

## Supply Chain Development Statement Outlook

Table 1: SCDS Commitments table presenting anticipated Expenditure in £million disaggregated by Stage and geographic area.

Stage	Location			
	Scottish Expenditure	rUK Expenditure	EU Expenditure	Elsewhere Expenditure
Development Stage	£112	£30	-	-
Manufacturing & Fabrication Stage	£1,252	£1,118	-	-
Installation Stage	£412	£172	-	-
Operations Stage (Six Years)	£531	£70	-	-

Table 2: SCDS Ambition table presenting anticipated Expenditure in £million disaggregated by Stage and geographic area.

Stage	Location			
	Scottish Expenditure	rUK Expenditure	EU Expenditure	Elsewhere Expenditure
Development Stage	£126	£20	-	-
Manufacturing & Fabrication Stage	£2,071	£1,178	-	-
Installation Stage	£484	£100	-	-
Operation Stage (Six Years)	£601	-	-	-

The Mainstream Renewable Power and Ocean Winds consortium commits to delivering floating offshore wind technology at commercial scale in Scotland and ensuring a sustainable flow of employment opportunities to local communities. Our vision is to enable Scotland to become the undisputed international leader in floating offshore wind.

- Our approach aims to:
  - a) maximise deliverable project expenditure primarily in Scotland, and in the rest of the UK, and
  - b) provide in-kind support to the supply chain to address the present limited capability in Scotland.
- Our methodology involved first estimating project expenditure and then distributing it between four geographic regions (Scotland, rest of the UK, EU, and elsewhere). We engaged widely with the local supply chain, economic development agencies, higher education institutions, and innovation bodies in Scotland and UK before settling on our regional breakdown. Our engagement mapped existing capability, identified where opportunities lie and where early support is needed to build further capability in Scotland. Engagement in several cases resulted in agreements with key suppliers demonstrating preparedness.

In support of the Government's Build Back Better, the Just Transition approaches and commitments laid down in the Sector Deal, the Project will deliver tangible local benefits by:

- Committing to manufacture major components in Scotland.
- Supporting manufacturing facilities and infrastructure in Scotland.
- Using an O&M concept based on UK flagged vessels operating from O&M bases in Shetland.

- Working with OEMs, port operators and the Scottish Government to bring Tier 2 and 3 manufacturing to Scotland.
- Increasing employment opportunities by creating construction and O&M jobs.
- Investing in education and development of skills.
- Engaging with the supply chain to develop enterprise and increase competitiveness.

Considering that steel fabrication and assembly of floating foundations for the WTGs constitutes one of the largest expenditure outlays for the project and has significant growth potential for Scotland, we have focused part of our commitments on floating foundation fabrication. We will seek to support the establishment of a globally competitive steel-based floating foundation fabrication and assembly facility in Scotland, with capability to roll columns up to 18m diameter, to serve our project as well as other offshore wind projects domestically and internationally. Fabrication yards in Scotland will be used as the basis for delivery, enabling us to also evaluate the associated capital investment necessary to lower costs and meet product competitive pricing.

Supporting the intent of the Sector Deal to grow the local supply chain, the Project will host events and share information via the Project website. This will provide visibility at an early stage allowing the supply chain to plan investments. We have experience of working with supply chain to develop capability and understand the need for early engagement. We will also create a fair, open and transparent bidding process.

The Project will engage with local schools to promote STEM subjects and present the renewable industry as an attractive career path. To further facilitate the education and career development opportunities for young people in remote communities, we will establish a scholarship programme for those wanting to pursue renewable energy related courses at university. Additionally, we will work with local colleges to develop apprenticeship schemes that will enable future vocational employment on renewable energy projects.

We want to be recognised as global leaders in bringing equality, diversity and inclusivity to the renewable energy industry. We believe that there is a compelling business case for making diversity and inclusion a priority and we support the Sector Deal commitment to increase the recruitment of people from minority ethnic groups by one third by 2030 through an impartial and unbiased recruitment process.

In conclusion, the Mainstream Renewable Power and Ocean Winds consortium is uniquely placed, through our Scottish project experience, to contribute significantly towards national climate change policies, deliver multi-billion pound investments and thousands of jobs locally. We will help establish globally competitive fabrication facilities in Scotland, position the country as a world leader in exportable innovation, and address wider sector opportunities around skills and diversity for current and future generations. We look forward to working with Crown Estate Scotland, the Scottish and UK governments, economic development agencies (such as Scottish Enterprise, Highlands & Islands Enterprise) and the wider Scottish supply chain in delivering value for Scotland.