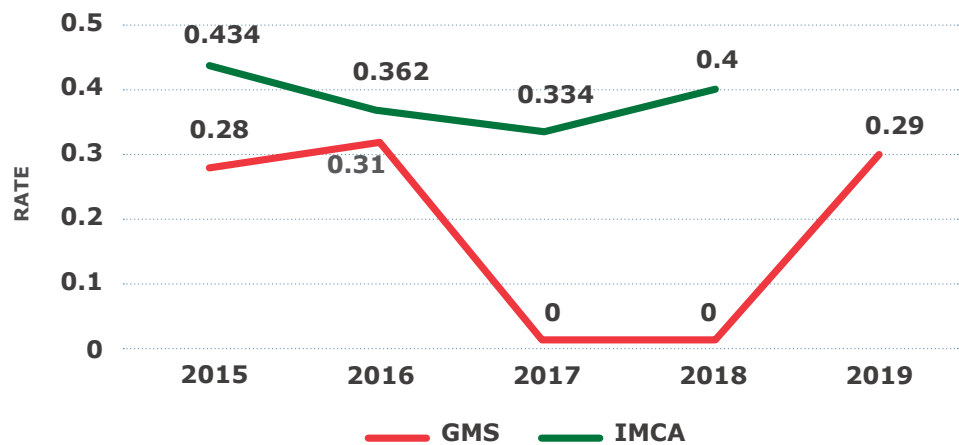
Note: TRIR = LTI + MTC + RWDC (per 200,000 man hours)

There are several positive aspects of the year to highlight. Several of our vessels have completed a significant period without a Lost Time Injury. Notably four of our K-Class vessels; Kikuyu, Kawawa, Kudeta and Kamikaze. One of our larger E-class vessels, Endurance has also completed almost ten years without an LTI, which is the total time the vessel has been in operation since being constructed.

Total Recordable Injury Rate (GMS only)

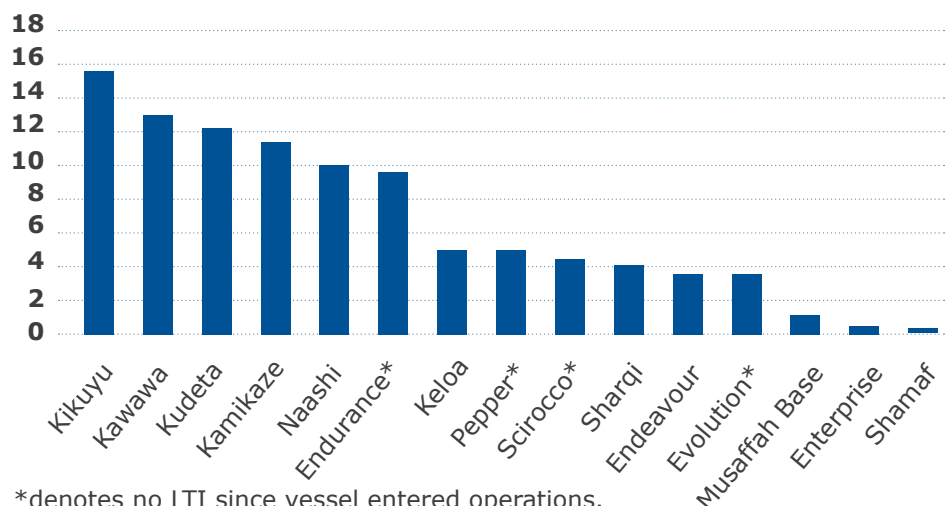


Total Recordable Injury Rate Benchmark



In comparison to industry averages, where we use IMCA as a benchmark, GMS' injury rate is below that of our peers.

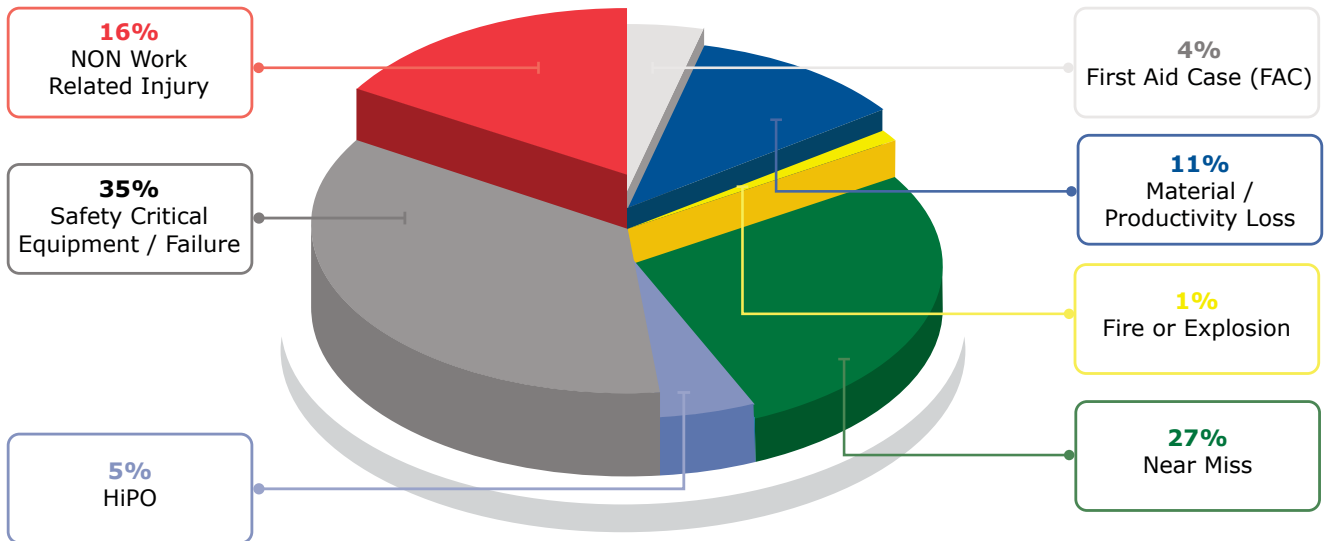
Vessel days without LTI



*denotes no LTI since vessel entered operations.

The majority of incidents were Safety Critical Equipment Failures (35%) and Near Misses (27%).

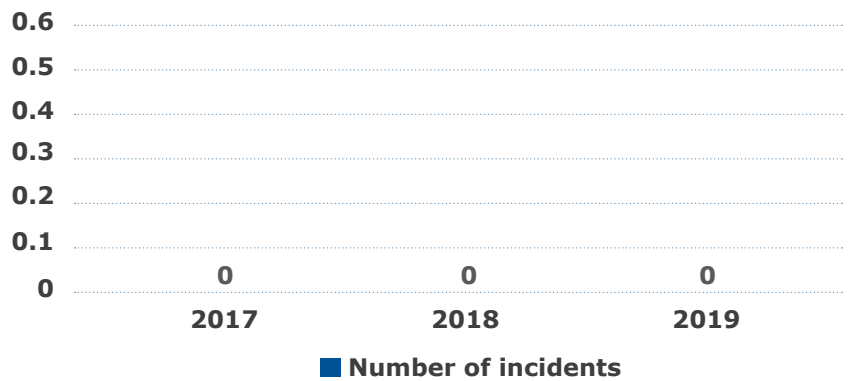
Safety-Critical Equipment failures are significant as they can lead to adverse levels of risk on our vessels, such as when fire or gas detection systems do not function. By investigating such failures, we are actively trying to improve equipment performance across our operations through improved maintenance and inspection.



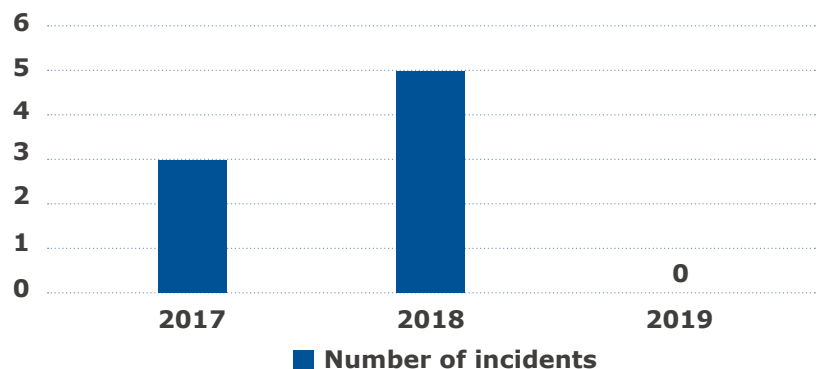
There were no pollution incidents across all our operations and no serious near misses or high potential incidents.

Zero Pollution and Zero High Potential incidents

Pollution Incidents



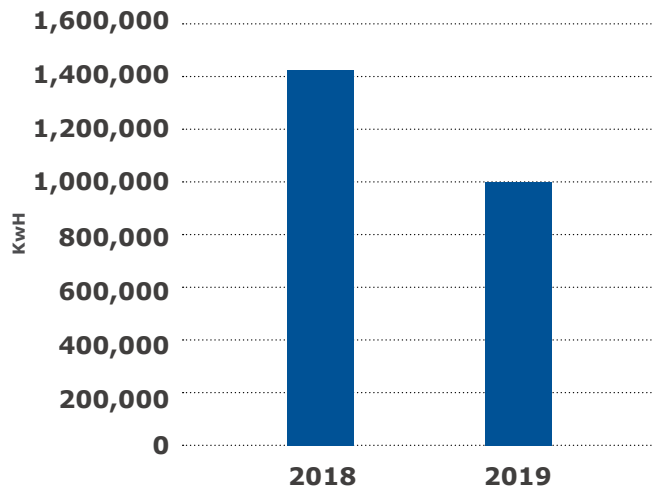
High Potential Incidents



ENVIRONMENT AND SUSTAINABILITY

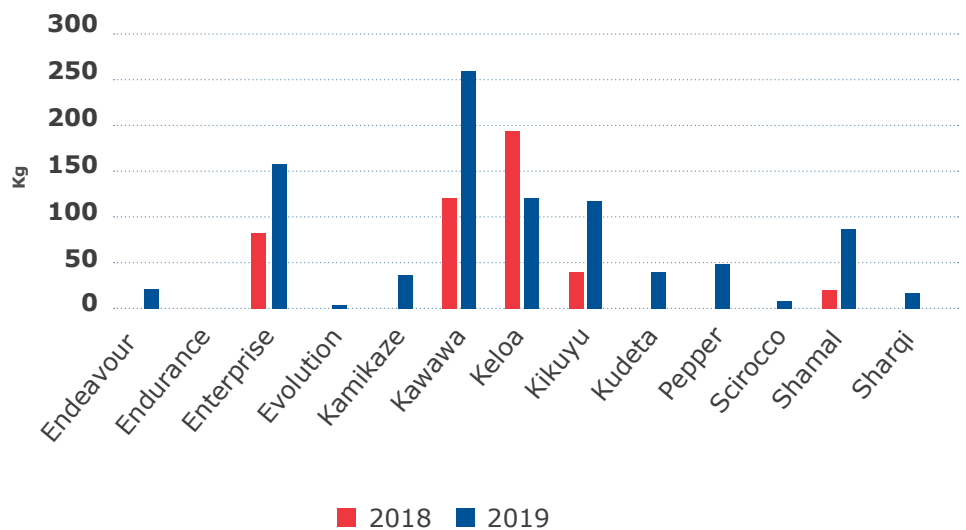
GMS tracks emissions across the entire business and is committed to implementing measures to reduce its carbon footprint. We have significantly reduced our use of electricity onshore through optimisation of our onshore office spaces.

Electricity Consumption



GMS has started to track refrigerant consumption on all our vessels. Refrigerants are greenhouse gases, so reducing fugitive consumption will have a significant positive impact on our overall emissions.

We have also taken steps to change refrigerant to a lower global warming potential type, the benefits of which will be realised in 2020.

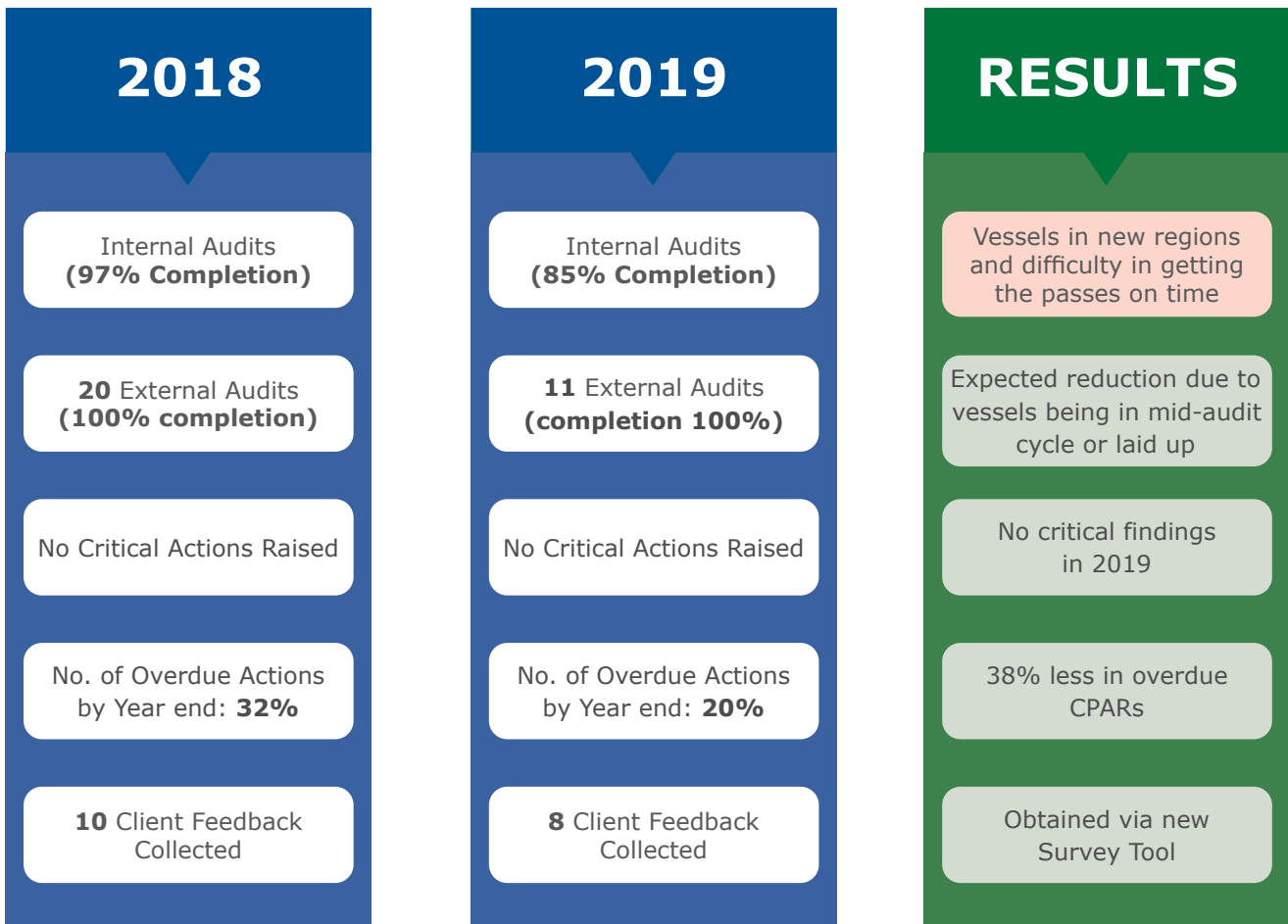


Climate change is a hot topic across all industries, and as a responsible company, we aim to contribute positively where we can. We now measure more aspects of our operations to determine where emissions can be reduced and aim to report progress in more detail in next years.



QUALITY

Quality Continuous Improvement Analysis



Audit Performance 2019 Internal & Supplier Audit Execution

86% of the audit plan was completed compared to 97% in the previous year, mainly due to lack of auditor availability.

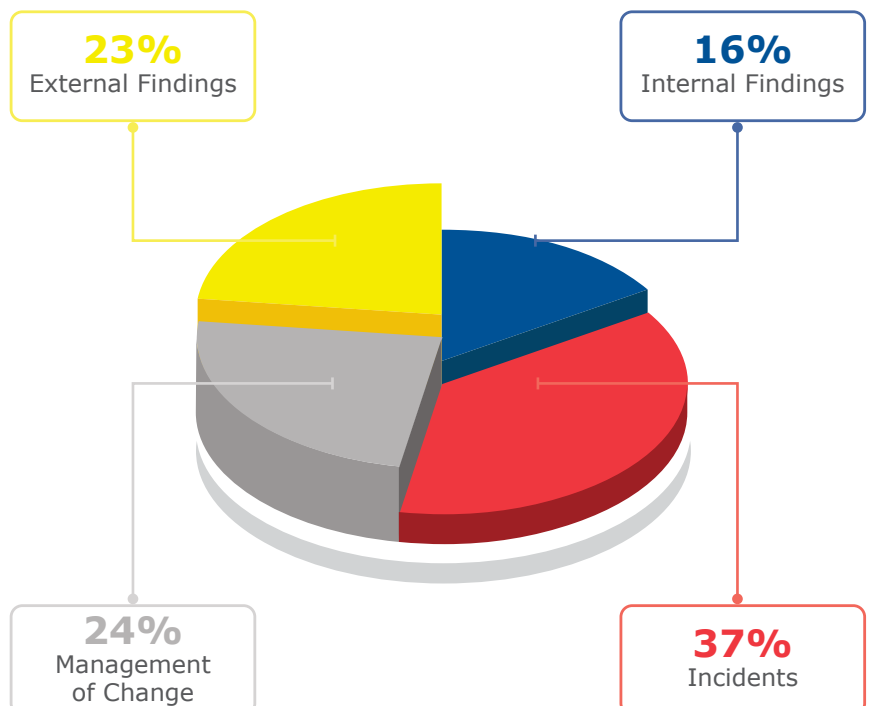
AUDITS	PLANNED	EXECUTED
Internal Audits - Office	6	6
Internal Audits - Vessels	14	11
Contractor Audits	1	1

Audit Performance 2019 External Audit Execution

GMS completed 11 external audits in 2019 compared with the 20 in the previous year. This reduction is the result of vessels entering mid-audit cycles. ISM audits shall be carried every 2.5 years, and most of those audits were done in 2018; hence the significant drop was seen in 2019.

Report of Findings

The breakdown of all the findings in 2019 can be found in the graph below:



From all the findings, we can report that:

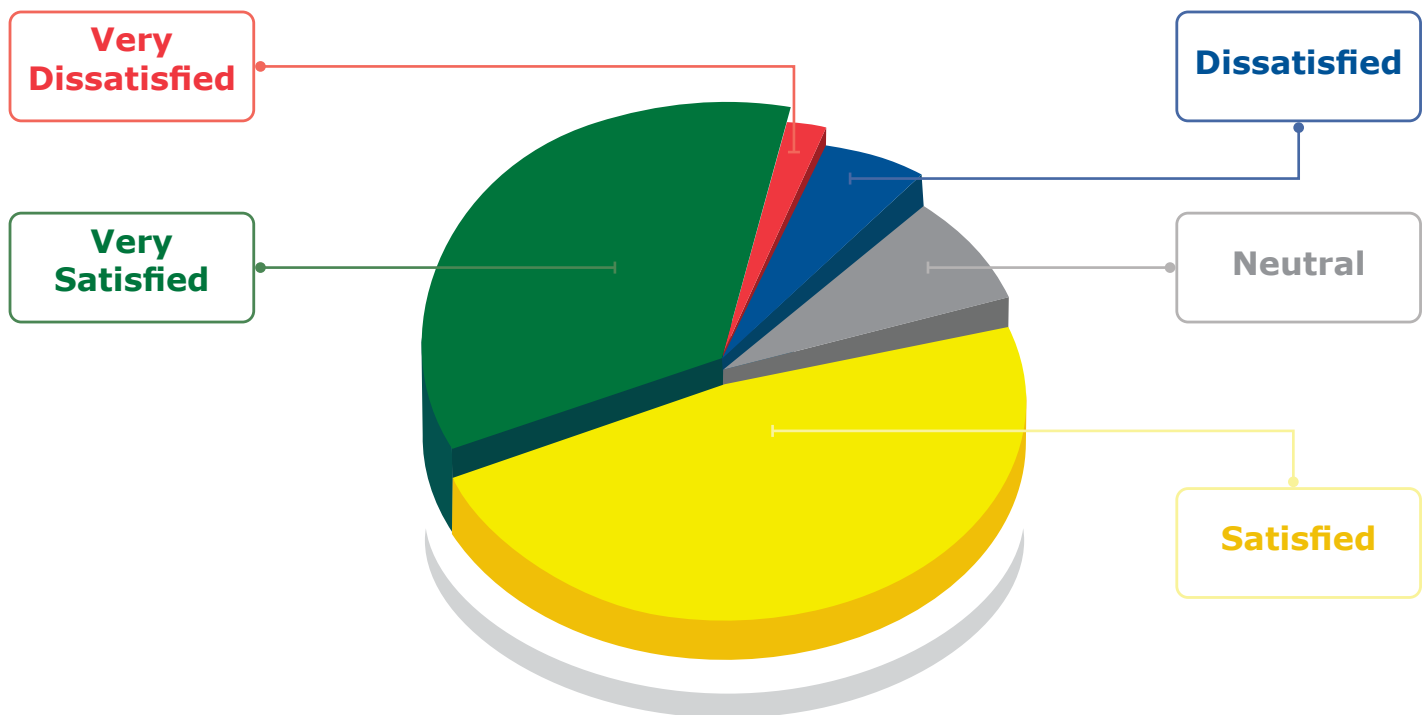
- No critical findings.
- Three major findings related to:
 - **Management of change**
 - **Management visits**
 - **Permit to work**



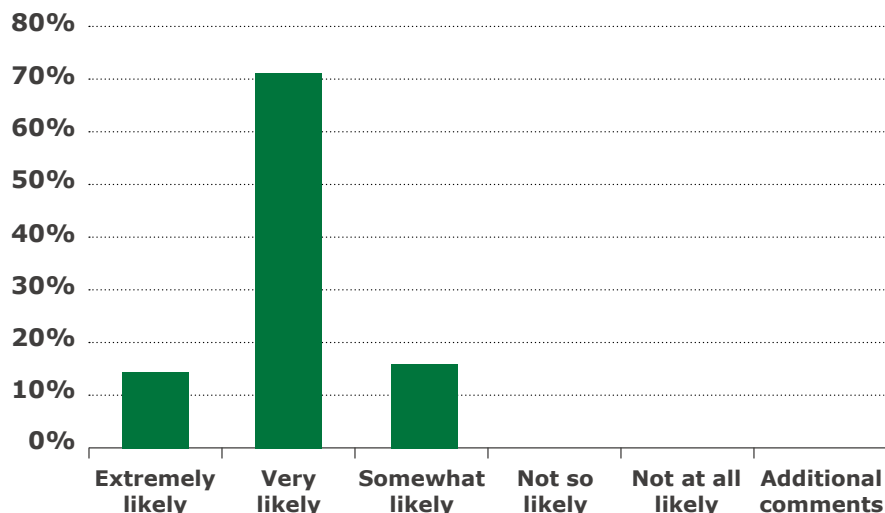
Customer satisfaction

In 2019 we implemented a new way of collating feedback by using an online survey tool called SurveyMonkey. Fourteen survey questions were developed to assess our service provision. The surveys were sent to client representatives onboard our vessels and onshore.

The feedback received was positive with more than 84% of contestants rating GMS services between Satisfied and Very Satisfied. Areas of dissatisfaction triggered internal corrective actions.



We also asked our clients how likely they were to use GMS in the future. The results were positive with 86% between Very to Extremely likely and 14% somewhat likely.





Documentation review

Last year the company not only underwent a profound change in leadership but also the business management system also went through a massive renovation with the review of all of the controlled documentation.

The aim was to ensure policies, manuals, procedures, plans, etc. were up to date and were a true reflection of the new direction of the company and its processes. This project required the involvement of all the levels of the organisation and in a span of 3 months around 195 documents were reviewed, approved, released and implemented across the company both onshore and offshore.

TIER	DOCUMENT TYPE	TOTAL
T1	Policies	5
T2	Commitment	4
	Corporate Governance	6
	Corporate Standard	20
T3	Manuals	60
	Procedures	67
	Guidelines	1
	Work Instructions	2
T4	Plans	30
Total		195



Vessels

K-Class

Kamikaze, Kawawa, Kelo, Kikuyu, Kudeta, Naashi

S-Class

GMS Shamal
GMS Scirocco
GMS Sharqi

E-Class

GMS Endeavour
GMS Endurance
GMS Enterprise
GMS Evolution

P-Class

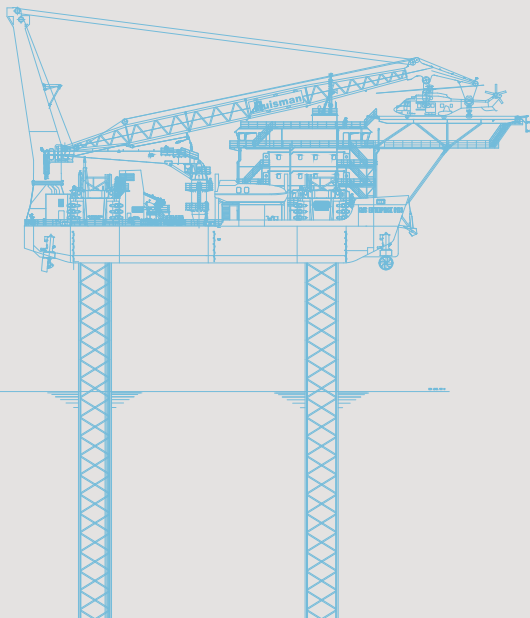
Pepper

Gulf Marine Services

Our assets are engaged in a wide range of services throughout the total lifecycle of offshore oil, gas and renewable energy activities.

Our major services include:

- Enhanced oil recovery
- Diving support activities
- Drilling support, completions and testing
- Platform construction, hookup and commissioning
- Platform restoration and maintenance
- Well abandonment and decommissioning
- Well intervention and workover
- Wind turbine installation and maintenance
- Accommodation barges



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