



# The Gold of the Coast – A Sustainable Voyage

Annual Report  
2024





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## About this report

This is Havila Kystruten’s integrated annual report for the year 2024, covering the reporting period from January 1 to December 31. The report was published on May 27, 2025.

This year’s report is divided into three distinct sections. The first section provides a general overview of the company, offering readers insights into key figures, strategy, objectives, significant milestones, and more. The second section comprises the company’s sustainability report. This section is voluntary as the company is not subject to the CSRD framework this year. Nevertheless, the report’s structure has been adapted from previous years to align with the upcoming requirements; however, it is important to note that we are not fully compliant this year. The third and final section of the report is the company’s financial report. It has been prepared in accordance with simplified IFRS and audited by the company’s auditor, PricewaterhouseCoopers AS.

Questions regarding the content of this report may be directed to Aleksander Røynesdal, at [aleksander.roynesdal@havila.no](mailto:aleksander.roynesdal@havila.no)



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# Key Figures in 2024



35% reduction of CO<sub>2</sub> emissions<sup>1</sup>

CO<sub>2</sub> emissions (Scope 1)  
61,331 tonn CO<sub>2</sub> equivalents



87% NO<sub>x</sub> & 100% SO<sub>x</sub> emissions reduced<sup>1</sup>



Hydrogen ready



One of the world's largest battery packs

Up to four hours emission-free operations



Revenue  
MNOK 1,529



EBITDA  
MNOK 219



98% operational up-time



20,660 tons of cargo transported



80 partners for coastal excursions



55% of sales through own channels



4 ships in operation  
126 annual departures



68 g food waste per guest  
71% waste sorting rate

<sup>1)</sup>The reference figures represent emissions from traditional vessels under a similar contract with the Ministry of Transport in 2017, as sourced from the contract.

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# Message from the CEO

## 2024 has been a milestone year for Havila Kyststruten.

After a challenging start for the company, with several years where external factors affected both the delivery and financing of our modern, environmentally friendly coastal cruise ships, we were in 2024 for the first time able to operate all four ships along the Norwegian coast at full capacity. It is with pride that we look back on a year where we delivered positive operating results in three out of four quarters and for the year, while also strengthening our market position as a leading player in sustainable coastal travel.

Throughout the year, we sail up and down Norway’s extensive coastline, playing a significant role for the coastal communities we visit. We contribute to creating local jobs, with passengers purchasing goods and services where we stop – and this, in turn, supports settlement in rural areas. That’s why we dare to call ourselves the Gold of the Coast – because through sustainable solutions and local value creation, we strengthen the coastal lifeline today and lay the foundation for a viable and vibrant coast for tomorrow.

Naturally, it is easy to think that the importance of a predictable transport service for the population along the coast and freight is the most crucial aspect as we work daily to fulfill our societal mission, and that is absolutely true. At the same time, the coastal route is also essential for Norway in terms of preparedness along the coast, in addition to the presence of our ships in increasingly turbulent times.

Throughout the year, we have maintained a very high operational uptime, reflecting the solid efforts of our crew on board and our land-based organization. Total revenues have increased compared to 2023, and we have delivered EBITDA in line with expectations, a significant



improvement from previous years. With an average occupancy rate of 73% in 2024, up from 65% in 2023, it is clear that demand for our journeys is increasing. We are already seeing that 2025 and 2026 are beginning to take shape with stronger price levels and further growth opportunities. This positions us well to refinance the company and reduce interest costs, providing us with greater financial flexibility going forward.

Our strategy is clear: We will continue to develop our product to attract more and new customer groups. Demand for shorter journeys is increasing, and we are working to adapt our offering to meet this trend. We have also seen a positive development in the age composition of our travelers, where a lower average age provides us with new commercial opportunities related to experiences and services on board.

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Our ships are equipped with the most modern technology available on passenger ships along the coast, giving us an advantage in streamlining our operations and enhancing maritime safety. We utilize digitalization and technology to work more efficiently at all levels, including onshore, and we are moving towards more data-driven operations.

Havila Kystruten has also been recognized for the quality of our product. We received several awards in 2024, including international recognition for our food concept, which sets a new standard for culinary experiences along the Norwegian coast. The fact that reputable media outlets like TIME Magazine highlight Havila Kystruten as one of the best travel experiences in the world underscores the unique combination of comfort, tranquility, and sustainability that we offer. Sustainability is at the core of everything we do. We have delivered on our ambitious environmental goals and reduced CO<sub>2</sub> emissions well below the requirements of our contract with the Norwegian authorities. It was a great disappointment to us that the authorities chose to

postpone the zero-emission requirements in the UNESCO World Heritage fjords from 2026 all the way to 2032. We met the requirements as early as 2022, demonstrating to the entire world that it is possible to meet strict emission standards. That commercial interests outweigh environmental concerns is simply sad.

We will continue our efforts to further develop, exploring alternative fuels such as biogas, hydrogen, and LNG carbon capture, to further reduce our emissions in the years to come. Our focus on reducing food waste has delivered results, once again keeping food waste well below our ambitious target of 75 grams per passenger per day. We are actively working to ensure the quality of our sustainability reporting and to implement regulations in a targeted and transparent manner. Our employees are our most important resource. This year, we have strengthened the organization to ensure both quality and continued growth while maintaining a lean administration. We have low turnover and a work environment we are proud of. Safety, both at sea and on land, remains our top priority, and we continually invest in training and technology to ensure safe and healthy working conditions.

2024 has been a year marked by growth, stability, and progress for Havila Kystruten. We have proven that we have a solid foundation for further development, and we look forward to the future with optimism. With a clear strategy, strong values, and a dedicated team, we will continue to develop a more sustainable, profitable, and attractive coastal route.

I would like to extend a big thank you to all our employees, partners, shareholders, our board, and our guests. Together, we are creating value for the Norwegian coast, for the local communities we operate in, and for the travelers who choose us. We look forward to an exciting 2025 and many fruitful years ahead!

**Bent Martini**  
CEO, Havila Kystruten

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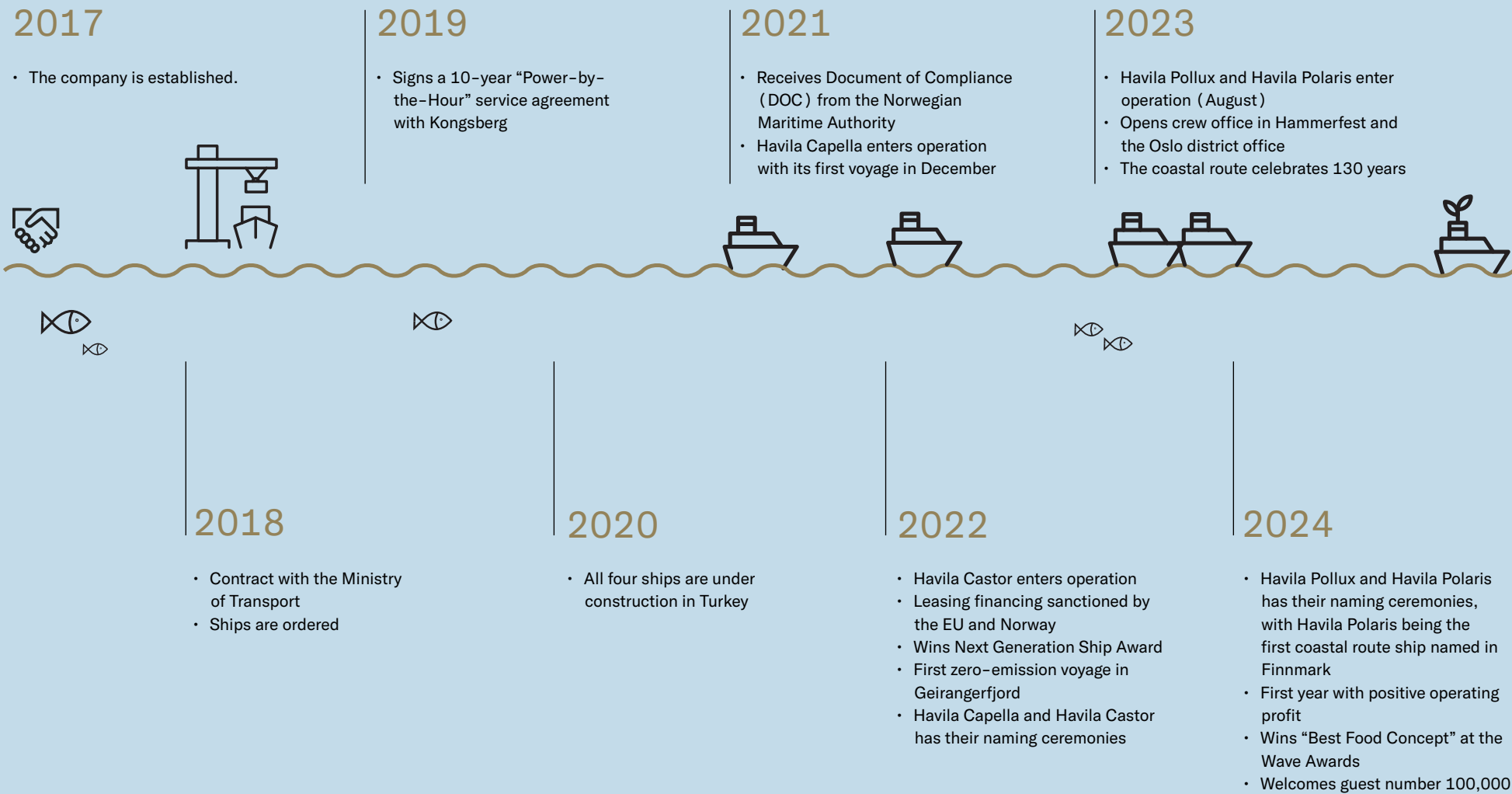
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# Important milestones in our history





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# We Are Havila Kystruten

//ESRS 2, SBM–1: Strategy, business model and value chain

## A Sustainable Journey Along Norway’s Magnificent Coast

Havila Kystruten sails the historic coastal route between Bergen and Kirkenes with the four most environmentally friendly ships along the Norwegian coast. The coastal cruise ships operate as ferries and cargo vessels for local communities, allowing coastal residents to both send and receive essential goods where they live. Additionally, the company’s goal is to offer unforgettable journeys that are both sustainable and adventurous, while also protecting our beautiful coast and the surrounding nature. Our modern ships and our crew provide guests with comfort, culture, and nature.

Havila Kystruten is a privately owned company listed on Euronext Growth in Oslo. Havila Holding is the company’s main shareholder and has roots dating back to the 1950s. The Havila Group has a long history in maritime operations and is headquartered in the small coastal town of Fosnavåg in Sunnmøre. It all began when our founder, Per Sævik, bought his first fishing boat as a teenager, and from fisheries, the Havila Group now operates within ship technology, offshore, transportation, and tourism. Havila Kystruten is part of this heritage and aims to be a pioneer in sustainable maritime transport.

The company’s four ships are equipped with groundbreaking environmental technology, including large battery packs that allow for silent and emission-free sailing for up to four hours. As early as June 2022, the ship Havila Castor sailed emission-free into the Geirangerfjord, making history. The company therefore meets the government’s requirements for zero-emission sailing in the Norwegian World Heritage fjords well before the restrictions are implemented.

## Daily Operations and Environmental Impact

In daily operations, a combination of batteries and liquefied natural gas (LNG) is used to generate power for propulsion and hotel operations on board. In 2024, we reduced CO<sub>2</sub> emissions by 35% compared to emission figures from other ships operating under a similar contract with the Ministry of Transport in 2017<sup>2</sup>. This reduction could have been as high as 40% if the infrastructure along the coast had allowed for more frequent charging. As a plug-in hybrid ship, with natural gas generating power for the batteries, the fleet’s emissions of CO<sub>2</sub>, NOx, and SOx are significantly lower than other ships that have operated the same route. In fact, there is an 87% reduction in NOx emissions and a full 100% reduction in SOx emissions.

## Ready for the Future

Despite the government’s postponement of the zero-emission initiative in the World Heritage fjords, Havila Kystruten will continue working towards carbon-neutral operations on the coastal route by 2028 and achieving emission-free ship operations at the start of the next concession period in 2030. This is especially important for the company in doing its part to reduce its impact on Norway’s magnificent and pristine nature. Havila Kystruten’s ships are designed to run on zero-emission fuels such as hydrogen, which can be utilized once it becomes a viable energy source and is approved for commercial operation on passenger ships.



<sup>2)</sup> The reference figures represent emissions from traditional vessels under a similar contract with the Ministry of Transport in 2017, as sourced from the contract.

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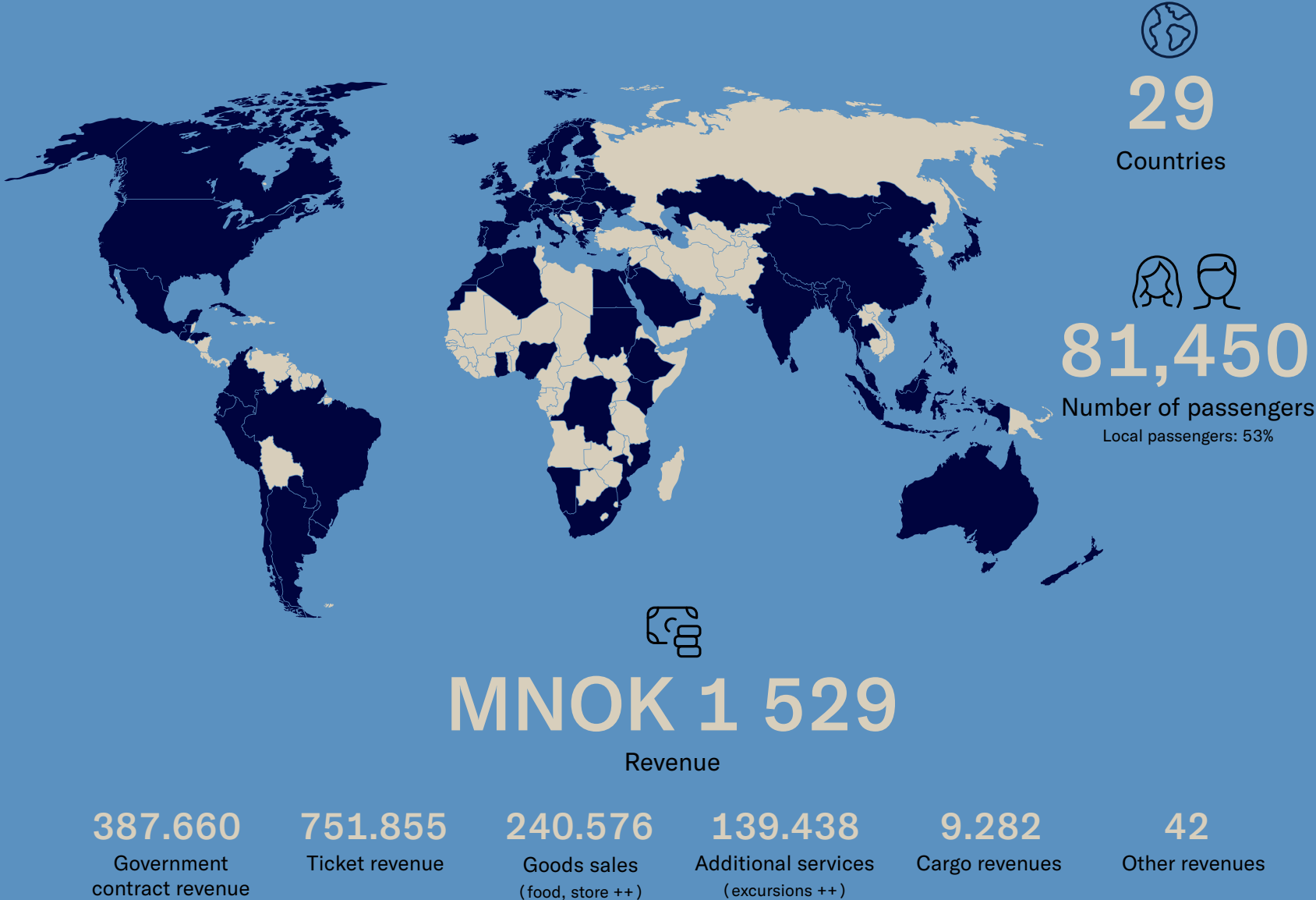
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## The Group’s Employees and Revenue



The map shows the geographical distribution of our revenues.

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# We are setting course with the entire fleet in operation

## Our Vision

To revolutionize coastal travel and contribute to a more sustainable industry for ourselves and future generations.

## Our Values

Lead — We always act responsibly, demonstrate leadership and initiative. We trust each other and build trust with others.

Share — We share knowledge, experience, and passion with each other, our customers, and our business partners. We motivate and inspire each other to be the best at what we do.

Care — We care about each other, our customers, the coast, and the environment, and show empathy.

## Our Mission

The company’s goal is to create safe, sustainable, and adventurous journeys that provide lifelong memories for people, revenues for owners, and lasting value for the business community and the coastal population.



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# Ownership and Corporate Governance

Havila Kystruten AS (the company) aims to maintain high trust among its investors, employees, customers, suppliers, and the public. Therefore, we strive to practice good corporate governance.

The company's board of directors is responsible for ensuring that the company is organized, managed, and controlled in an appropriate and satisfactory manner in accordance with applicable laws and regulations.

Compliance with generally accepted corporate governance guidelines is important as it helps reduce risk, increase value for the benefit of all stakeholders, ensure fair treatment of all stakeholders, strengthen trust in the company, and promote desired behavior.

1. Implementation and Reporting on Corporate Governance

The company's shares are listed on Euronext Growth Oslo and are therefore not subject to mandatory reporting requirements for corporate governance under the Accounting Act § 3–3b and the “Norwegian Code of Practice for Corporate Governance” (NUES), last revised on October 14, 2021, and available at [www.nues.no](http://www.nues.no).

However, the board, aiming to maintain a high standard of corporate governance, will assess the implications of NUES, wholly or partially, depending on what is deemed appropriate at any given time. This statement on corporate governance follows the structure of NUES.

2. Business Operations

Havila Kystruten AS is a limited liability company organized under Norwegian law and subject to the provisions of company legislation. The company's purpose is defined in § 2 of the Articles of Association as: “The purpose of the company is to conduct shipping, transportation, and tourism activities, including the development and investment in other companies, and other activities naturally related thereto.”

Havila Kystruten operates four ships on the classic coastal route between Bergen and Kirkenes with the most environmentally friendly ships along the Norwegian coast.

Annually, Havila Kystruten publishes an integrated annual report where the company presents the most important social, societal, and environmental challenges it faces, and how they are addressed. The identified focus areas are integrated into the company's business strategy, and concrete goals are set each year to improve the company's performance in these areas.

To discuss and evaluate objectives, strategy, and risk profile, the board holds an annual strategy meeting. The main objective is to set a long-term direction for the company, considering economic, social, and environmental factors as well as the company's impact on people. A further description of the company's operations, objectives, strategy, and risk profile can be found in this annual report. The annual report shows how the company's operations and strategies are aligned with the goals defined in the Articles of Association.

3. Equity and Dividends

The company must always maintain sufficient equity to achieve its objectives and strategy, matching its risk profile and obligations. At the end of 2024, the company's total assets amounted to NOK 4,582 million and equity was negative NOK 322 million, resulting in an equity ratio of negative seven percent.

Despite negative reported equity, the adjusted equity is significantly positive and estimated at NOK 3,751 million at the end of 2024. This is due to the added value of the group's assets, where ship brokers assess the market value of the ships to be significantly higher than their book value. The value increase can be attributed to price increases since the ships were contracted and built.

Havila Kystruten aims to provide its shareholders with a competitive long-term return. Based on the company's capital structure and growth strategy, shareholder returns in the short term should primarily be realized through increased share value. Dividends may be considered in the future, if and when conditions allow.

The annual dividend is determined by the general assembly based on the board's proposal. The board has not proposed any dividend payment for the financial year 2024.

Shareholders may authorize the board to increase share capital at the general assembly. However, such authorizations should apply to a defined purpose.

4. Equal Treatment of Shareholders and Transactions with Related Parties

Equal treatment of all shareholders is a key principle of corporate governance. The company has one class of shares. Each share grants one vote at the general assembly.

The company's trading in its own shares should preferably occur through Euronext Growth Oslo, or alternatively at a stock exchange-listed price.

If the board, based on an authorization from the general assembly, decides to carry out a capital increase where the existing shareholders' preferential rights are waived, the reason for this must be stated in the stock exchange announcement issued in connection with the capital increase.



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### 5. Freely Transferable Shares

All shares in the company are freely transferable and are listed on Euronext Growth Oslo. The company's Articles of Association contain no restrictions on the transferability of shares.

### 6. General Assembly

The general assembly is the company's highest authority. The board determines the format of the meeting, which can be held as a physical meeting or as an electronic meeting in accordance with applicable legislation.

The board strives to enable as many shareholders as possible to exercise their rights by attending the company's general assemblies and making the general assembly an effective meeting place for shareholders and the board. This includes ensuring that:

- Notice of the general assembly is sent to shareholders at least 14 days before the meeting and is simultaneously made available through Oslo Børs' notification system [www.newsweb.no](http://www.newsweb.no) and on the company's website [www.havilakystnuten.no](http://www.havilakystnuten.no).
- Documents provide sufficient information for shareholders to form an opinion on matters to be considered in advance.
- The registration deadline is set as close to the meeting date as possible but no later than two days before the general assembly. Shareholders who have not registered may be denied access to the meeting.

The general assembly handles and decides on the following matters:

- Approval of the annual accounts (income statement and balance sheet).
- Allocation of profits or coverage of losses according to the approved annual accounts, including the distribution of dividends.
- Election of the board of directors. The general assembly shall elect the chair of the board.
- Other matters that, according to company law and the company's Articles of Association, must be addressed at the general assembly.

All shareholders have the right to submit proposals and vote either directly or by proxy. A proxy form is prepared and sent out along with the notice of the general assembly.

The company allows documents to be considered at the general assembly to be made available on the company's website instead of being sent out with the notice.

The chair of the board and the CEO are present at the general assembly, while other board members and the head of the nomination committee may also be present.

The company's Articles of Association do not contain special provisions regarding who should chair the general assembly. All shares have equal voting rights at general assemblies. Decisions at the general assembly are normally made by a simple majority unless otherwise required by Norwegian law. The minutes of the general assembly are published via stock exchange

announcements at [www.newsweb.no](http://www.newsweb.no) and made available on the company's website [www.havilakystnuten.no](http://www.havilakystnuten.no).

### 7. Nomination Committee

The company has established a nomination committee. The nomination committee currently consists of Siv Remøy-Vangen and Ander Talleraas, both of whom are independent of the company's board and management.

The nomination committee assists the board in fulfilling its responsibility to nominate board members for election at the general assembly and ensure that candidates possess the right competence and integrity to fulfill their obligations. Specifically, the committee shall:

- Identify and evaluate potential board members.
- Submit recommendations to the general assembly when board members are to be elected.
- Propose board remuneration.

Additionally, the committee provides advisory functions to the board concerning board composition, guidelines, and evaluation. The rationale for each candidate should include information about the candidate's competence, capacity, and independence.

As part of the nomination process, the committee will engage with major shareholders, the board, and the company's management to ensure that the process considers both the board's and the company's needs, as well as diversity.

Remuneration for the members of the nomination committee is determined by the general assembly. Information about the members of the nomination committee, procedures, and how proposals and suggestions can be submitted to the committee is published on the company's website.

### 8. Composition and Independence of the Board of Directors

The company's Articles of Association stipulate that the board shall consist of three to seven members, elected for one year at a time. The chair of the board is elected by the general assembly.

The company's board currently consists of six members. All members are independent of the company's management and significant business connections. The board currently comprises three women and three men, none of whom are employed by the company.

Three board members – Anita Nybø, Karina H. Birkelund, and Svein Roger Selle – are independent of the company's main shareholder.

Board members are encouraged to own shares in the company, and an overview of the board members' holdings is presented at [page 16](#). As of December 31, 2024, three of the six board members (directly or indirectly) own shares in the company. None of the board members have share options in the company.



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The composition and overall qualifications of the board are considered to make a positive contribution to the company’s development and responsible safeguarding of shareholder interests. A more detailed presentation of the board members is included on [page 16](#).

### 9. The Board’s Work

The company’s board is responsible for ensuring the company’s value creation in a sustainable manner, establishing the company’s objectives, risk profile, and strategies, as well as monitoring these. The board’s responsibilities also include overseeing and controlling the company’s activities, including ensuring that operations are organized and conducted within the framework of the law.

The board has adopted guidelines for its work and the CEO’s work, with special emphasis on a clear internal division of responsibilities and tasks.

The rules and procedures describe how the board is responsible for reviewing and approving the organization’s purpose, values, mission statements, strategies, policies, and goals related to sustainable development. They also describe how such matters are delegated to the company’s management.

The procedures include provisions to ensure the company has the necessary due diligence and other processes in place to identify and manage its impacts on the economy, environment, and people, and to ensure that management engages with relevant stakeholders to support these processes.

At least once a year, the board reviews the company’s sustainability performance, including key performance indicators and priorities moving forward.

The board regularly takes measures to enhance its collective knowledge, skills, and experience related to sustainable development. This is also reflected in the positions held by various board members.

The company has policies that require board members and executives to disclose any direct or indirect material interest in agreements made by the company. Any transaction between the company and a related party shall be based on ordinary market prices. Any transaction that is not insignificant shall be conducted based on an independent third-party valuation. The company shall ensure that significant transactions with related parties are handled in accordance with the requirements of company law.

Furthermore, if the chair of the board is personally involved in matters of material importance, the board’s consideration of such matters shall be led by another board member.

The board appoints and exercises authority over the CEO, who is responsible for the daily management of the company. The board supervises the company and its management.

The board adopts an annual plan for its work and holds meetings as needed, with a minimum of five meetings per year. The board evaluates its own performance and competence annually. The evaluation is forwarded to the nomination committee.

The company does not currently have an audit committee, remuneration committee, or compensation committee. However, the board’s guidelines state that the board may establish and update instructions for an audit committee and a remuneration committee and appoint qualified members to these committees.

The company’s financial calendar is published on [www.newsweb.no](#) and on the company’s website [www.havilakysttruten.no](#). The company’s results are published quarterly unless otherwise decided by the board.

The CEO has the right and obligation to participate in the board’s deliberations unless the board decides otherwise in specific cases. The board discusses its own working methods and processes related to the preparation and implementation of board meetings, as well as its collective competence and capacity in relation to the company’s business.

### 10. Risk Management and Internal Control

The board is responsible for ensuring that the company has sound internal control and appropriate risk management systems tailored to the company’s scope and operations. This responsibility also includes the company’s core values, code of conduct for business activities, ethics, social responsibility, and anti-corruption programs.

The company’s board receives quarterly reports describing the company’s financial situation, information about projects, and market conditions. The board also receives quarterly statistics on developments in quality, health, safety, and the environment.

The board continuously evaluates the information presented by the management and adjusts reporting routines as necessary. The board conducts a minimum of one annual review to discuss and identify external and internal risk factors for the company.

The company’s annual financial statements are prepared in accordance with the accounting principles specified in the chapter for Financial Statement. The company’s quarterly reports are prepared according to the same principles.

### 11. Remuneration of the Board of Directors

The remuneration of the board of directors and, if applicable, the audit committee is determined annually by the general assembly.

The remuneration is not performance-based, and no share options are granted to board members. Remuneration is determined based on the time spent and the company’s activities and size.



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Board members, including companies associated with them, should not undertake specific assignments for the company in addition to their role as board members.

### 12. Remuneration of Executive Management

The board is directly responsible for determining the salary and other compensation for the CEO. The CEO, in consultation with the Chief Human Resources Officer of Havila Kystruten, is responsible for determining the salary and other compensation for the company’s other executives.

Since Havila Kystruten is listed on an unregulated marketplace, the company is not required to prepare an annual remuneration report. Therefore, the company has not found it necessary to establish specific guidelines for remuneration to executive management.

### 13. Information and Communication

Havila Kystruten has established guidelines for reporting financial and non-financial information. The purpose of these guidelines is to provide appropriate and accurate information about the company to its shareholders and other stakeholders. Transparency, equal treatment, and accurate reporting should provide various stakeholder groups with the best possible basis for assessing the company’s current and future situation.

The company shall communicate all relevant information in a timely and efficient manner to evaluate the company’s operations and value to its shareholders and the market, in accordance with applicable rules for companies listed on Euronext Growth Oslo.

Important information will be published by the company through Oslo Børs’ notification system at [www.newsweb.no](http://www.newsweb.no) and on the company’s website [www.havilakystnuten.no](http://www.havilakystnuten.no).

The company shall engage in dialogue with its shareholders through appropriate forums based on the principles of equal treatment and equal access to information. The company publishes an annual financial calendar providing an overview of dates for planned important events such as quarterly reports and the general assembly. The company’s investor relations policy is also available on its website.

### 14. Takeover

The company’s Articles of Association do not contain defense mechanisms aimed at takeover bids, nor are there any other measures implemented to reduce the tradability and/or transferability of the company’s shares.

The shares are freely transferable. Transparency and equal treatment of shareholders are fundamental principles that the company follows.

There are no additional principles for how the company shall or should act in the event of a takeover bid, but the board intends to act in accordance with applicable regulations and general principles of the securities market should such a situation arise.

Furthermore, the board will provide shareholders with a statement evaluating the offer and recommending whether to accept or reject it.

The company is not subject to the takeover rules, which only apply to companies with shares listed on a regulated marketplace in Norway, as stipulated in the Securities Trading Act or otherwise. However, the shares are subject to provisions on compulsory redemption of shares as stipulated in company law.

If a parent company, either alone or through subsidiaries, owns 9 / 10 or more of the shares in the subsidiary and can exercise a corresponding portion of the votes that may be cast at the general assembly, the board of the parent company may decide that the parent company shall acquire the remaining shares in the subsidiary. Each of the other shareholders in the subsidiary has the right to demand that the parent company acquires the shares. The parent company must make a redemption offer in accordance with the provisions of company law. The redemption amount, in the absence of agreement or acceptance of the offer, shall be determined by a discretionary valuation.

### 15. Auditor

The general assembly elects the auditor and approves the auditor’s fees.

The auditor’s responsibility is to audit the annual financial statements and annual report prepared by the board and the CEO, in accordance with the Auditors Act and good auditing practices.

The auditor presents the main features of the audit plan to the board each year. Meetings between the auditor and the board, either the entire board or the chair of the board, are held as needed. The auditor shall not undertake assignments for the company that may result in conflicts of interest. It is the board’s responsibility to maintain the auditor’s independent role.



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# Executive Management of Havila Kystruten

The executive management of Havila Kystruten consists of the CEO and the Chief Officers of the various business areas



**Bent Martini**  
**Chief Executive Officer (CEO)**

- 30+ years of experience in the maritime industry
- Previously COO at Hurtigruten AS, and CEO and board member at Hurtigruten Cruise AS
- Additional Experience from the Royal Norwegian Navy, as CEO at Klaveness Ship Management, and COO at Torvald Klaveness Group
- 369,808 shares owned in the company as of December 31, 2024



**Aleksander Røynesdal**  
**Chief Financial Officer (CFO)**

- 15+ years of experience in shipping and the maritime industry
- Previous VP Finance, IR & Corporate Development at I.M. Skaugen SE
- Additional experience as COO at Kistefos' Norgas Carriers, Capital Markets Director at I.M. Skaugen in Singapore
- No shares owned in the company as of December 31, 2024



**Marianne Vågen Langeland**  
**Chief Operating Officer (COO)**

- 20+ years of experience in the maritime industry
- Previous HSEQ Director at Havila Kystruten
- Additional experience as HSEQ Director, HSEQ Advisor, regulatory liaison with the Norwegian Maritime Authority / Petroleum Safety Authority (now Industrial Safety Authority), Deck Officer at Farstad Shipping, Royal Caribbean Cruise Lines, and Island Offshore
- Board member at Norwegian Cruise and Ferry Group
- 2,000 shares owned in the company as of December 31, 2024



**Monica Nipen**  
**Chief Human Resources Officer (CHRO)**

- 20+ years of experience in HR
- Previous HR Director at Kleven Group and Kleven Yard
- Additional experience as HR Manager at Myklebust Yard, General Manager at NAV Sande, Deputy at NAV Ulsteinvik
- Board member at Dimo AS
- 12,180 shares owned in the company as of December 31, 2024



**Mette Øyen**  
**Chief Marketing Officer (CMO)**

- 20+ years of experience in marketing and branding, with backgrounds in both telecom and tourism
- Previously Director of Marketing and Branding at Widerøe
- Additional experience as Head of Marketing at Mycall (part of Telia)
- No shares owned in the company as of December 31, 2024



**Christian Gamsgrø**  
**Chief Hotel & Commercial Development Officer (CHCO)**

- 20+ years of experience in the hotel industry
- Previous role as Commercial Director at Scandic Hotels Norway
- Additional experience as Director of Revenue Optimization at Scandic Hotels Norway and Choice Hotels Scandinavia (now Strawberry)
- Board member at Team Hotels
- 2,000 shares owned in the company as of December 31, 2024



**Lasse A. Vangstein**  
**Chief Communications & Sustainability Officer (CCSO)**

- 20+ years of experience in tourism, retail, and transportation industries
- Previous role as Head of Communications at Vålerenga Fotball
- Additional experience as Communications Advisor at Avinor and BoligPartner, Senior Communications Advisor at Brainify (now Apriil PR)
- 31,867 shares owned in the company as of December 31, 2024



**Johanna Hansli**  
**Chief Sales Officer (CSO)**

- 20+ years of experience in the cruise industry
- Previous role as Global Sales Manager for Havila Kystruten
- Additional experience as Sales Manager for Hurtigruten and WonderCruises, Sales Coordinator for Royal Caribbean International
- 20,000 shares owned in the company as of December 31, 2024

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# The Board of Directors at Havila Kystruten

The Board of Directors at Havila Kystruten consists of the Chair, who is also the company's founder, along with five board members.



### Per Sævik

Born in 1940, Norwegian citizen, residing in Remøy, Norway

- Chair of the Board
- Board Member Since the company was founded
- Over 50 years of experience in the operation and management of supply vessels for the fishing fleet
- CEO of Havila AS and Havilafjord AS
- Previously member of the Norwegian Parliament for a four-year term
- Chair and board member in several companies, including companies within the Havila Group
- Co-owner of Havila Holding AS, the main shareholder in Havila Kystruten AS



### Anita Nybo

Born in 1971, Norwegian citizen, residing in Bergen, Norway

- Board member since 2022
- CEO of Fløibanen AS
- Board positions in Bergen Chamber of Commerce and Industry, Bekkjarkvik Gjestgiveri Hotel & Suites
- Former board position in GC Rieber Eiendom AS
- Business Economist from BI Norwegian Business School



### Vegard Sævik

Born in 1978, Norwegian citizen, residing in Leinøy, Norway

- Deputy Chair of the Board
- Board member since the company was founded
- Employee of Havila AS and Deputy CEO of Havila Holding AS
- Board positions in several companies affiliated with the Havila Group
- Business Economist from BI Norwegian Business School
- Co-owner of Havila Holding AS, the main shareholder in Havila Kystruten AS



### Karina Halstensen Birkelund

Born in 1980, Norwegian citizen, residing in Bergen, Norway

- Board member since 2023
- Investment Manager at Farvatn Venture AS
- Board positions at Eika Kapitalforvaltning AS, Sunday Power AS, Optimeering AS, Eco Stor AS and Birdsvie AS
- Banking, finance, and renewable energy sectors, including DNB, Eviny, and Småkraft
- Economist from Norwegian School of Economics (NHH) with an Executive MBA in Financial Analysis and Strategic Business Understanding, also from NHH



### Hege Sævik Rabben

Born in 1971, Norwegian citizen, residing in Remøy, Norway

- Board member since the company was founded
- Employee of Havila AS
- Board positions in several companies affiliated with the Havila Group
- Educated as a childcare worker and previously worked in a kindergarten
- Co-owner of Havila Holding AS, the main shareholder in Havila Kystruten AS



### Svein Roger Selle

Born in 1973, Norwegian citizen, residing in Søreidgrend, Norway

- Board member since 2023
- Founder of consultancy company Selle & Partners
- Board member of the Norwegian Climate Foundation
- Over 20 years as a strategic advisor with broad expertise in branding and sustainable business, particularly within the tourism industry
- Partner and Deputy CEO at Geelmuyden Kiese Group
- Education in strategy and sustainable business from the Norwegian School of Economics (NHH), BI and MiT



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## Nature of Operations and Location

Havila Kystruten AS was awarded a contract in 2018 by the Ministry of Transport & Communications for the coastal route between Bergen and Kirkenes. The contract covers four ships and is valid until the end of 2030, with an option for the Ministry of Transport to extend it by one additional year. The contract helps ensure a strong transportation offering along the Norwegian coast, and the ships operating the route represent a critical part of Norway's coastal infrastructure, especially in northern regions. Havila Kystruten AS operates the most environmentally friendly ships ever to have sailed the coastal route.

The ships were built at the Tersan shipyard in Turkey, but more than 40 percent of the ships' equipment and inventory, both technical and interior, were supplied by Norwegian vendors and manufacturers. The first ship, Havila Capella, was delivered at the end of 2021, the second, Havila Castor, in April 2022, and the last two, Havila Polaris and Havila Pollux, were delivered in the third quarter of 2023. The group is headquartered in Fosnavåg.

## Financial Statement Analysis

Total operating revenues for the group in 2024 (2023 in parentheses) were MNOK 1,529 (MNOK 764), of which MNOK 1,141 (MNOK 548) were operational revenues and MNOK 388 (MNOK 216) were contract revenues from the Ministry of Transport & Communications. Operating expenses amounted to MNOK 1,310 (MNOK 955), primarily consisting of wages and other costs related to ship operations. Interest expenses of MNOK 615 (MNOK 391) relate to ship financing and unsecured debt to the main shareholder, Havila Holding. The annual result before tax for 2024 was negative at MNOK 788 (MNOK -874). Total assets were MNOK 4,582 (MNOK 4,751), with the primary assets being the company's four ships. Book equity as of 31.12.2024 was negative MNOK 322 (MNOK 466).

Net change in group cash flow in 2024 was MNOK 53 (MNOK -132), with net cash flow from operational activities accounting for MNOK 263 (MNOK -151).

The financial results reflect that the company is still in a startup phase. Key KPIs showed steady improvement throughout the year, adjusted for seasonal

variations. Occupancy increased to 73% in 2024 from 65% in 2023. Average cabin revenue (ACR) per guest night grew strongly, showing the company's ability to increase pricing levels. Average cabin revenue per night rose from NOK 3,300 to NOK 4,300. Onboard sales per guest night also increased, with average sales per passenger night at NOK 710, up from NOK 670 in 2023. The cabin factor (passengers per cabin) rose to 1.82 from 1.74 in 2023.

Operating costs for 2024 were MNOK 1,310, up from MNOK 944 in 2023. These costs mainly consist of fixed expenses. The delivery of the final two ships in Q3 2023 directly impacted the cost level, and higher occupancy, increased onboard activity, and the 2024 wage settlement contributed to the overall increase. Variable costs are primarily related to fuel (liquefied natural gas - LNG). The company currently has no hedging for LNG prices but benefits from a built-in annual adjustment mechanism in the contract with the authorities.

Currency fluctuations, particularly between the Norwegian krone and the euro, affected both results and balance sheet, resulting in unrealized exchange losses for the quarter and the year, negatively impacting equity. Adjusted for vessel values, including broker values and estimated new-build costs of just under MEUR 700, the company's adjusted equity remains significantly positive, estimated at MNOK 3,751.

The parent company's annual result for 2024 was negative at NOK 1,572 million (NOK -2.7 million in 2023), primarily due to an impairment of the company's investment in its subsidiary. See note 5. The parent company's total assets amounted to NOK 1,824 million (NOK 2,410 million in 2023), and its book equity as of December 31, 2024, was NOK 600 million (NOK 2,172 million in 2023). The net change in the company's cash flow was NOK -1 million (NOK -293 million in 2023).

## Future Outlook

Demand for travel to Norway is increasing, and Havila Kystruten's modern, environmentally friendly ships have received broad recognition and won several international awards. The company's sustainable profile strengthens growth potential, enabling both price increases and higher occupancy. Havila Kystruten is actively working toward achieving climate-neutral operations by



1,529  
MNOK

The group's total  
revenues



73%

Occupancy rate



710  
NOK

Average sales per  
passenger night



1.8

Cabin factor



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2028 and is exploring profitable ways to phase in biogas over the coming years.

The company has focused on increasing revenue through digital sales platforms and direct bookings via its own channels, which historically yield higher prices closer to departure. This strategy balances price and occupancy throughout the year to maximize margins. In 2024, direct sales through the company's own channels – websites and customer service – accounted for 56% of total sales.

As of May 2025, 59% of capacity for the year is already sold, and the target for 2025 is occupancy above 75%. Bookings for northbound and southbound voyages are more balanced compared to 2024, enabling more efficient operational planning and optimization during the high season, with the northbound route being particularly popular.

Average cabin revenue is expected to increase by 20–30% in 2025, driven by pricing adjustments and the phasing out of previously discounted bookings. These adjustments are feasible due to the low starting point during the startup phase, where building occupancy was crucial. Additionally, there is increasing willingness to pay for travel aboard ships that offer sustainable operations, reduced emissions, onboard silence, a unique award-winning culinary concept, spacious cabins, and large public areas.

Havila Kystruten's offering of shorter voyages – often combined with pre- and post-cruise activities – attracts younger guests. The average age of travelers in 2024 was 54, significantly lower than the historical average for the coastal route. This focus on shorter trips opens new commercial opportunities, as this guest segment typically has a higher willingness to pay. They also have greater expectations for onboard activities, providing opportunities to grow onboard sales. Through targeted pricing strategies and product enhancements, the company aims to increase revenue from services and experiences onboard.

### Sustainability Working Environment, Equality, and Anti-discrimination

Havila Kystruten is responsible for creating safe and secure workplaces and seeks to provide value for guests, employees, society, and stakeholders. The company upholds high ethical standards and is transparent about its sustainability goals and related actions. To secure future value creation, the company must both attract and retain talented employees while ensuring diversity. Havila Kystruten operates in accordance with the Working Environment Act and the Equality and Anti-Discrimination Act. It has policies to promote equality and prevent any form of discrimination based on gender, ethnicity, religion, sexual orientation, age, or disability. In 2024, the company employed 605 full-time person-years, of which 551 were at sea and 54 on land. Of the seafaring staff, 39% were women and 61% men; for land-based

staff, 62% were women and 38% men. At the end of 2024, the executive management team consisted of four women and four men, and the board of directors had three women and three men. A continuous goal is to reach 40% women in leadership positions by 2030.

### Health and Safety

Havila Kystruten's employees are the company's most important resource. Our ambition is zero injuries, accidents, or incidents. The company works systematically to maintain a positive working environment by promoting employee safety and growth while reducing and ultimately eliminating exposure to unsafe working or sailing conditions. Sick leave for the reporting period is addressed in the sustainability section under Health and Safety.

### Business Ethics and Human Rights

The company aims to build a strong corporate culture, where ethical conduct and transparency are core values upheld by all employees. In addition to ensuring that work is carried out safely, this also involves respecting freedom of association and not accepting any form of forced labor or other work-related discrimination. Havila Kystruten has zero tolerance for corruption, and the company operates in accordance with Norwegian laws and regulations. Communication on ethics and anti-corruption is also part of the onboarding process for new employees. The company operates solely in Norway. Before Havila Kystruten signs contracts with new suppliers and partners, the company conducts risk assessments on topics related to anti-corruption, human rights, and business ethics. Employees at Havila Kystruten have been informed of their responsibilities in situations where they identify potential conflicts of interest or violations of laws and regulations. Issues that raise ethical concerns, or that may involve breaches of the law, must be reported to the employee's immediate supervisor. A whistleblowing channel has been established on the company's website, enabling all employees to report possible or actual violations of rules or laws. External parties can also use the whistleblowing channel, which is operated by a neutral third party, and any whistleblower has the option to remain anonymous. This topic is further addressed in [Appendix 3](#), the Transparency Act Statement for 2024.

### Environmental Impact

The company's business activities have both direct and indirect social, environmental, and economic impacts. Havila Kystruten's four ships are equipped with batteries that can be charged using clean hydropower when the ships are docked, provided that shore power and charging infrastructure are available in the relevant ports. The ships operate as plug-in hybrids using natural gas (LNG) and large battery packs for propulsion and power needs. This combination enabled our ships in 2024 to reduce CO<sub>2</sub> emissions by 35 percent and NOx emissions by nearly 90 percent compared to 2017



87%

Reduction of NOX emissions and CO<sub>2</sub> emissions with 35%



100%

Reduction in SOx emissions<sup>3)</sup>



68 g

Food waste per guest

<sup>3)</sup> The reference figures represent emissions from traditional vessels under a similar contract with the Ministry of Transport in 2017, as sourced from the contract.

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figures from the coastal route – i.e., ships running on traditional fossil fuels<sup>3</sup>. SOx emissions have been reduced by 100 percent. The ships are specially designed for maximum energy efficiency, and excess heat from cooling water and seawater is used for onboard heating. The company already exceeds the government’s emission reduction requirements in the contract ( 25 percent CO<sub>2</sub> and 80 percent NOx) , and the main goal is to operate with zero emissions by the end of the current contract period.

At its inception, Havila Kystruten set an ambitious goal of generating only 75 grams of food waste per passenger cruise night. For 2024 as a whole, the company achieved 68 grams of food waste per passenger cruise night, which is significantly lower than the industry standard.

### Risk Factors

Havila Kystruten is exposed to various risk areas and seeks to mitigate negative effects through sound business practices and preventative measures.

### Financial Risk

Havila Kystruten AS is exposed to currency, interest rate, and fuel price risk. Ship financing is in euros, while operating revenue is expected in both NOK and other currencies, with the euro being the most important. Long-term interest-bearing debt has a floating rate element, and fuel (LNG) costs are variable based on market prices. The group aims to highlight risks and implement mitigation measures, including matching financing with revenue currencies. The current strategy does not involve financial instruments but is subject to ongoing board review.

### Liquidity Risk

Management and the board focus on managing liquidity risk by maintaining an adequate free cash balance. The group’s management is responsible for monitoring and reporting on the group’s liquidity position on an ongoing basis.

### Market and Regulatory Risk

The company is exposed to market risk tied to tourism and cruising, with most passengers from Europe – especially German-speaking countries – accounting for over 32% of the 2024 customer base. Economic changes in these regions could have an impact on the company’s customer base. To mitigate this, the company is actively working to diversify geographically and is seeing good results through digital marketing, especially in the U.S. and gradually in Asia and Australia. The company is also subject to regulatory risk in Norway, especially regarding the renewal of the contract with the Ministry of Transport

& Communications, which runs until the end of 2030. Havila Kystruten is well-positioned to secure an extension and owns flexible ships that can also be deployed in the expedition cruise segment.

### IT and Cybersecurity

Havila Kystruten uses various IT systems and software in daily operations. The company recognizes that methodical work with information security is crucial for operational continuity, protection of sensitive business information, customer trust, and compliance with regulations and industry standards. It is implementing an Information Security Management System (ISMS) in line with ISO 27001. The policy applies to all systems, people, and processes within the organization, including board members, executives, employees, suppliers, and third parties.

### Board and CEO Insurance

Havila Holding AS has taken out directors and officers (D&O) liability insurance, which includes Havila Kystruten AS and its subsidiaries. The policy covers board members, the CEO, and other employees with independent management responsibility. It provides coverage for financial loss resulting from claims made against them during the insurance period due to an alleged wrongful act or omission.

### Events After the Balance Sheet Date

There have been no events subsequent to the balance sheet date that are considered to be of material significance for the 2024 annual financial statements.

### Continued operations

The 2024 accounts have been prepared based on the going concern assumption. The company’s operations are based on the agreement with the Ministry of Transport for operating four ships on the coastal route between Bergen and Kirkenes.

After several challenging years where external factors impacted the delivery and financing of the new environmentally friendly coastal vessels, 2024 marked the first year of full operation for all four of Havila Kystruten AS’s ships. The fleet had an operational uptime of 98% for the year, reflecting a well-prepared crew, efficient shoreside organization, and strong collaboration with customers and partners along the coast. This provides the foundation for the company’s value creation for shareholders, travelers, and the communities it serves.



98%

Operational up-time for the whole fleet

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The company has a bond loan with a scheduled maturity in July 2026. The secured bond loan agreement contains general, financial and vessel covenants customary in high yield bonds. In addition, given the circumstances surrounding the financing in 2023, a number of the provisions are particularly strict, including mandatory prepayment provisions, many of which attract a make-whole payment and substantive call premia.

As of the reporting date the company is not in compliance with all terms of the current financing. However, the company has received a commitment for a new bond loan from the existing lender, which – if entered into – would address these issues. This provides a foundation for a planned long-term refinancing during 2025, which will strengthen the company’s ability to establish itself as a profitable and sustainable operator on the coastal route. It will also facilitate further growth and a capital structure that better reflects vessel values and earnings potential.

The company’s board of directors assumes that the conditions for continued operations are in place.

**Auditor**  
Havila Kystruten AS has used PricewaterhouseCoopers AS as its auditor for the 2024 financial year.

### Distribution of results

The board proposes the following distribution of the annual result in Havila Kystruten AS:

|             |                |
|-------------|----------------|
| NOK i 1 000 | Parent company |
|-------------|----------------|

| Allocation of profit |            |
|----------------------|------------|
| Uncovered loss       | -1 572 170 |
| Total allocated      | -1 572 170 |



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## Fosnavåg, 27.05.2025 The Board of Havila Kystruten AS



Per Sævik  
Chairman of the Board of Directors



Vegard Sævik  
Board member



Hege Sævik Rabben  
Board member



Anita Nybø  
Board member



Karina Birkelund  
Board member



Svein Roger Selle  
Board member



Bent Martini  
Chief Executive Officer (CEO)

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# General Basis for Preparation of the Sustainability Report

// ESRS 2, BP-1, Basis for preparation

Havila Kystruten currently holds a leading position in sustainability on the traditional coastal route along the Norwegian coast, and the company has a plan and clear ambitions to maintain and continue this position. We aim to work towards the goals we have set and to adhere to the company’s strategy. To achieve this, we must dare to take bold steps, learn from others, and challenge ourselves and our surroundings.

In connection with the implementation of the EU’s Corporate Sustainability Reporting Directive (CSRD), Havila Kystruten may become subject to its requirements starting in 2026, for the reporting year 2025. It is worth noting that the Omnibus package may alter this, but we will not know for certain until after the publication of this report. The company’s previous reports have been based on the GRI (Global Reporting Initiative), so we already have a foundation to build upon. However, to improve the quality of our reporting, we are aligning the structure and content with the ESRS standard. This will better prepare us for future reporting and allow readers to more easily compare our report with others that follow the same structure. In this context, we have chosen to take inspiration from the table of contents in the new reporting framework.

## Basis for Preparation

This year’s voluntary sustainability report, as in previous years, is based on a mapping process carried out by key roles within Havila Kystruten during the period 2021–2023. The purpose of the mapping was to show the company’s positive and negative impact on society and the environment, as well as to assess the enterprise’s financial risks and opportunities related to sustainability. To achieve this, it was important to identify the company’s stakeholders and activities to gain a clear overview of the company’s value chain.

Only then could one understand the actual and potential impact Havila Kystruten has had and continues to have on its surroundings. In December 2021, a stakeholder assessment was conducted (see Appendix 2), which defined the eight most important stakeholder groups. This was followed by an identification of impacts, risks, and opportunities (IROs) through conversations with stakeholders. The working group assessed and prioritized these IROs based on consequence and likelihood, and a threshold value was set. Everything above the threshold was then considered material.

In 2024, the company’s main owner, Havila Holding, in collaboration with Position Green, prepared a double materiality analysis (DMA) using a top-down perspective. The analysis



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includes the subsidiaries of Havila Holding and is based on the earlier work described above. It provides us with a solid overview of which topics and activities Havila Holding considers material and non-material in relation to Havila Kystruten's operations. The analysis is limited to quantifying the companies' impact on the environment only, and not the financial impact that environmental issues may have on the companies.

After reviewing the analysis, we see significant similarities with what we have previously assessed as material for Havila Kystruten, and based on that, we have chosen to base this year's report on this analysis. This brings us one step closer to the framework established by the CSRD directive, and we will develop a plan that we will continue working on in 2025.

## Specific Circumstances

// ESRS 2, BP-2 – Disclosures in relation to specific circumstances

### Consolidation

The sustainability report is prepared on a consolidated basis. The data is consolidated according to the same principles as the financial statements and includes the parent company Havila Kystruten AS and its subsidiaries.

### Time Horizon

We measure time horizons in the same way as in financial statements, where short-term is within one year. Medium-term is considered the period from one to five years, and long-term is considered from and beyond five years.

### Value Chain

The sustainability report provides insight into our own operations, as well as upstream and downstream aspects of our value chain. Havila Kystruten's four ships are part of coastal preparedness and serve the coastal route that has been in operation for over 130 years. The company's continuous and societally critical operations are illustrated on the next page. The company's value chain involves the transport of people and goods along the Norwegian coast, with a focus on logistics, passenger experiences, collaboration with various stakeholders, safety, and sustainability.

### Measurement Basis

The accounting principles have been applied consistently throughout the fiscal year and for comparative figures. The calculation factors used are listed on the pages with the relevant calculations, along with references.

### External Review

Similar to last year, this year's sustainability reports have not been externally audited.

## Going forward

During the first half of 2025, we will build upon the double materiality analysis, conduct our own weighting, and perform the financial assessment of risks and opportunities. As the analysis's outcomes, material topics, and threshold values are to be revised annually, it is possible that what we report this year will be adjusted in next year's report.

## Organization chart

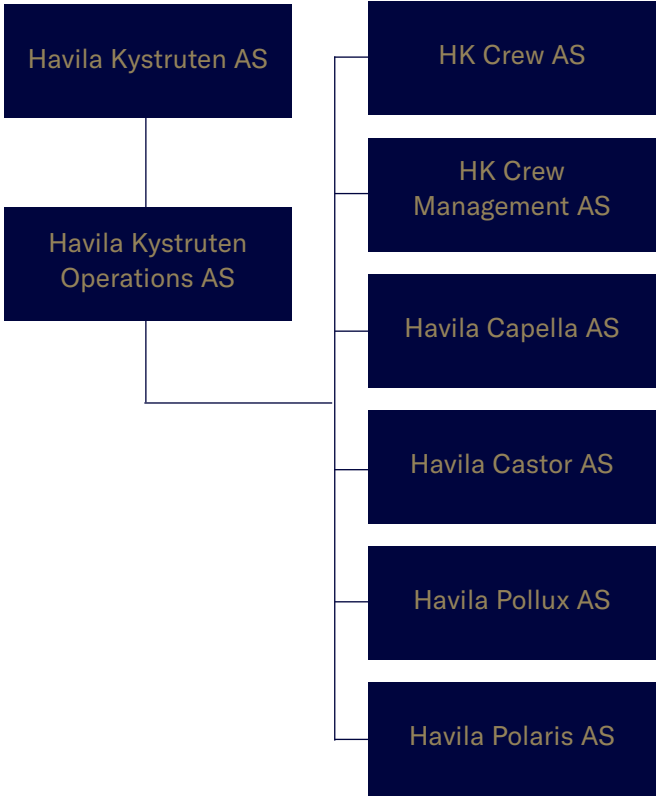


Figure 1: Organization chart

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# Our Value Chain



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# Sustainability Management

// ESRS 2, GOV-1 The role of the administrative management and supervisory bodies, GOV-2 Information provided to and sustainability matters addressed by the business's administrative, management and supervisory bodies and GOV-3 Integration of sustainability-related performance in incentive schemes.

The company's Board of Directors holds the overall responsibility for corporate governance and must ensure that the company complies with laws and regulations. At the same time, the Board is responsible for ensuring that sustainability reporting is integrated into the company's strategy and risk management. The Board assesses the company's approach, performance, and material impacts through its review and approval of the annual report.

The Board consists of six members who possess extensive experience and diverse expertise in corporate governance, finance, sustainability, and tourism. The gender balance is 50/50, reflecting our commitment to promoting gender equality. The Board is a combination of internal owners and external members, providing the company with a robust governance structure and strong corporate leadership. [See page 16](#) for an overview of the Board members.

The Board, together with group management, will assess the company's risks and opportunities, with the CEO holding operational responsibility. The company's Chief Communications and Sustainability Officer has overall responsibility for ensuring that the company delivers on its sustainability goals and that actions align with the company's sustainability ambition. Responsibility for reporting – both financial and non-financial – lies with the CFO. The Head of Finance is responsible for preparing the annual report, with support from the Head of Climate and Environment in the sustainability section.

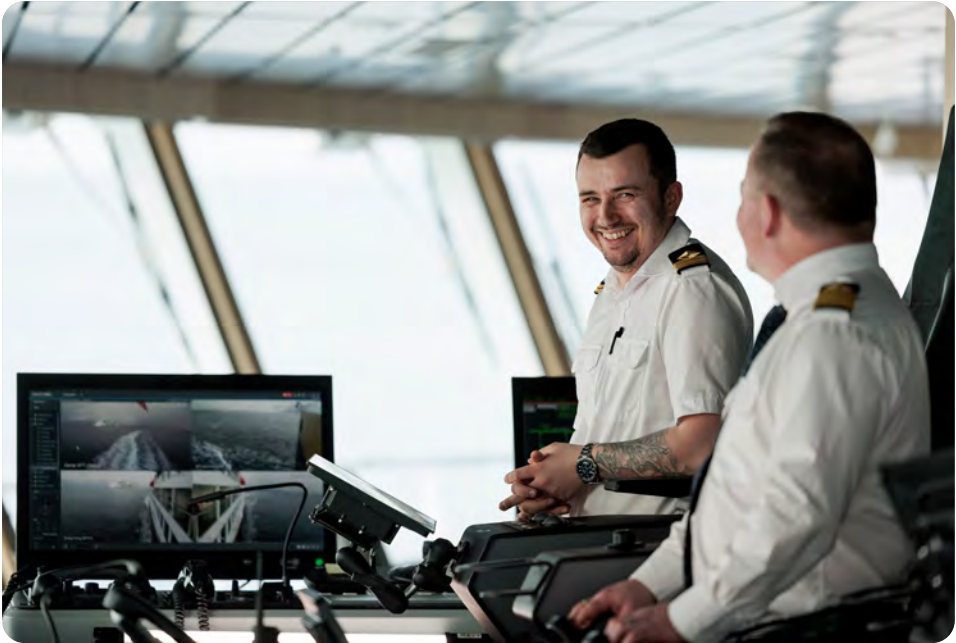
Going forward, the company's executive team will continue to play critical roles in the implementation and follow-up of CSRD requirements and will work collaboratively across the organization. Regular updates on material impacts, risks, and opportunities will be provided to group management and subsequently to the Board of Directors. As of now, there are no sustainability-related incentive schemes in place – see the chapter on ownership and corporate governance.

# Risk Management and Internal Controls

// ESRS 2, GOV-5 Risk management and internal controls over sustainability reporting.

As part of preparation for CSRD reporting, a plan has been established to identify risks, reassess existing controls, and identify additional controls for next year's reporting. This will be an ongoing effort throughout 2025. The plan includes a review of the procedures related to the data we measure and report, as well as a general improvement of internal controls to mitigate the risk of errors in reporting. Whether we prioritize quantitative versus qualitative aspects will be determined once the new double materiality analysis (DMA) is completed. Only then can we determine where to start and the scope of the work.

The risk related to completeness, accuracy, and timing of data will, as with financial data, be assessed against materiality for each individual item. We will also conduct quality assurance of estimates and calculations.



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# Core Elements in Due Diligence

// ESRS 2, GOV-4 Statement on due diligence

- a. Corporate Governance, Strategy, and Business Model Review:  
The executive management holds the overall responsibility for ensuring that this integration works across the company's employees, operations, and local communities.
- b. Engagement with Affected Stakeholders:  
We maintain ongoing collaboration and dialogue with employees, workers in the value chain, and local communities. See more on [page 30](#) and in [Appendix 2](#).
- c. Identification and Assessment of Impacts:  
As mentioned earlier, we conduct a double materiality analysis that addresses the company's impact on the environment, which will be continuously updated and improved. Read more about this on [page 24](#).
- d. Implementing Measures to Address Negative Impacts:  
We implement specific measures to address the company's significant impacts. This work will continue and evolve based on further work with the double materiality analysis. Additionally, we collaborate with customers and suppliers to identify and improve any weaknesses in systems, procedures, and related aspects.
- e. Tracking Effectiveness of Efforts and Communication:  
We log all measurements, thereby enabling us to track the effectiveness of our actions and communicate this both internally and externally.





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# How We Create Value

// ESRS 2, SBM–1 Strategy, business model and value chain and SMB–2 Interests and views of stakeholders

Havila Kystruten creates value through its mission with the Norwegian authorities to operate the traditional coastal route Bergen – Kirkenes – Bergen. This route is considered critical infrastructure and is particularly important for settlement along the coast, as well as for the transportation of local passengers and freight. The ships that sail up and down the coast year-round contribute significantly to local and national value creation and are part of emergency preparedness — especially in the northern regions. For tourists who choose the route as a holiday destination, Havila Kystruten offers an experience of spectacular nature, while guests also contribute to increased value creation and jobs along the coastal route through the purchase of goods and services.

## Natural Resources

To achieve the company’s goals and strategy, Havila Kystruten relies on ships that can navigate the Norwegian coast while preserving nature. The ships’ hulls are optimized to reduce energy consumption and withstand the harsh climate along the coast, and excess heat from cooling water and seawater is used to optimize energy consumption onboard. For example, excess heat is used for heating cabins and water.

The ships are designed to be compatible with hydrogen propulsion, ensuring sustainable operation when this energy solution becomes more available. The hydrogen-based energy system, with Havila Kystruten’s ships as a model, has received preliminary approval from DNV (Det Norske Veritas) and the Norwegian Maritime Authority. The use of biogas provides the potential to further reduce CO<sub>2</sub> emissions through gradual blending. By running on biogas only, the company can reduce CO<sub>2</sub> emissions by up to 90%, hence becoming carbon neutral.

## Employees

On the company’s ships, there will always be a minimum of 22 employees operating the ship, as well as a hotel crew whose number will vary depending on the occupancy on board. The company is entirely dependent on this crew, both for the operation of the ships and for ensuring the safety of guests, crew, and the ships themselves. Our employees are the company’s gold, continuously working to create value while adhering to the company’s core values.

## Stakeholders and Local Communities

To create an adventurous and memorable journey for our guests, we are committed to securing strong and long-term agreements with suppliers. The company focuses on using local labor and local products. For example, the ships are furnished using Norwegian, local suppliers. In this way, the company contributes to value creation along the coast and the positive development

of local communities. For guests on board our ships, we offer around 70 excursions provided by 80 different local suppliers along the route. This also contributes to job creation and local value generation in the ports and areas we visit.

In addition to customers and suppliers, we depend on professional relationships with banking institutions. The business model relies on financial capital, making our partners key players. Since part of the company’s societal role is to transport people and goods along the Norwegian coast, the company is also dependent on supportive investors and constructive dialogue with the authorities.

This is something the company values highly and continues to work on consistently. The company’s stakeholders can be categorized into eight different groups. The company aims to maintain ongoing dialogue with its stakeholders through daily meetings, email, phone, and Teams correspondence. See below for which stakeholder groups are considered most material and the types of engagement activities the company has with each. See also [Appendix 2](#).



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# Stakeholder Analysis

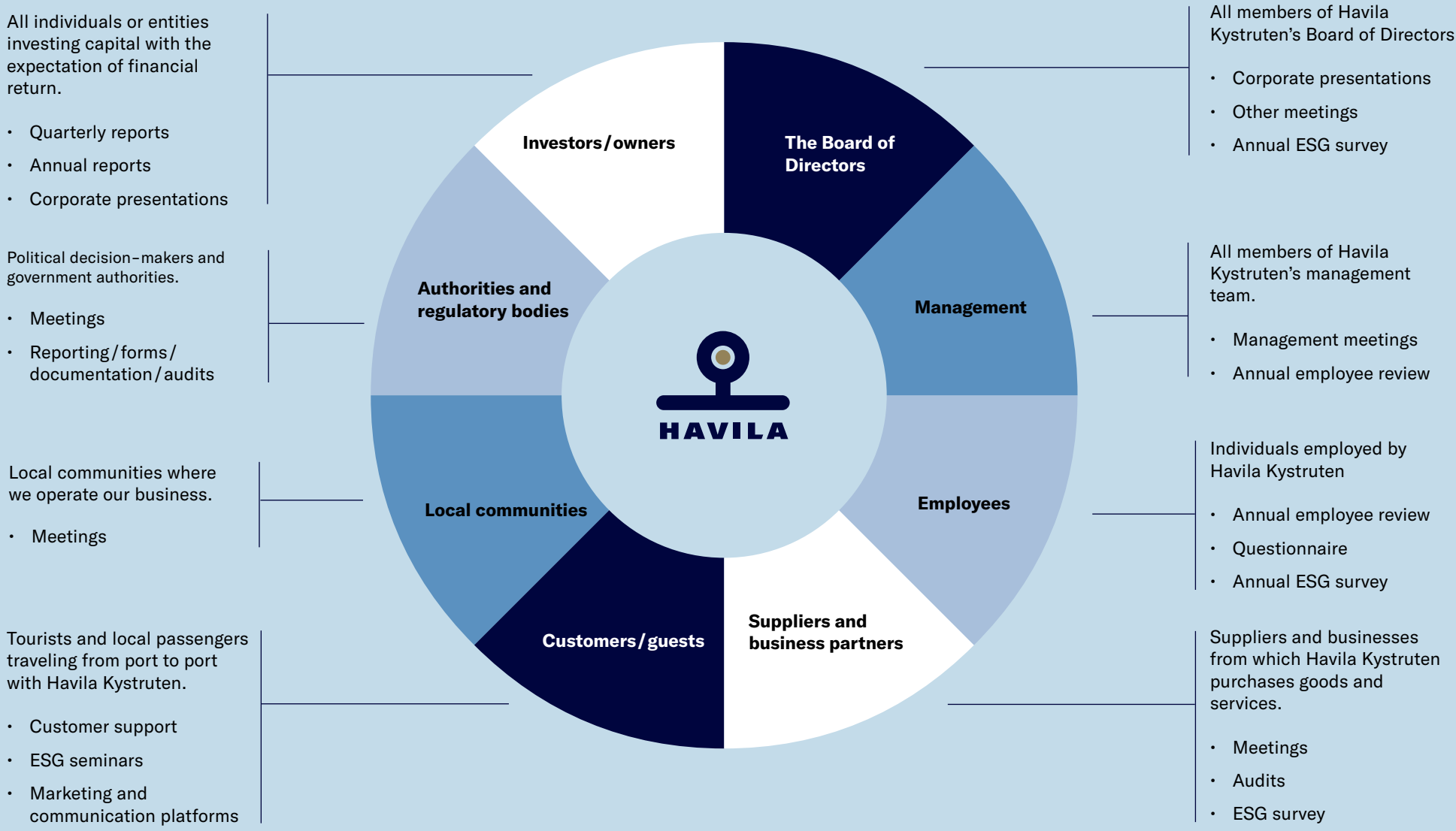


Figure 3: Stakeholder analysis



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# Our Material Topics

// ESRS 2, SBM–3 Material impacts, risks and opportunities and their interaction with strategy and business model

This year, we based our reporting on Havila Holding’s double materiality analysis (DMA), aiming to identify Havila Kystruten’s impacts, risks, and opportunities (IROs). The analysis presents which topics the parent company considers important for Havila Kystruten. These are topics we relate to, and therefore, we have chosen to use the analysis this year. The analysis will be further developed throughout 2025

Based on the DMA, the following topics are material for Havila Kystruten:

| Sustainability Topic  | Topic                                   | Description                                                                                                                                                                                        |
|-----------------------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate & Environment | E1 – Climate change                     | Greenhouse gas emissions<br>Energy consumption<br>Fines due to emission regulations<br>Transition to renewable energy sources                                                                      |
|                       | E2 – Pollution                          | Pollution to air, water, and in the supply chain<br>Accidental spills                                                                                                                              |
|                       | E5 – Resource Use and Circular Economy  | High consumption of steel<br>Steel recycling<br>Accidental spills from guests<br>Failure to comply with waste management standards                                                                 |
| Social                | S1 – Health and Safety                  | Health and safety for own employees<br>Sufficient competence in HSE and emergency preparedness<br>Health and safety violations for own employees                                                   |
|                       | S1 – Our Employees                      | Competence development for own employees<br>Work–life balance<br>Pension and insurance schemes as well as other welfare benefits                                                                   |
|                       | S1 – Diversity, Equality, and Inclusion | Diversity, equality, and inclusion among own employees<br>Deficiencies in DEI practices<br>Competence development for own employees                                                                |
| Business Conduct      | G1 – Business Ethics                    | Corporate culture that promotes good behavior and ethical business practices<br>Lack of training may affect employee well–being and performance<br>Effective training and clear ethical guidelines |

Table 1: The Company's Material Sustainability Topics

## Definitions

**Impact, Risk, Opportunity (IRO):**  
The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

**Upstream Operations (O):**  
Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

**Own Operations (E):**  
The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

**Downstream Operations (N):**  
Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

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## Method and Process

// IRO–1 Description of the process to identify and assess material impacts, risks and opportunities

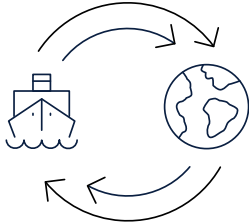


Figure 4: Double materiality analysis

### Scope

A double materiality analysis can be thought of as two different analyses that are ultimately combined. See figure 3 where the analysis is illustrated. From one point of view, we look at the company’s impact on people and the environment, assessing whether the impact is positive or negative for the surroundings. On the other hand, we examine how the surroundings impact the company, determining whether this results in increased risks or opportunities.

This year’s analysis presents both the company’s impacts, risks, and opportunities but is limited to quantifying only the company’s impact. This means we have focused on evaluating the company’s impact on people and the environment (inside–out). This corresponds to the upper part of the figure. We have examined both positive and negative impacts, as well as actual and potential impacts. The financial assessment (outside–in), which addresses risks and opportunities, will be conducted during 2025 and presented in 2026 – corresponding to the lower part of the figure. The analysis is based on all ESRs within the CSRD framework, including sub–topics, and we have evaluated activities within our own operations as well as from our business relationships and value chain. We have mainly focused on first–tier suppliers.

| ESRS | Description                                      | IRO                    | Value chain |   |   | Time frame (year) |     |    |
|------|--------------------------------------------------|------------------------|-------------|---|---|-------------------|-----|----|
|      |                                                  |                        | O           | E | N | 0–1               | 1–5 | 5+ |
| E1   | Greenhouse gas emissions                         | Actual negative impact | ●           | ● |   |                   |     | ●  |
|      | Energy consumption                               | Actual negative impact |             | ● |   |                   |     | ●  |
|      | Fines due to emission regulations                | Risk                   | ●           | ● |   |                   |     | ●  |
|      | Transition to renewable sources                  | Opportunity            | ●           | ● |   |                   |     | ●  |
| E2   | Pollution to air, water, and in the supply chain | Actual negative impact | ●           | ● |   |                   |     | ●  |
|      | Accidental spills                                | Risk                   |             | ● |   |                   |     | ●  |

| ESRS | Description                                                                  | IRO                       | Value chain |   |   | Time frame (year) |     |    |
|------|------------------------------------------------------------------------------|---------------------------|-------------|---|---|-------------------|-----|----|
|      |                                                                              |                           | O           | E | N | 0–1               | 1–5 | 5+ |
| E5   | High consumption of steel                                                    | Potential negative impact | ●           |   |   |                   |     | ●  |
|      | Steel recycling                                                              | Potential positive impact |             |   | ● |                   |     | ●  |
|      | Accidental waste discharge from guests                                       | Actual negative impact    |             |   | ● |                   |     | ●  |
|      | Non–compliance with waste management standards                               | Risk                      |             |   | ● |                   |     | ●  |
| S1   | Health and safety for own employees                                          | Actual negative impact    |             | ● |   |                   | ●   |    |
|      | Sufficient competence in HSE and emergency preparedness                      | Potential negative impact |             | ● |   |                   | ●   |    |
|      | Health and safety violations for own employees                               | Risk                      |             | ● |   |                   | ●   |    |
|      | Sufficient competence in HSE and emergency preparedness                      | Risk                      |             | ● |   |                   | ●   |    |
|      | Competence development for own employees                                     | Potential positive impact |             | ● |   |                   | ●   |    |
|      | Work–life balance                                                            | Risk/Opportunity          |             | ● |   | ●                 |     |    |
|      | Pension and insurance schemes as well as other welfare benefits              | Risk/Opportunity          |             | ● |   | ●                 | ●   |    |
|      | Diversity, equality, and inclusion among own employees                       | Potential negative impact |             | ● |   |                   | ●   |    |
|      | Deficiencies in DEI practices                                                | Risk                      |             | ● |   |                   | ●   |    |
|      | Competence development for own employees                                     | Opportunity               |             | ● |   |                   | ●   |    |
|      | Corporate culture that encourages good behavior and ethical business conduct | Actual positive impact    |             | ● |   |                   |     | ●  |
| G1   | Lack of training may affect employee well–being and performance              | Risk                      |             | ● |   |                   |     | ●  |
|      | Effective training and clear ethical guidelines                              | Opportunity               |             | ● |   |                   |     | ●  |

Table 2: Material ESRs and IROs

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### Stakeholder Engagement

The analysis considers the company’s upstream activities, our own activities, and downstream activities. As mentioned earlier, a stakeholder analysis has been conducted to identify the company’s most significant stakeholders, their positions, and how we engage with them. Through this process, we identified the interests of various stakeholders and what they consider important. This has been used in the DMA. Through continuous dialogue, we achieve high-quality assessments of the company’s impacts, and eventually, the associated risks and opportunities. Read more about the analysis in [Appendix 2](#).

### Evaluation

To assess whether the impacts, risks, and opportunities are material or not, the analysis has been structured according to the CSRD framework. The various ESRS topics have been categorized and based on characteristics that provide the reader/user with more context to evaluate the impact, risk, or opportunity (IRO) further. These characteristics include, for example, where the IRO occurs in the value chain, whether the IRO is actual or potential, positive or negative, as well as the time horizon. Like the assessments themselves, the characteristics in the analysis are treated somewhat differently. For example, they are addressed in one way in the analysis concerning the company’s impact on the environment, and in another way in the analysis related to risks and opportunities. We have therefore chosen to describe these assessments in separate sections below.

Regarding the company’s impact on the environment, CSRD requires that the various topics be assessed according to four criteria:

1. Scale: Here, we assess the magnitude of the impact on the environment and people, and evaluate the severity from 1 to 5, where 1 is very low/mild, and 5 is very high/critical. For example, the release of a life-threatening substance would be assessed as high scale.
2. Scope: We evaluate the extent of the impact. This is also measured on a scale from 1 to 5, where 1 might involve only a few individuals, while 5 could affect a global workforce.
3. Irreversibility: Here, we assess whether the impact is irreversible or not, using a scale from 1 to 5. For example, it would be difficult to remedy air emissions, which would be categorized with a score of 5.
4. Likelihood: We assess the likelihood of the impact occurring. Note that if the impact is actual, the probability is considered 100%. If the impact is potential, the probability will vary. In our analysis, we use six different probability levels: 1 (< 10 %), 2 (10–25 %), 3 (25–30 %), 4 (50–75 %), 5 (> 75%), 6 (100 %).

Once each category has been assigned a value, these are then viewed collectively to give the activity a final score. The score is calculated by taking the average of criteria 1, 2, and 3. If the resulting value is above our threshold, it is considered material. This year’s threshold is set at four. The analysis is also structured so that if the average score is 0.5 below the threshold, the item will be classified as non-material but borderline. This also provides an overview of which values are close to the threshold.

The second part of the analysis uses a slightly different scoring method, where in principle, only two criteria are assessed:

- 1. financial impact
- 2. probability of risks and opportunities occurring

This year’s analysis is limited by the fact that the financial assessment has not been conducted. As with the environmental assessment, we would have used the criteria to determine which risks and opportunities are material and not material for the company. We would also have identified those that are near the threshold. This is an important part of the analysis and will be developed during 2025.

Further in the report, we have attempted to structure the content in line with the requirements of the CSRD framework, to the extent possible. We will present our material topics in the following order: Environment, Social, and Governance. Each topic will include subtopics. We will describe the topics and present details regarding our impact, our strategy, implemented measures, and possibly a case that provides valuable insight into what we are facing.





“We are sailing in the world heritage. So should the generations to come”

Per Sævik, owner and founder

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68 g foodwaste per guest  
71% waste sorting rate



LNG+ operations cuts  
CO<sub>2</sub> with 35%\*

\*With the blending of biogas, we can become carbon neutral (90%)



NOx emissions redused  
with 87%  
SOx reduced with 100%



Fire hours operations  
with zero emissions



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# E1: A Journey for the Generations To Come

Clean water, fresh air, and raw, untouched Norwegian nature. We sail with pride through the world's most beautiful waters, along a coastline with vulnerable and protected areas. The Norwegian fjords are so unique that people from across the globe wish to visit them. This places responsibilities on us. We must take care of what we love and do what we can, so that the generations that come after us can also experience and enjoy the nature we are fortunate enough to experience today.

We believe that Havila Kystruten can play a role in preserving the sea and the environments we sail through. In addition to connecting our guests to the essence of what makes us human: Discovering new places and cultures, meeting new people, and creating memories for life.

At Havila Kystruten, we have an important societal mission: to deliver the best possible transport service for the people along the coast. At the same time, we have been given a unique opportunity to offer a quieter, more environmentally friendly coastal voyage for people from around the world. Here, our guests can experience the very best Norway has to offer – our long, unique, and adventure-filled coastline.

Our new, modern ships currently operate with emission levels that significantly outperform the requirements set in the coastal route contract with the Norwegian authorities. The ships sail more quietly and with lower greenhouse gas emissions than previous operators. The emission requirements defined in the contract with the Ministry of Transport specify a 25% reduction in CO<sub>2</sub> and an 80% reduction in NOx compared to 2017 reference figures. Our operations and our ships delivered significantly better results in 2024, with Havila Kystruten achieving a 35% reduction in CO<sub>2</sub> emissions and an 87% reduction in NOx emissions compared to the 2017<sup>4</sup> figures.

At Havila Kystruten, we recognize that our greatest impact lies in carrying out our mission from the Ministry of Transport in the best possible way – enabling our passengers to sail as environmentally friendly as possible along the Norwegian coast. We aim to serve as an example of how coastal cruises can be operated with less environmental impact. We are aware that there are still areas where our operations negatively affect the environment, and we work every day to reduce this. Our environmental footprint is linked in part to greenhouse gas emissions from our four identical sister ships and activities in the value chain, including CO<sub>2</sub>, methane, soot, NOx, and SOx. The use of fossil fuels such as liquefied natural gas (LNG) contributes to the degradation of nature and resources along the coast. We also use various products in hotel operations on board, as well as excursions and transportation methods that contribute to our environmental impact. Sailing with the lowest possible climate footprint is our highest goal and priority, ensuring that we can continue operating along Norway's vulnerable coastline while also protecting it. This is important for the local communities we visit daily through our transport service, and for ensuring that our coastal cruise guests can travel with as low a climate impact as possible.

The journey toward a future with even lower emissions and less impact on our natural surroundings is not something we can achieve alone. We are committed to doing what we can to ensure that the beautiful environments we sail through remain for future generations. But achieving our goals depends critically on having the right regulatory conditions, strong cooperation with authorities, and access to opportunities in both technology and the availability of renewable fuels.

When we take our guests on unforgettable coastal adventures, we must also deliver on our vision:

To revolutionize coastal travel and contribute to a more sustainable industry for us and future generations by offering safe, sustainable, and memorable travel experiences that create lifelong memories and viable coastal communities.

## Action Plan for Climate Change Mitigation

// E1–1 Transition plan for climate change mitigation

Our ships are designed and built to sail with the smallest possible climate footprint. The company also supports the goal of preventing global warming to 1.5 degrees Celsius, in line with the Paris Agreement and the EU's climate targets. We are proud that already in 2022, we were the first shipping company to sail emission-free in the World Heritage fjords, ten years before new requirements come into effect from 2032.

As part of the action plan, we have set three strategic main goals for the future:

- achieve climate-neutral ship operations by 2028
- achieve emission-free ship operations by 2030
- adopt a more circular approach to how we use our resources

Havila Kystruten's fleet utilizes large battery packs and liquefied natural gas (LNG) as fuel to generate power. In 2024, Havila Kystruten can demonstrate a 35% reduction in CO<sub>2</sub> emissions compared to emission figures from other ships on a similar contract with the Ministry of Transport & Communications in 2017<sup>5</sup>. Through optimized operations, we can sail completely emission-free for up to four hours at a time with the current battery packs. Over time, we can also consider replacing them with newer and even more efficient battery packs.

We are continuously working on several measures to further reduce our climate footprint. Through optimizing our operations and improving the charging infrastructure along the coast, we can, with our current plug-in hybrid operation, reduce our CO<sub>2</sub> emissions by up to 40%.

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# The journey towards zero emission

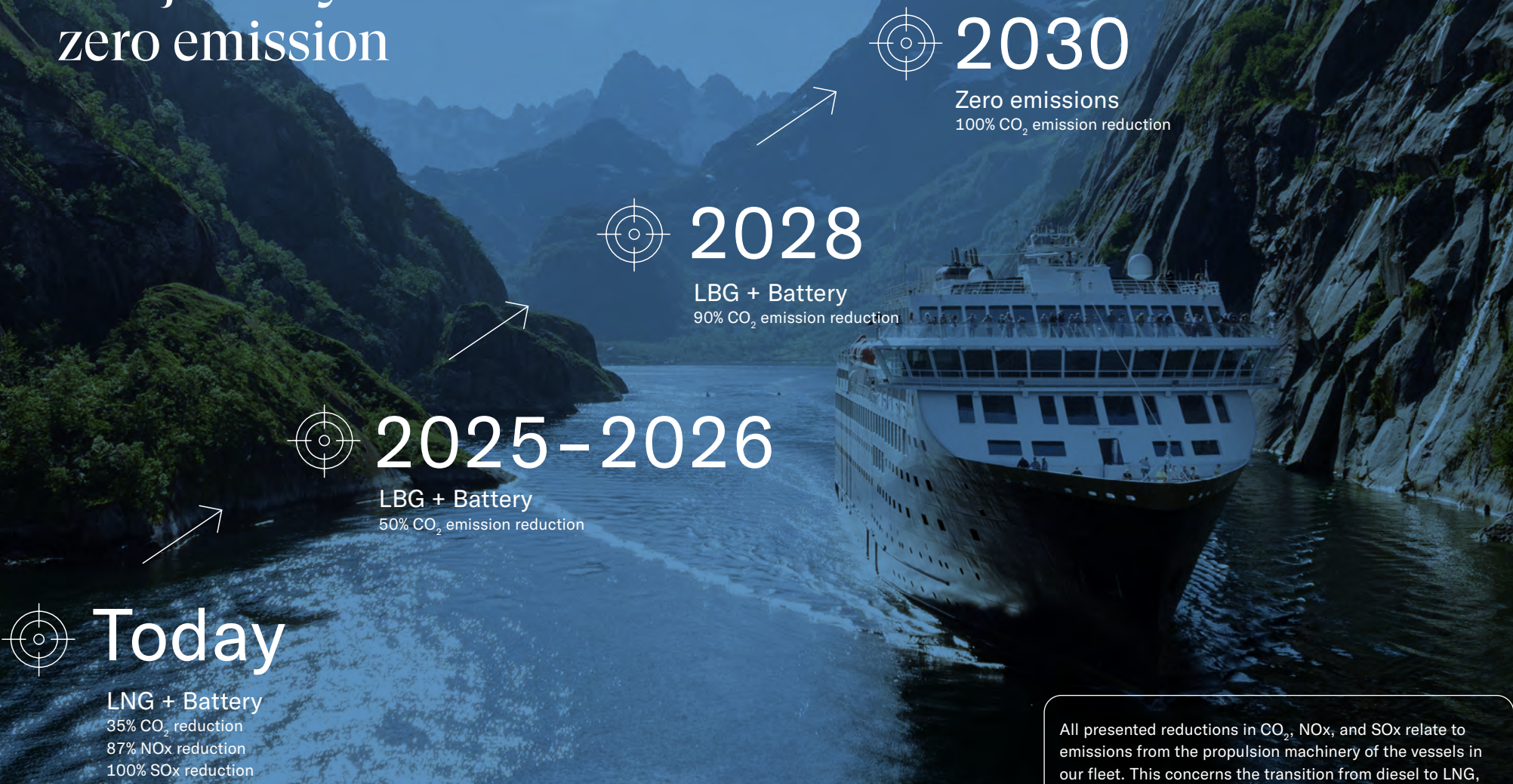


Figure 5: The journey towards zero emissions

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# Action Plan



Operational Optimization

Today, we have achieved a 35% reduction in CO<sub>2</sub><sup>6</sup> emissions. We continuously focus on areas within our operations that can contribute to further optimization and reduction of our environmental impact.

Alternative Fuel

To achieve a greater reduction in our emissions, gradual blending of liquefied biogas ( LBG ) is one of the practical solutions we have today. The implementation of biogas also depends on framework conditions, availability, price, and ensuring it is economically viable.

Infrastructure and Availability

The possibility of charging our batteries more frequently along our beautiful coast can further reduce our emissions. Today, we can only charge batteries in Bodø and Trondheim. This means we are dependent on the availability of charging and bunkering stations along the coast for all four ships to reduce our climate impact.

Hydrofoil Project

A project has been initiated to assess retrofitting with a hydrofoil to lift the stern of the ship, thereby reducing resistance and improving propulsion. This could potentially reduce energy consumption by up to 10% because of lower fuel consumption.

Waste Management and Circularity

Our ambition is to reduce, reuse, and recycle as much waste as possible to ensure a circular approach to the use of all our resources. In 2024 we had a waste sorting rate of 71% compared to our KPI of 65%.

## Climate-neutral shipping operations by 2028

Biogas – A Path to Carbon Neutrality

Biogas – A Path to Carbon Neutrality  
Our first step on the journey towards carbon neutrality is gradual blending of biogas. The ships have been ready for this since delivery, as natural gas and biogas have the same properties.

In collaboration with suppliers, this is a fuel that can be made available today.

Dialogue with Our Suppliers and Partners

Dialogue with our partners and suppliers along the coast is essential to achieve the environmental measures we aim for.

Availability and infrastructure related to the bunkering of biogas along the coast are essential, so we can also reduce transportation costs associated with fuel delivery.

## Emission-free shipping by 2030

Hydrogen – A Path to Zero Emissions Along the Coast

Hydrogen – A Path to Zero Emissions Along the Coast  
Havila Kyststruten has an ambition of zero emissions. Hydrogen is one of the options.

Hydrogen is also an important answer to how we contribute to meeting the IMO's ( International Maritime Organization ) requirement to halve greenhouse gas emissions from shipping by 2050 compared to 2008 levels.<sup>7</sup>

Such a solution will require retrofitting of the ships and close collaboration with ports and suppliers along the coast to ensure availability and logistics.

LNGGameChanger – Near Zero Emissions with Today's Fuel?

The maritime technology provider HAV Group, in collaboration with SINTEF, Molgas Norway, and Havila Kyststruten, aims to find a solution for carbon capture and storage ( CCS ) on ships operating with LNG.

Such a solution would require minor adjustments to onboard systems, and along the coast, infrastructure for LNG bunkering already exists, which can be combined with the deposition of captured CO<sub>2</sub>.

<sup>6)</sup><https://www.regjeringen.no/no/tema/transport-og-kommunikasjon/kollektivtransport/kystruten/kystruteavtale-for-perioden-2021-2030/id2517842/>  
<sup>7)</sup><https://www.sdir.no/miljo-og-ny-teknologi/miljo/utslipp-fra-skip/utslipp-til-luft/energieffektivisering/>



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## Projects Exploring Alternative Fuels

### FreeCO<sub>2</sub>ast

To take another step forward on the journey towards minimal emissions, Havila Kystruten has been part of the “FreeCO<sub>2</sub>ast” project in collaboration with HAV Group ASA, which designs and integrates zero-emission technology for ships.

The FreeCO<sub>2</sub>ast project was among the first Pilot E projects to begin developing large-scale maritime hydrogen energy systems. The project was based on Havila Kystruten’s plug-in hybrid-electric ships, which are already equipped with extensive energy efficiency measures. The primary goal was to develop an approved hydrogen energy system for zero-emission operations along the Norwegian coast.

Secondary objectives included developing design tools and simulation models to facilitate faster design of zero-emission vessels in the future, as well as validating technologies in realistic simulated environments. A market analysis was also conducted to assess the potential of zero-emission technology in various maritime market segments.

By the end of the project, a design for a complete retrofit module was developed with a hydrogen system consisting of a 3.2 MW fuel cell system and a liquid hydrogen tank with a capacity of 3.5 tons. A comprehensive risk assessment and preliminary approval were conducted in collaboration with the Norwegian Maritime Authority and DNV.

However, it has not been possible to physically realize the pilot within the project’s commercial framework.

### Key Results from the Project:

- Development of a digital twin of Havila Kystruten’s ships, enabling simulation of energy requirements and utilization of battery charging, optimization of LNG-based energy production, and incorporation of new energy sources such as hydrogen along the entire route. This has enabled Havila Kystruten to enhance energy efficiency and reduce emissions.
- Design and approval of a potential hydrogen retrofit. This has better prepared us for the use of liquid and compressed hydrogen on board our vessels and has ensured shared learning with the Norwegian Maritime Authority and DNV in approval processes, allowing Havila Kystruten to be ready for such installations when they become relevant.

### LNGGameChanger

LNGGameChanger is a Norwegian research project led by the maritime technology provider HAV Group with support from SINTEF, Molgas Norway, and Havila Kystruten. The project has the potential to develop groundbreaking technology that can make LNG-powered ships near zero-emission using today’s fuel. The research project has received NOK 5 million in funding from the Research Council of Norway.

The main goal of the LNGGameChanger project is to design an innovative, decarbonized LNG-powered drivetrain that combines solid oxide fuel cells (SOFC – Solid Oxide Fuel Cell) with an efficient solution for capturing and liquefying CO<sub>2</sub> before storing it on board. The aim is to achieve a CO<sub>2</sub> intensity that meets the 2045 and 2050 thresholds of the EU’s future emission standards.

The sub-goals of the project are to validate the energy efficiency and emission targets of the SOFC propulsion system in combination with CO<sub>2</sub> capture. Based on a defined vessel design and relevant operational profile, the project aims to extract load characteristics and perform simulations based on the ship’s voyages as part of the study. The vessel example may be Havila Kystruten’s four LNG-powered coastal route ships. The project will also define the performance of the solid oxide fuel cell propulsion system with the integrated onboard CO<sub>2</sub> capture and storage solution (OCCS). In addition, the project will evaluate the overall space and weight requirements, as well as necessary adaptations for maritime use.

In addition to the onboard processes, LNGGameChanger also covers the infrastructure needs for decentralized CO<sub>2</sub> reception and transport in port. This includes the possibility of combining this logistics with LNG distribution. There is good access to natural gas and an already well-established infrastructure, and if the project succeeds, the stakeholders believe this could be a less resource-intensive alternative than other zero-emission fuels.



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# Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and Business Model

// *ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model*

## Our Impacts, Risks, and Opportunities from the Double Materiality Analysis

Our impacts, risks, and opportunities from the double materiality analysis related to the company’s greenhouse gas emissions and energy consumption are described in the table below. The double materiality analysis shows that Havila Kystruten has an actual negative impact from greenhouse gas emissions and energy consumption. The risk and opportunity analysis has not been weighed, but we have nevertheless chosen to include the risks that, based on experience and the impact analysis, have been material for the company so far. This will allow us to compare them with next year’s reporting.

| ESRS | Description                            | IRO                    | Value chain |   |   | Time frame (years) |     |    |
|------|----------------------------------------|------------------------|-------------|---|---|--------------------|-----|----|
|      |                                        |                        | O           | E | N | 0-1                | 1-5 | 5+ |
| E1   | Green House Gas Emissions              | Actual negative impact | ●           | ● |   |                    |     | ●  |
|      | Energy Consumption                     | Actual negative impact |             | ● |   |                    |     | ●  |
|      | Fines due to emission regulations      | Risk                   | ●           | ● |   |                    |     | ●  |
|      | Transition to Renewable Energy Sources | Opportunity            | ●           | ● |   |                    |     | ●  |

Table 3: E1 Climate change – material topics and IROs

Havila Kystruten faces a long-term risk of fines related to emission regulations, which our modern fleet is well equipped to handle. An opportunity that will provide long-term benefits is the transition to renewable energy sources, which we have described in more detail in our action plan, chapter E1-1.

## Climate Change Impacts Greenhouse Gas Emissions

Havila Kystruten produces Scope 1 emissions from the combustion of fossil fuels. These emissions directly contribute to global climate change, increase

the climate footprint, and negatively impact the environment. The company also has Scope 2 emissions from charging facilities, office, and administrative operations. This results in emissions from the production of electricity, heating, and cooling.

Our action plan demonstrates how we can reduce these negative emissions and achieve climate neutrality by 2028, followed by completely emission-free sailing across the entire fleet by 2030.

## Emissions in the value chain

Havila Kystruten utilizes services and materials related to maritime operations, including materials for shipbuilding and ship recycling, products used in onboard hotel operations, excursions and transportation, as well as emissions from the production and distribution of non-renewable energy sources used in onboard combustion.

Our focus on supplier selection is essential to reducing this impact and is described in more detail under G1 (Responsible Business Conduct), as well as our principles surrounding resource use and circular economy which are detailed in E-5 (Resource Use and Circular Economy).

## Climate change risk and opportunities Risk

Even though Havila Kystruten has more environmentally friendly ships capable of emission-free operation, the company may still face increased costs if stricter environmental requirements and regulations related to emissions and potential CO<sub>2</sub> taxes are introduced.

Failure to comply may result in fines, penalties, or operational restrictions. Achieving climate neutrality and emission-free operations depends on creating conditions that make it feasible and sustainable for the company, including economic viability. Therefore, risks also relate to framework conditions, availability, pricing, and ensuring financial profitability.

The impacts of greenhouse gas emissions, as we see it, also pose a risk of warmer weather, which is a risk to the company’s operations as it will directly affect the environment in which we operate. Havila Kystruten therefore has a strong self-interest in maintaining the lowest possible climate footprint.

## Opportunities

Due to its modern fleet, Havila Kystruten can sail emission-free today if the right infrastructure along the coast, access to more environmentally friendly fuel, and competitive pricing are available.

## Definitions

### Impact, Risk, Opportunity (IRO):

The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

### Upstream Operations (O):

Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

### Own Operations (E):

The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

### Downstream Operations (N):

Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.



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The company can secure easier access to capital and business opportunities thanks to its modern fleet that prioritizes environmental considerations.

Compliance with IMO regulations such as the CII rating (low carbon intensity) will make the company more attractive in the market as a result of its operational efficiency. Havila Kystruten can implement additional measures to reduce energy consumption and explore innovative technologies to achieve greater energy efficiency gains, which is a continuous focus area to achieve our three strategic goals.

This can lead to cost savings and improved competitive positioning in a market that increasingly focuses on environmental impact, and it will provide us with the opportunity to preserve what we love: The beautiful nature along the coastline we sail

## Documentation of Our Sustainability Strategy

// E1–2 Policies related to climate change mitigation and adaptation

Havila Kystruten is committed to implementing a robust environmental management framework with sustainability as a core value. The company is dedicated to ensuring compliance with all relevant environmental laws and regulations. This includes our goal to reduce Scope 1, 2, and 3 emissions to achieve carbon neutrality and ultimately emission-free operations.

This governance structure includes regular audits and evaluations to assess the effectiveness of environmental policies, with a focus on continuous improvement.

In addition to complying with the Maritime Code and regulations from the Norwegian Maritime Authority, Havila Kystruten is subject to several national regulations specifically related to environmental impact, including:

- Regulation on the limitation of pollution (FOR-2004-06-01-931)
- Environmental declaration in connection with environmental differentiation for ships and mobile installations (FOR-2000-11-28-1194)
- Regulation on notification of acute pollution or danger of acute pollution (FOR-1992-07-09-1269)
- Regulation on environmental safety on board ships and mobile installations (FOR-2012-05-30-488)

Our ships are also DNV-certified with the voluntary Clean notation, which demonstrates that the ships meet all mandatory requirements under the International Convention for the Prevention of Pollution from Ships (MARPOL).

Havila Kystruten’s environmental policy is supported by the company’s core values: Lead, Share, Care.

The environmental policy and management system at Havila Kystruten are an integral part of the safety management system and must be adhered to by all employees. Moving forward, we aim to communicate this regularly so that everyone is reminded of the company’s vision. The Chief Operating Officer holds the responsibility for updating and maintaining the environmental policy. This policy is reviewed annually with senior management and the Head of Climate and Environment.

By integrating sustainability into our overall business strategy, Havila Kystruten seeks to enhance transparency and take responsibility for its environmental impact. Parts of this environmental policy also contain information relevant to Chapter E2: Our work to reduce pollution.

## Actions to Reduce Climate Change Moving Forward

// E1–3 Actions and resources in relation to climate change policies

Achieving zero-emission sailing was already part of the plan when Havila Kystruten’s ships were designed. Our goal is to reach zero emissions as soon as it is practically possible and economically sustainable. In the meantime, we are working on five key areas to mitigate our climate impact:

**Ship Technology:** At Havila Kystruten, sustainability was a priority even before the ships were built. An additional investment of MNOK 500 was made to ensure that our brand-new ships would meet both current and future environmental requirements, including carbon neutrality and zero emissions. Our new modern ships currently have an emission level that significantly exceeds the emission requirements in the coastal route contract with the Norwegian authorities.

**Reduction of Greenhouse Gases and Pollution:** By reducing our emissions and energy consumption, we significantly decrease our environmental impact, offering our guests the opportunity to travel with reduced and eventually minimal environmental impact.

**Compliance with Regulations:** Implementing energy efficiency measures helps the company stay ahead of current and future environmental regulations.

**Collaboration:** We continue to solidify our ambitions by seeking new and exciting collaborative projects that can accelerate our progress toward our zero-emission goal.

**Employees:** One of our key actions is to invest in our employees, our most important resource, by providing thorough training in sustainability. We have developed a dedicated environmental policy for employees to maintain environmental awareness among all staff members, continually striving to reduce our environmental footprint. Parts of this information are also relevant for the chapters on Pollution and Resource Use and Circular Economy.



# “Navigating Towards Our Goals Together”



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## Goals Related to Climate Change Mitigation and Adaptation

// E1–4 Targets related to climate change mitigation and adaptation

As described in the action plan E1–1, Havila Kystruten has set the following goals:

### 1. Carbon Neutral operations by 2028

Our first step on the journey towards carbon neutrality is the gradual blending of biogas. In collaboration with our suppliers, this fuel is already available today, offering a concrete solution for reducing our emissions.

### 2. Zero–Emission Ship Operations by 2030

Havila Kystruten aims to achieve zero–emission ship operations by 2030. One of the viable alternatives is hydrogen. Hydrogen also plays a crucial role in how we contribute to meeting the IMO’s (International Maritime Organization) requirement to halve greenhouse gas emissions from shipping by 2050 compared to 2008 levels<sup>8</sup>.

This solution will require a retrofit of the ships and close collaboration with ports and suppliers along the coast to ensure logistics.

### 3. A More Circular Approach to Our Resources

Havila Kystruten works to reduce, reuse, and recycle waste both on board and on land. In 2025, we plan to sign the Skift’s 10 principles for a more circular business model, and we are committed to minimizing our pollution of air, water, and supply chains, including waste. Detailed solutions are described in E2 Pollution and E5 Resource Use and Circular Economy.

## Energy Consumption and Mix

// E1–5 Energy consumption and mix

Havila Kystruten currently operates its ships using LNG and batteries, representing a more environmentally friendly fleet compared to traditional ships under similar contracts. This is largely reflected in our climate accounting in E1–6, but Havila Kystruten has chosen not to include a more detailed breakdown of energy consumption and mix in this year’s report.

## Climate Accounting

// E1–6 Gross Scopes 1, 2, 3 and Total GHG emissions

We have set a goal to achieve carbon neutral operations by 2028, as described in our climate action plan in E–1. Our climate accounting is crucial for identifying measures that reduce greenhouse gas emissions.

Havila Kystruten began conducting climate accounting in 2021 using the Ignite platform, even before the entire fleet was operational. The climate accounting is based on the international standard “A Corporate Accounting and Reporting Standard”, developed by the Greenhouse Gas Protocol Initiative (GHG Protocol).

The GHG Protocol is the most widely used and recognized international standard for measuring greenhouse gas emissions and forms the basis for the ISO standard 14064–I. This also defines the categories described below. In our climate accounting, we report direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions from energy (Scope 2). We also include a limited disclosure of other indirect greenhouse gas emissions (Scope 3).

2024 was our first year with full operations for all four ships. Nevertheless, we include figures from 2021–2023 to show historical data, as this provides more insight and understanding of our operations. In 2023, we had four ships in operation for 4.5 months. In 2024, we have managed to maintain the emission level per ship in line with 2023, with only marginal differences. Havila Kystruten’s impact on climate change related to greenhouse gas emissions is presented under Scope 1 below. With four ships in operation throughout the entire year, we see a natural increase in CO<sub>2</sub> equivalents.

Our Scope 1 emissions in 2024 were 61,331 tonnes of CO<sub>2</sub> equivalents compared to 43,902 tonnes in 2023. Therefore, a more accurate comparison of our Scope 1 consumption is the average CO<sub>2</sub> equivalents per ship per month. In 2023, this figure was 1,288 tonnes of CO<sub>2</sub> equivalents per ship per month, while in 2024 it has been reduced to 1,275 tonnes of CO<sub>2</sub> equivalents. Our Scope 1 emissions include the use of LNG for propulsion machinery and MGO used in lifeboats, MOB boats, emergency generators, and boilers on board. The average emissions per ship therefore show that we have maintained a stable consumption. This is the result of our daily focus on operations with minimal negative impact on our surroundings.

Scope 2 is the result of office and administrative activities as well as charging the batteries on board. In 2024, we see a relatively large increase in Scope 2 compared to 2023. This is due to the shift from location–based to market–based Scope 2 calculation, which makes the data more accurate and transparent. Charging of the ships accounts for approximately one–quarter of the total Scope 2 emissions.

<sup>8</sup>) <https://www.regjeringen.no/no/tema/transport-og-kommunikasjon/kollektivtransport/kystruten/kystruteavtale-for-perioden-2021-2030/id2517842>

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Our Scope 3 emissions are calculated using an expenditure-based approach and include the following categories:

- category 1: Purchase of goods and services
- category 2: Capital goods
- category 3: Fuel- and energy-related activities
- category 4: Upstream transportation and distribution
- category 5: Waste generated in operations
- category 6: Business travel

In 2024, our Scope 3 emissions amounted to 13,069 tCO<sub>2</sub>e, down from 14,479 tCO<sub>2</sub>e in 2023. This represents a 10% reduction. The decrease can be attributed to a focus on limiting unnecessary purchases from the beginning of 2024.

| Emission type                                           | Unit                             | 2024   | 2023   | 2022   | 2021  |
|---------------------------------------------------------|----------------------------------|--------|--------|--------|-------|
| Direct Greenhouse Gas Emissions (Scope 1)               | Tons CO <sub>2</sub> equivalents | 61,331 | 43,902 | 26,387 | 1,952 |
| Indirect Greenhouse Gas Emissions from Energy (Scope 2) | Tons CO <sub>2</sub> equivalents | 104    | 18     | 42     | N/A   |
| Other Indirect Emissions (Scope 3)                      | Tons CO <sub>2</sub> equivalents | 13,069 | 14,479 | 8,863  | 3,032 |

| NOx and SOx Emission  | Unit                             | 2024    | 2023   | 2022   | 2021 |
|-----------------------|----------------------------------|---------|--------|--------|------|
| Nitrogen Oxides (NOx) | Tons CO <sub>2</sub> equivalents | 140,281 | 95,456 | 53,616 | 0    |
| Sulfur Oxides (SOx)   | Tons CO <sub>2</sub> equivalents | 0       | 0      | 0      | 0    |

| Water consumption | Måleenhet | 2024 | 2023 | 2022 | 2021 |
|-------------------|-----------|------|------|------|------|
| Water Withdrawal  | Megaliter | 64   | 40   | 25   | 0.8  |
| Water Discharge   | Megaliter | 46   | 24   | 7    | 0.7  |
| Water Consumption | Megaliter | 18   | 16   | 17   | 0.1  |

| Waste management           | Unit  | 2024 | 2023 | 2022 | 2021 |
|----------------------------|-------|------|------|------|------|
| Total Waste Generated      | Tons  | 851  | 354  | 153  | 26   |
| Waste Sorting Rate         | %     | 71%  | 53%  | 34%  | 35%  |
| Food Waste                 | Tons  | 29   | 18   | 10   | 0,3  |
| Food Waste per Guest Night | grams | 68   | 58   | 71   | 60   |

Table 4: E1 Climate accounting

The sorting rate for 2021 is only for Havila Capella in the months november and december.

## Tova – Craftsmanship, Tradition, and Sustainability

Tova is a Norwegian brand that produces handmade slippers and accessories made from 100% natural wool. The company was established in 2006 with a vision to combine Norwegian design with traditional craftsmanship from Darhan in Mongolia. The products are made by skilled artisans under ethically responsible conditions, with a focus on fair trade. Sustainability is a core value for Tova. Wool is a renewable, durable, and biodegradable material, and Tova contributes to both social and environmental sustainability.



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# E2: Our Efforts to Counteract Pollution of the Ocean and Our Natural Environment

## Material Impacts, Risks, and Opportunities and Their Interaction with Our Strategy and Business Model

// ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

To gain a clear understanding of where we currently stand in terms of our pollution impact on the natural environment and the coastline along which we sail, it is essential to examine our impacts, risks, and opportunities as described below and summarized as follows: Pollution to air, water, and within the supply chain represents a long-term actual negative impact in both our own operations and upstream activities. Accidental spills are a risk in maritime operations, and in the event of an incident, they have long-term consequences. Any form of accidental spill is taken with the utmost seriousness by our company. These impacts are also closely linked to E-1 Climate Change and E-5 Resource Use and Circular Economy and are described in more detail below.

| ESRS | Description                                          | IRO                    | Value chain |   |   | Time frame (years) |     |    |
|------|------------------------------------------------------|------------------------|-------------|---|---|--------------------|-----|----|
|      |                                                      |                        | O           | E | N | 0-1                | 1-5 | 5+ |
| E2   | Pollution to air, water, and within the supply chain | Actual negative impact | ●           | ● |   |                    |     | ●  |
|      | Unintentional spills                                 | Risk                   |             | ● |   |                    |     | ●  |

Table 5: E2 Air pollution - material topics and IROs

### Impacts of Air Pollution Air Pollution

Havila Kystruten might have a negatively impact the environment through greenhouse gas emissions and pollution, such as carbon dioxide (CO<sub>2</sub>), as addressed in E-1 Climate Change. These substances are released into the air

through the combustion of fossil fuels (LNG) from the company’s ships. When these substances are emitted, this pollution contributes to the degradation of air quality.

Cruise ships emit carbon dioxide (CO<sub>2</sub>), sulfur oxides (SOx), nitrogen oxides (NOx), and soot, which contribute to poor air quality, particularly in port cities<sup>9)</sup> (Bolt: Sett inn samme kilde som i den norske versjonen). This impact is considered a significant challenge for the transport sector, affecting both the environment and people. Therefore, we are actively working to mitigate it by making conscious choices for future generations.

The consequences of this trend in the transportation industry are felt both locally and globally, and at Havila Kystruten, we take this matter with the utmost seriousness. We are continuously working to eliminate this negative impact, and to date, we have achieved a 100% reduction in SOx and an 87% reduction in NOx compared to baseline figures for the Coastal Route from 2017<sup>10)</sup>.

Being able to sail emission-free in our most vulnerable fjords today proves that we have the potential for positive impact within the industry while also fulfilling our social mission of transporting people and goods to the right place at the right time safely. Sailing emission-free is an achievement we aim to extend to our operations along the entire coastline.

### Biodiversity

It is crucial to protect biodiversity to ensure that plant and animal species not only survive but also thrive. Natural ecosystems provide clean water and air and contribute to food security, human health, and local livelihoods. This is something we strive to preserve every day. Maritime operations can impact biodiversity and natural resources. Havila Kystruten offers 70 different excursions for our guests, including RIB tours and snowmobile trips, which can disturb local wildlife. We, therefore, work closely with various excursion providers to ensure that activities are conducted with minimal impact and with local transport providers to reduce unnecessary travel to and from our ships

## Definitions

**Impact, Risk, Opportunity (IRO):**  
The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

**Upstream Operations (O):**  
Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

**Own Operations (E):**  
The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

**Downstream Operations (N):**  
Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

<sup>9)</sup> Environmental impact of Norwegian Cruiseships: Made in Norway : <https://businessnorway.com/articles/what-is-the-environmental-impact-of-cruise-ships>  
<sup>10)</sup> The reference figures represent emissions from traditional vessels under a similar contract with the Ministry of Transport in 2017, as sourced from the contract.



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### Marine Pollution

We acknowledge that coastal cruise ships can cause marine pollution through the discharge of waste and ballast water. When released into the ocean, this can affect marine ecosystems. Although international regulations are in place to limit these practices, and we do everything we can to avoid them, this type of pollution still occurs within the framework of applicable regulations.

Pollutants released into water, including greywater, chemicals, hydraulic fluids from operations, and waste products such as sludge, are also restricted under current regulations.

Such activities can negatively affect marine biodiversity and the environment in which Havila Kystruten operates. We also have an indirect impact from the pollution that occurs during the extraction and production of goods and materials used by suppliers, such as products sold in the onboard shops.

We address this by choosing products like Tova, as described on [page 44](#) . We are also aware that pollution-related impacts can affect local communities.

Our operations along the coast have replaced previous ships operated by other companies along the coastal route. In this regard, the introduction of Havila Kystruten along the Norwegian coast has not increased traffic in local communities but has contributed to more environmentally friendly ships sailing along our coast. Havila Kystruten’ ships sail more quietly and have lower greenhouse gas emissions than previous operators.

The introduction of Havila Kystruten along the Norwegian coast has created increased value in the local communities.

### Risks Air Pollution

**Air Pollution:** Emissions of NOx, SOx, particulate matter ( PM ), and volatile organic compounds ( VOC ) ( e.g., in connection with maintenance work / yard stays ) contribute to air pollution and negatively affect air quality in the areas where Havila Kystruten operates.

**Water Pollution:** Discharges of pollutants such as greywater, chemicals, hydraulic fluids, and waste products like sludge into bodies of water can harm marine biodiversity and ecosystems.

**Indirect Impact:** Pollution resulting from the extraction and production of goods and materials used by the company further contributes to environmental degradation.

**Harmful Chemicals:** The use of anti-fouling paint and chemicals, along with wastewater from high-pressure hull cleaning, can release harmful substances into the environment. This can result in regulatory fines and cleanup costs. Havila Kystruten focuses on robust internal procedures, supplier selection, reporting, and monitoring routines to avoid all forms of unintentional spills and is committed to taking all risks associated with pollution seriously.

## Environmental Policy Related to Pollution Mitigation

// *E2-1 Policies related to pollution*

Our environmental policy and guidelines related to pollution are described in Chapter E1-2. We also have specific procedures for emissions from ships and waste management to ensure that all emissions from our vessels comply with applicable regulations and company requirements.

In the beautiful Geirangerfjord ( Sunnlyvsfjorden ), Hjørundfjord ( Nærøyfjord ), and Lyngenfjord, there is a prohibition against any discharge into the sea according to our procedure for emissions from ships. When sailing in these areas, systems for discharge to the sea must be operated in such a way that no discharge occurs.

The Captain, Chief Engineer, and on-duty personnel on the bridge and in the engine room are responsible for ensuring that emissions from ships comply with regulations and company requirements. All personnel on the bridge and in the engine room must be familiar with regulations and procedures before sailing in these areas.

The waste management routine ensures that waste is handled responsibly, in accordance with MARPOL, class requirements, and the ship’s waste management plan. The Chief Officer is ultimately responsible for waste management across all departments. Department heads are responsible for implementing the procedure within their respective departments.

Our environmental policy and guidelines are accessible to all employees through our internal documentation channel. Internal routines and procedures have been established to ensure proper follow-up.

## Actions and Resources Related to Pollution

// *E2-2 Actions and resources in relation to pollution*

In 2024, Havila Kystruten took several measures to improve our environmental performance. We continued working on a more comprehensive GAP analysis against the ISO 14001:2015 standard for environmental management systems, which will be completed in 2025. This work involved mapping our strengths and identifying tasks and areas where we need to continue working to optimize operations and reduce unnecessary pollution.

At Havila Kystruten, we strive to reduce our negative environmental impacts by exploring how we can gradually incorporate biogas to reduce our air emissions. We collaborate with our crew on board through knowledge transfer for operational optimization and energy efficiency, so that our environmental impact is minimized.

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By continuously working to eliminate the very source of pollution—our fuel—and improving our data, management systems, and internal resources, Havila Kystruten will be able to reduce its negative impact on air, water, and the supply chain.

With these efforts, we can continue to protect nature, allowing us to operate within it without causing unnecessary harm, and instead, work to preserve it and care for one another.

## Targets and Measurements

// E2–3 Targets related to pollution

In addition to the targets already mentioned in E1–3, we have also set the following goals to continue working against our pollution:

- Continue preparations for ISO 14001:2015 certification for environmental management systems in 2025.
- Continue efforts to reduce fuel consumption (LNG) to further reduce air pollution.
- Analyzing and optimizing operations to reduce emissions and waste is an important part of our work. We are always striving to identify measures to increase our energy efficiency and thereby reduce our environmental impact. We will continue preparations for ISO certification in 2025, with the goal of being ready for certification during 2026, covering our entire operation.

## Pollution to Air, Soil, and Water

// E2–4 Pollution to air, soil and water

According to the EU's list of pollutants<sup>11</sup>, these substances are relevant to Havila Kystruten:

| Polluted substances                                   | To air (kg) | To soil | To water |
|-------------------------------------------------------|-------------|---------|----------|
| Volatile Organic Compounds excluding Methane (NM/VOC) | 0           | 0       | 0        |
| Nitrogen Oxides (NOx)                                 | 140,177     | 0       | 0        |
| Sulfur Hexafluoride (SF6)                             | 0           | 0       | 0        |
| Methane (CH4)                                         | 426,874     | 0       | 0        |

Table 6: E6 Polluted substances

Havila Kystruten has chosen to report on air pollutants (kg) this year because it is the most significant for us. Other substances are also emitted to air and water, and we are working to collect data to be able to include them in next year's reporting.

<sup>11)</sup> Regulation – 166/2006 – EN – EUR-Lex, Appendix 2



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## Havila Food Stories

Eating is about more than just nourishment. A journey with Havila Kyststruten gives you a taste of Norway, reflecting the cold and pure nature. This creates memories you can savor long after you return home. Our menus are carefully selected to reflect Norway's heritage and culinary traditions, using high-quality ingredients from Norwegian and local producers, prepared by top-class chefs. We take pride in minimizing food waste on board as much as possible. In fact, we have set an ambitious goal to limit the average food waste per passenger to 75 grams per day on board, and in 2024, we managed to achieve just 68 grams of food waste per guest per day.

The way we serve our food – directly to guests' tables after allowing them to choose multiple dishes from our rich à la carte menus – makes this goal much more achievable. Over the course of a year, and across the four ships, food waste will be reduced by as much as 65–70 tons compared to buffet service.

### Results:



In this context, we won the Q-Meieriene Food Saver of the Year Award 2024.

“The winner has demonstrated a real impact with what they have done to make a difference. They have been innovative and come up with a better way to reduce food waste. They speak openly about food saving and serve as a great inspiration. They set clear goals and are truly passionate about reducing food waste, which they have been committed to since day one.”

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# E5: Resource Use and Circular Economyi

## Significant Impacts, Risks, and Opportunities and Their Interaction with Our Strategy and Business Model

// ESRS 2 SBM–3: *Impacts, risks and opportunities and their interaction with strategy and business model*

Havila Kystruten sails along a visually spectacular coastline teeming with life. It is important for us to reduce our waste and water consumption while maintaining full oversight of the amount of waste generated from our operations. Today, the largest sources of waste are related to food, paper, and water consumption. We are working to reduce this by following our environmental policy and guidelines as described in E1 and E2.

Our impacts, risks, and opportunities are described below. The table shows the impact, risk, and opportunities related to the company’s resource use and circular economy.

| ESRS | Description                                       | IRO                      | Value chain |   |   | Timeline |     |    |
|------|---------------------------------------------------|--------------------------|-------------|---|---|----------|-----|----|
|      |                                                   |                          | O           | E | N | 0–1      | 1–5 | 5+ |
| E5   | High steel consumption                            | Possible negative impact | ●           |   |   |          |     | ●  |
|      | Recycling of steel                                | Possible positive impact |             |   | ● |          |     | ●  |
|      | Unintentional discharge of waste by guests        | Actual negative impact   |             |   | ● |          |     | ●  |
|      | Failure to comply with waste management standards | Risk                     |             |   | ● |          |     | ●  |

Table 7: E5 Resource Use and Circular Economy – material topics and IROs

### Impact of Resource Use and Circular Economy

Steel is a natural resource used in shipbuilding and will be used for the potential construction of new ships in the future. Due to the current lack of suitable recycled materials, this presents a potential negative impact. It also causes a negative impact through chemicals and paint used in shipbuilding and maintenance.

However, we have a potential positive impact by taking responsibility for the recycling process of our four identical sister ships and continuously following applicable regulations. When the lifespan of our vessels comes to an end, Havila Kystruten has the opportunity to recycle and sell them to companies instead of producing new steel for the construction of potential new ships in the future. This reduces consumption, expenses, and energy usage, while also providing an opportunity to extract other valuable resources.

Havila Kystruten also has a negative impact related to the waste generated by passengers if it is not handled according to our guidelines, including items that result in food waste, plastic, and other disposable materials. Unintentional discharge of such waste overboard and on land can lead to marine pollution, contribute to plastic pollution, and disrupt marine ecosystems. Ultimately, this can cause long-term damage to ocean habitats and wildlife.

Managing this risk is therefore high on the agenda of Havila Kystruten employees and is further described in E5–1.

### Definitions

#### Impact, Risk, Opportunity (IRO):

The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

#### Upstream Operations (O):

Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

#### Own Operations (E):

The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

#### Downstream Operations (N):

Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

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### Risk

The company is exposed to risks arising from fluctuations in resource supply, particularly the increasing costs of critical materials such as steel for maintenance, as well as fossil fuels for operation. As regulations become stricter, costs related to fuel and other resource-intensive materials are expected to rise. This could increase operational and capital expenses.

Failure to comply with increasingly stringent regulations for ship recycling represents a potential financial risk for the company in the future. The EU's Ship Recycling Regulation and the Hong Kong International Convention are currently in place to ensure safe and environmentally sound ship recycling, thus minimizing this risk, and we adhere to all applicable laws accordingly.

The company's vessels are not expected to undergo recycling soon based on the age of ships under ownership. Failure to comply with standards related to the handling and disposal of waste, whether through the company's own actions or through waste management companies employed by the company, could expose the company to regulatory scrutiny, fines, and reputational damage. We ensure proper handling and disposal of waste in accordance with applicable laws and regulations.



## Strategy Related to Resource Use and Circular Economy

// E5-1 Policies related to resource use and circular economy

The circular economy is high on the political agenda both in Norway and globally. The “European Green Deal” highlights the circular economy as one of the focus areas of the green strategy, and Norway has affirmed that it will be a leader in developing a green, circular economy<sup>12</sup>. Havila Kystruten's environmental policy is described and referenced in chapters E1 and E2. The environmental policy currently specifies that the company should encourage recycling and reuse among employees, customers, and suppliers.

## A More Circular Approach to Our Resources

// E5-2 Actions and resources in relation to resource use and circular economy

At Havila Kystruten, we aim for a more circular approach to our resources. We strive to achieve this by reducing, reusing, and recycling as much as possible. To reach our goal of a more circular approach to our own resources, in 2024, we focused specifically on the following areas within circular economy:

- reduction of waste and waste consumption
- littering
- wastewater systems
- hotel initiatives such as Eco-Voyager, our food concept Havila Food Stories, and organizing our own beach clean-up actions to remove plastic
- environmental management systems (ISM)
- internal training

In 2024, the onshore organization closely collaborated with the maritime employees with a focus on internal audits.

Like climate accounting, it is essential to have a complete overview of our waste volume if we are to achieve our sorting rate ambition. The company has an agreement with Retura, which is an approved waste reception facility on land. Waste is delivered locally to ensure minimal negative impact on the environment. We also wish to continue working with Retura to improve waste sorting.

We have also engaged in dialogue with the waste reception company on land to focus on monitoring all our KPIs, reviewing trend distribution between different ships, and conducting monthly KPI status and follow-up meetings to identify areas for improvement and implement

<sup>12)</sup><https://www.skiftnorge.no/vart-arbeid/store-klimaskift/sirkulaer-okonomi>

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measures to enhance our waste logistics. For example, we aim to find suitable solutions for the days when Retura cannot receive waste.

In 2024, we also decided to implement a new management system that will be an integrated ISM system (International Safety Management Code), which is an international requirement from the IMO, managed by the Norwegian Maritime Authority for passenger ships, along with an ISO system (quality and environment). This will eventually be included in the company's ISO certification. Waste reports with volume, broken down by fractions, are continuously monitored by dedicated employees. This figure includes only waste from our ships, not from Havila Kystruten's onshore operations. We sort all waste on board the ships and review routines to ensure they are carried out in accordance with internal waste management regulations.

- we limit the use of ship horns to reduce noise pollution, adhering to an agreed standard for vessels on the coastal route.
- we have established a policy against the use of single-use plastics and recycle according to procedures.
- we collaborate with suppliers to find transportation methods that are as environmentally friendly as possible, including public transportation. We evaluate suppliers' environmental impact through risk assessment in collaboration with Ignite and Havila Holding.
- our ships are silent when operating on battery power.

## Targets Related to a More Circular Approach to Resource Use

// E5-3 Targets related to resource use and circulareconomy

In 2024, Havila Kystruten had the following goals:

- adopt a more circular approach to how we use our resources
- at least 55% of passengers to participate in our Eco-Voyager program
- at least 65% sorting rate for waste on board

In 2024, our operations generated 852 tons of waste with four ships in operation, up from 354 tons of waste in 2023, when we only had four ships operating part of the year. We achieved a sorting rate of 71%, which is significantly better than last year's sorting rate of 53%. This exceeds our target of a minimum sorting rate of 65%.

**We also have a process for how we believe we should continue working with the circular economy**

**Invest in Sustainable Practices:** Continue to explore and implement sustainable practices and technologies to reduce dependency on critical materials and fossil fuels.

**Ensure Compliance:** Regularly review and update practices to comply with current and new regulations, especially concerning recycling and waste management on board.

**Waste Management:** Collaborate with certified and reliable waste management companies to ensure proper disposal and handling of waste, including hazardous materials.

**Proactive Risk Management:** Continuously monitor regulatory changes and market trends to adapt strategies and minimize potential risks. By proactively addressing these challenges, Havila Kystruten can better navigate the complexity of regulatory compliance and resource management while maintaining a strong reputation and financial performance.

## Circular economy

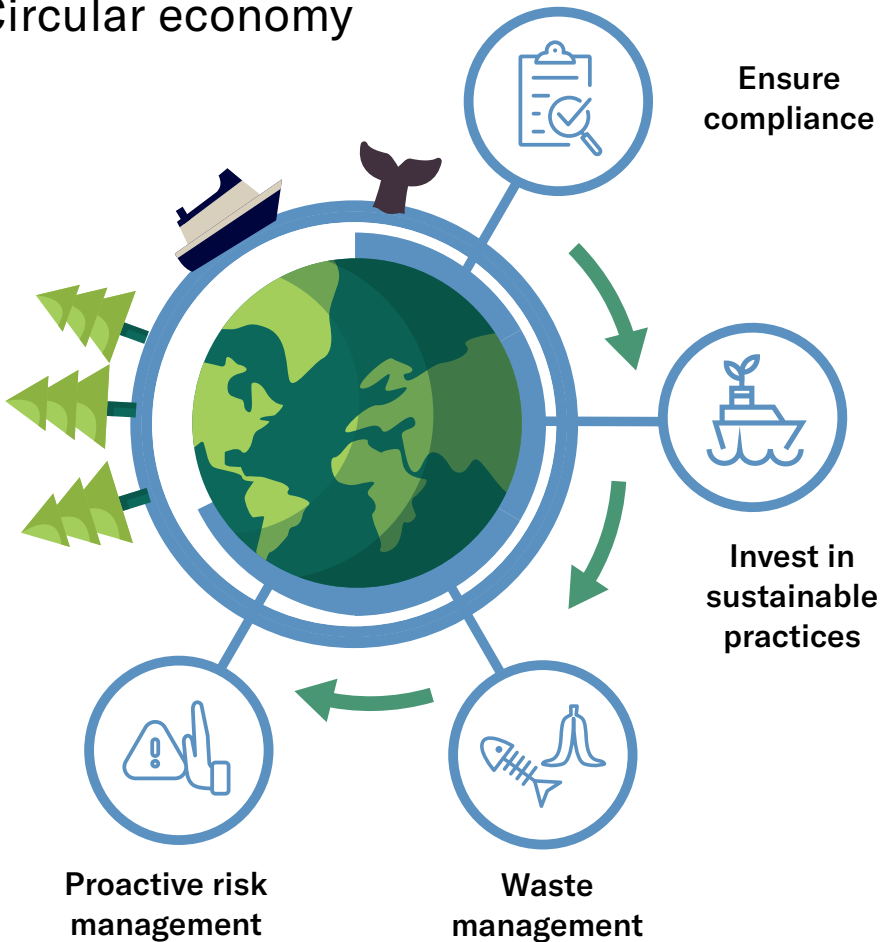


Figure 6: Circular economy

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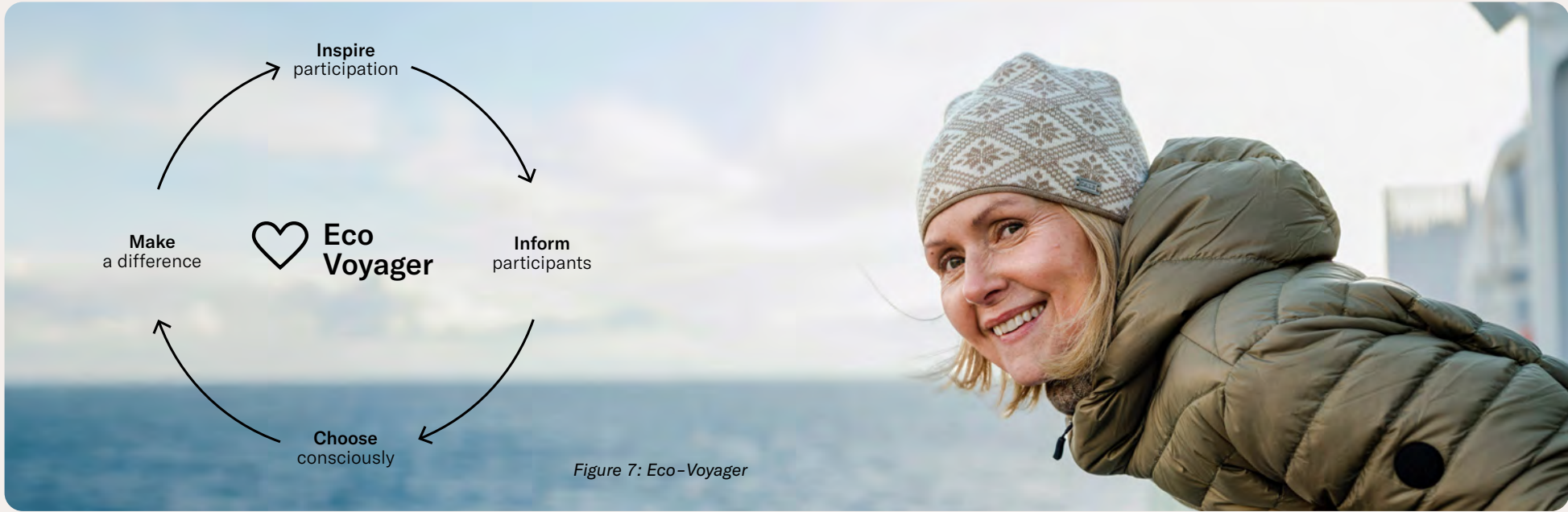
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# Eco-Voyager

## - Creating Environmental Ambassadors

For Havila Kystruten, the environment and sustainability are top priorities. Even though we have the most environmentally friendly coastal cruise ships along the Norwegian coast, we continually strive to find new ways to make a positive impact. To maximize our efforts, we want to give our guests the choice to contribute together with us.

The Eco-Voyager program is Havila Kystruten's way of mobilizing our guests to take care of our environment by reducing energy, water consumption, and waste generation on our coastal cruise from Bergen to Kirkenes. See figure above to see how guests can contribute as an Eco-Voyager.

The Eco-Voyager program is a pilot program where we continuously test and develop. We have made several improvements to the environmental program for passengers in 2024 and identified areas where we need to improve. An example of this is the need to enhance the information we provide to our guests. In 2025, we will work hard to further develop our Eco-Voyager program and explore more initiatives to ensure implementation.

To encourage passengers to help us with the important mission of taking care of nature, we have put up information boards with details on how to reduce their consumption in the cabins. Additionally, we have information ready for display on screens onboard all ships, which are shown at regular intervals.

## Eco-Voyager check list

- Clean the cabin only when necessary
- Reuse towels and bedding as often as you can
- Turn off the lights when you leave the cabin
- Recycle waste by using the trash bins
- Reduce food waste in restaurants by ordering only what you need
- Refill your water bottle instead of using single-use plastic bottles

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# Our Employees – Health and Safety

Havila Kystruten's highest priority is the safe operation of our four coastal cruise ships, as well as a safe and sound working environments for all our employees – both at sea and on land.

Healthy and safe working conditions are recognized as a human right and are regulated by official intergovernmental organizations, including the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), and the World Health Organization (WHO).

As an important transport link for local communities along the coast and as a provider of coastal cruises, we aim to work in a targeted and systematic manner to ensure safe operations, avoiding harm to guests, our own employees, the environment, or material assets.

Havila Kystruten shall be a good workplace that prioritizes safety and growth opportunities for our employees. To build and maintain a good reputation, trust from all stakeholders, and the company's ability to endure safe operations are absolutely essential. That is why we invest time in emergency preparedness training for all relevant parties. We strive to prevent incidents from escalating into unsafe or threatening situations, and our health and safety ambition is zero harm to employees, guests, and vessels.

## Material Impact, Risk, and Opportunities for Our Own Employees

// *ESRS 2 – SMB 3 – S1 Material impacts, risks and opportunities and their interactions with strategy and business model*

As a coastal cruise company, Havila Kystruten's employees and passengers may potentially be exposed to several direct and indirect health and safety risks. Our impacts, risks, and opportunities identified through the double materiality analysis are described in the table to the right. Havila Kystruten recognizes that working on a passenger vessel is not entirely without risk for our employees. Possible incidents associated with working on board ships include risks to everyone on board, puncture and cut injuries, impact and crush injuries, fire and chemical injuries, as well as falling overboard. These are typical injury

categories for passenger ships. Statistics on this can also be found on the Norwegian Maritime Authority's website<sup>13</sup>. In addition, emergencies may arise that require rapid coordination and possible evacuation.

This is ensured through routine training, drills, and exercises. Based on actual statistics and the assessment that such incidents may also occur within our company, the double materiality analysis shows that Havila Kystruten has an actual negative impact related to the health and safety of its own employees, and a potential negative impact related to adequate competence in HSE and emergency preparedness.

Havila Kystruten therefore places great emphasis on safety and emergency preparedness training throughout the organization, both at sea and on land, ensuring regular training and exercises to learn and be as well-prepared as possible for the unforeseen.

| ESRS | Description                                           | IRO                        | Value Chain |   |   | Time line (year) |     |    |
|------|-------------------------------------------------------|----------------------------|-------------|---|---|------------------|-----|----|
|      |                                                       |                            | O           | E | N | 0-1              | 1-5 | 5+ |
| S1   | Health and safety own employees                       | Actual nega-tive impact    |             |   |   |                  |     |    |
|      | Adequate competence in HSE and emergency preparedness | Potential neg-ative impact |             |   |   |                  |     |    |
|      | Health and safety violations affecting own employees  | Risk                       |             |   |   |                  |     |    |
|      | Adequate competence in HSE and emergency preparedness | Risk                       |             |   |   |                  |     |    |

Table 8: S1 Our Employees – material topics and IROs

## Impact

Havila Kystruten is committed to creating a safe and positive working environment for its employees. We work to ensure that our passengers have a safe and enriching experience, and that our employees return home at least as healthy and well as when they came to work.

## Definitions

**Impact, Risk, Opportunity (IRO):**  
The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

**Upstream Operations (O):**  
Activities related to Havila Kystruten's supply chain. This includes the procurement of fuel, raw materials, and spare parts.

**Own Operations (E):**  
The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

**Downstream Operations (N):**  
Everything that occurs after Havila Kystruten's services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

<sup>13)</sup> [Arkiv for ulykkesstatistikk – Sjøfartsdirektoratet](#)



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If this is not safeguarded, the double materiality analysis shows that there may be an actual negative impact on the employees performing their work with us. This could result in negative HSE impacts, particularly related to onboard operations, which in turn could lead to serious injury or loss of life among the crew.

In addition, inadequate training of seafarers can reduce their ability to perform tasks safely and competently, increasing workplace risk. Havila Kystruten influences our employees at sea through the opportunities we provide for skills development, ensuring they can carry out their duties safely and efficiently.

Therefore, we also have a potential positive impact through training for our employees at sea, as well as those on land.

### Risks

Based on our experience and previous analysis, we believe that the most significant health and safety risks for our employees are:

- Falls on the same level
- Falls to a lower level
- Being hit by or struck against something
- Crush injuries
- Noise

For our passengers, we have identified the following risks (on board, on land, and during excursions) :

- Falls on the same level
- Falls to a lower level
- Known or unknown medical conditions

Risks identified through our double materiality analysis include challenges related to the well-being of our employees, our reputation, and operational efficiency. Issues such as exceeding working hours, poor work-life balance, and insufficient management of working conditions for employees at sea can lead to high turnover, regulatory scrutiny, and strikes. This could negatively affect business performance.

In addition, health and safety-related incidents can result in financial burdens, legal consequences, and reputational damage — not to mention the personal toll that human injury inevitably brings.

### Opportunities

Havila Kystruten has an opportunity to positively influence its employees at sea and on land by offering training and skills development, ensuring they are as well-prepared as possible to handle unforeseen incidents.





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## Policies Related to Own Employees

// S1–1 Policies related to own workforce

Havila Kystruten is committed to creating a safe environment for the company’s employees and passengers. We work continuously to minimize the risks associated with our operations and ensure that unavoidable risk factors are managed in accordance with the company’s risk management procedures and the ALARP principle ( As Low As Reasonably Practicable ).

Havila Kystruten, its management, and our employees must always comply with applicable laws and regulations to prevent hazardous incidents, personal injuries, and damage to property and the environment. The company adheres to a range of rules and regulations related to health and safety in the workplace.

### Safety Policy

At Havila Kystruten, we strive to ensure that our passengers have a safe and enriching experience. Our Code of Conduct guides health and safety in the workplace. Each employee, both individually and collectively, shall ensure safe operations without harm to people, the environment, or property by:

- Complying with applicable external laws and requirements
- Complying with and improving the management system at all levels
- Identifying risks in everything we do and implementing measures to reduce them
- Always considering best practices and communicating suggestions for improvement where identified
- Always speaking up if safety is compromised
- Correcting deviations with appropriate measures to prevent recurrence
- Evaluating the effectiveness of our activities and measures
- Ensuring competent employees on board and on land
- Conducting drills and training to improve preparedness through increased knowledge and better skills
- Ensuring a healthy and strong safety culture in daily operations
- Maintaining cybersecurity within one’s area of responsibility, as defined in the management system’s policies and procedures, to protect information technology (IT) and operational technology (OT) systems and networks from unauthorized access, tampering, and destruction

Our safety management system is structured in accordance with the ISM Code ( International Safety Management ) and must be followed by all employees.

By using a defined practice, we ensure that everyone works in a structured and unified way, while also providing a foundation for constructive discussions and improvement processes in daily operations. The management system is dynamic and continuously updated according to the defined process. The safety policy is supported by Havila Kystruten’s core values: lead, share, and care.

### Digital Security Policy

Havila Kystruten is a newly established, modern, and forward–thinking shipping company where top–level digital security is recognized as essential for maintaining seamless and efficient operations without harm to people, the environment, or material assets. This, in turn, contributes to a strong reputation and benefits owners, customers, employees, and other stakeholders.

At Havila Kystruten, we work continuously to improve our management system. We aim to achieve ISO/IEC 27001 certification, the international standard for information security, which defines requirements for an information security management system based on best practices. This policy covers all systems, people, and processes related to the company’s information security systems, including board members, executives, employees, suppliers, and other third parties with access to Havila Kystruten’s systems.

Havila Kystruten is committed to securing the data we have access to. We aim to maintain a high standard of information security and data protection. The digital security policy and its associated procedures are an integral part of the ISM management system, where objectives, follow–up, and status on digital security are part of daily operations. In management reviews, the current status and needs are clarified, and necessary decisions and specifications regarding required resources are discussed.

### Continuous Improvement of Digital Security

Our goals, strategies, and management system are continuously evaluated based on incidents, risk assessments, new equipment, operational concepts, and/or regulations, as well as during management reviews.

Our goal is always to:

- Continuously improve the effectiveness of the digital security policy and its associated procedures
- Improve processes in the work on continuous improvement
- Strengthen control of digital security
- Increase proactivity regarding information security
- Make information security processes more measurable
- Annually evaluate and, if needed, improve objectives and strategies
- Encourage assessment of best practices through experience sharing
- Evaluate new ideas and perspectives with the intent to improve practices, processes, or procedures. These may be initiated by employees, suppliers, customers, or other stakeholders
- Document what we do and the decisions we make

Each employee, both individually and collectively, is responsible for safeguarding digital security within their area, as defined in the management system’s policies and procedures, to protect the company and individuals from unauthorized access, tampering, loss, and/or destruction of data. By using a defined practice, we ensure that everyone works in a structured and unified way, while also providing a foundation for constructive discussions and improvement processes in daily operations.

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## Our measures and objectives

// *S1–4 Taking actions on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those actions.*

Our objectives:

- Ensure a safe and secure working environment for all employees
- Ensure safe operations to prevent harm to passengers, crew, the environment, and property

To work systematically and in a structured manner with our impacts, risks, and opportunities, we have, among other things, established a management system as an integrated part of our health and safety efforts.

The system includes hygiene standards, risk assessments, and proactive incident reporting, including corrective actions and follow-up. We communicate health and safety procedures in daily operations, including through reporting and follow-up, as well as via phone and email.

In addition, we continuously improve routines by updating the management system based on experience and improvement suggestions from employees. The captain and their crew, including safety representatives and dedicated HSEQ (Health, Safety, Environment, and Quality) personnel on land, work continuously to ensure that the documentation in the management system is approved and reviewed where necessary.

Our management system is verified internally by dedicated and certified personnel, as well as by external parties, including the Norwegian Maritime Authority and the Norwegian Food Safety Authority. The inspections are well-documented, and the findings are followed up by responsible personnel. Employees receive information and training to ensure safe operations, and we have implemented safety checklists within the company’s management system.



The company complies with the International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers (STCW), in accordance with IMO requirements. Employees working at sea receive training relevant to their area of work. This includes, for example, how we assess health and safety risks on board Havila Kystruten vessels, prevent infectious diseases, and perform advanced medical first aid, including cardiopulmonary resuscitation (CPR). The company also regularly conducts alcohol and drug testing of employees.

Havila Kystruten has an agreement with a certified occupational health service that assists with projects related to the health and safety of all personnel on board. We also provide health insurance for all employees at Havila Kystruten. The need for such services is regularly assessed and discussed in close cooperation with employees during meetings of the working environment committee.

To minimize risk – particularly in the early phases of our sea operations – we have made technical adjustments in certain areas on board. Employees from the head office have also been present on several sailings to ensure that risks are being addressed.

It is extremely important for the company to have full oversight of all work-related injuries. All incidents, accidents, and near misses are reported to department managers and the relevant captain, who is responsible for investigating and implementing necessary corrective actions to prevent recurrence. These are also reported to responsible personnel in the shore-based organization.

In 2023, we conducted a safety culture survey among all employees at sea and on land, with a response rate of 60%. The maturity score for the company’s safety culture reached the 75th percentile, indicating a strong safety culture compared to most other companies. During 2024, we reviewed the results of the survey against the company’s overall safety culture. A steering committee was established, and the survey results were reviewed and evaluated. Following the review, the committee developed and proposed several focus areas and initiatives for group management. These measures are currently under evaluation for implementation in 2025 and beyond. The goal is both to strengthen areas with potential for improvement and to maintain the strong culture reflected in the survey.

In addition to this, we launched a safety campaign in 2024 focused on slip, trip, and fall incidents – an effort that will continue into 2025. We have also begun training all managers on board in the health and safety management system. This has been carried out for managers both on land and at sea, including ship leadership. Going forward, the focus will be on training the remaining employees.

Supplementary first aid training has also been conducted for relevant sailing crew, including defibrillator and CPR training, delivered on board and documented in our internal management system.

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- In 2025, we will continue to:
- Improve safety solutions in technical design to ensure redundancy and robustness
  - Take further steps to enhance our health and safety measures and establish an even stronger health and safety culture. This includes improving reporting and follow-up activities by implementing the new management system EQS, running safety campaigns based on trends, introducing the new system, and ensuring a proactive safety culture both on board and on land.
  - Regular health and safety training. In 2024, we conducted two internal ISM (International Safety Management) audits per vessel. The results are categorized, documented, and followed up by dedicated responsible personnel.
  - Preparing the company for ISO 9001:2015 certification of the quality management system in 2025. The certification itself is planned for 2026, while project implementation will take place in 2025.

**Training and instruction of employees at sea and on land:**  
We continue training leaders at all levels in our health and safety management system. The training includes a review of documentation in the management system, risk assessments, and reporting in day-to-day operations. We plan to continue with regular health and safety training in 2025.

## Our Employees – Health and Safety

// S1- 14 – Health and safety metrics

Health and safety in the workplace

| Employees                                                                                   | Total     | On-shore | At sea    |
|---------------------------------------------------------------------------------------------|-----------|----------|-----------|
| Employees covered by a health, safety, and environment (HSE) management system (percentage) | 100%      | 100%     | 100%      |
| Number of working hours during the reporting period                                         | 1,241,989 | 85,335   | 1,156,654 |
| Number of fatalities because of work-related injuries                                       | 0         | 0        | 0         |
| Number of work-related injuries with high severity, excluding fatalities                    | 1         | 0        | 1         |
| Number of fatalities because of work-related health issues                                  | 0         | 0        | 0         |
| Number of documented cases of work-related illnesses                                        | 0         | 0        | 0         |
| Number of work-related injuries                                                             | 41        | 0        | 41        |
| Sickness absence (percentage)                                                               | N/A       | 3.9%     | 8.7%      |

Table 9: S1 Workplace Health and Safety Data



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# Our Employees

Our employees are the company’s most important resource. To achieve our ambitions, we must work together to create a positive working environment where all our employees can thrive and succeed – both at sea and on land.

Everyone working at Havila Kystruten shall adhere to our core values: lead, share, and care.

## Material impacts, risks, and opportunities for own employees

// S1 – Own workforce ESRS 2 – SMB 3 – S1 Material impacts, risks and opportunities and their interactions with strategy and business mode

The double materiality analysis highlights three topics under Chapter S1 – Our Employees – that are considered material for Havila Kystruten. These are listed in the table below. The analysis shows that in order for the company to remain an attractive workplace, we need to maintain our focus on competitive salaries, good pension and insurance schemes, work–life balance, and a culture of skills development.

| ESRS | Description                                                      | IRO                       | Value Chain |   |   | Time line (year) |     |    |
|------|------------------------------------------------------------------|---------------------------|-------------|---|---|------------------|-----|----|
|      |                                                                  |                           | O           | E | N | 0–1              | 1–5 | 5+ |
| S1   | Skills development among own employees                           | Potential negative impact |             | ● |   |                  |     | ●  |
|      | Work–life balance                                                | Risk/possibility          |             | ● |   |                  | ●   |    |
|      | Pension and insurance schemes, as well as other welfare benefits | Risk/possibility          |             | ● |   |                  | ●   | ●  |

Table 10: S1 Our Employees – material topics and IROs

### Impact

It is important that everyone working for Havila Kystruten has the competence and training they need to perform their work. Without adequate training and skills development for our employees, we risk a number of negative impacts on workplace culture, operations, and reputation—factors that, in turn, may reduce our attractiveness as an employer.

As a developing organization, we work to counter these risks through improvement initiatives that our employees have helped define. This is especially important given that today’s labor market presents challenges in recruiting new employees with the necessary qualifications. Several reasons contribute to this, including:

- A shortage of qualified labor
- High training course costs

We also address this under Opportunities and outline the measures we have taken in 2024. See Chapter S1–4 – Our measures for a good working environment.

### Risks and possibilities

An imbalance between work and private life may result in Havila Kystruten being unable to retain employees or attract the right candidates for open positions. In this context, it is important to safeguard health and safety, fair wage schemes, and a positive working environment.

The company believes that a good work–life balance is essential. This contributes to greater day–to–day well–being, which in turn can lead to longer employee retention. Inadequate training for employees at sea and on land can lead to inefficiency, health and safety issues, and a damaged reputation. We believe that investing in training and individual development will increase the company’s efficiency and profitability.

Demonstrating that we care, prioritizing safety, and looking after our employees can help position Havila Kystruten as an employer of choice. The company aims to place greater focus on this area, as described in Chapter S1–4, [page 61](#).

### Definitions

**Impact, Risk, Opportunity (IRO):**  
The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

**Upstream Operations (O):**  
Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

**Own Operations (E):**  
The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

**Downstream Operations (N):**  
Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

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## Guidelines for own employees

// S1-1 Policies related to own workforce

Havila Kystruten is a Norwegian shipping company with its head office in Fosnavåg, Norway. The vessels sail under the Norwegian flag and operate in accordance with the Ship Labour Act, the Working Environment Act, and the Equality and Anti-Discrimination Act. As a maritime coastal cruise company, we comply with all relevant national labor laws and follow the regulations concerning working environment, health, and safety for employees on board the vessels.

We believe that compliance and prompt implementation of policies are fundamental prerequisites for operating a responsible business. The company’s internal guidelines on the working environment and employee rights are available in our approved management system both on board and on land, in the employee handbook, and in several of the company’s governance documents.

Havila Kystruten has also developed a policy to promote equality and prevent all forms of discrimination. All documents are available in our management systems and are described in the chapter on Diversity, Equality, and Inclusion, [page 67](#).

## Well-being and Dialogue in the Workplace

// S1-2 Processes for engaging with own workforce and workers’ representatives about impacts  
// S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

We want to do everything we can to ensure that our employees are well and able to carry out their tasks effectively. One thing we know is important when it comes to creating a safe workplace is focusing on information and communication. In 2024, we initiated a reorganization on board all vessels. In that process, it was important to involve those affected, provide information, and find solutions to any challenges that arose along the way. We informed employees who were directly impacted and worked to ensure that managers and employee representatives had access to accurate and available information.

The company has a working environment committee (AMU) mandated to ensure and proactively promote satisfactory working conditions. On each of Havila Kystruten’s vessels, employees elect a union representative responsible for conveying information and/or concerns about the working environment to management. These representatives meet regularly—either separately or together—depending on what is relevant for the various work groups. In addition, safety representatives have been appointed both on land and at sea.

We also have a dedicated whistleblowing system that can be used by employees, customers, suppliers, and other stakeholders to report any irregularities or concerns. This whistleblowing

channel is available on the company’s website. Internal procedures for reporting deviations, as well as any matters raising ethical concerns, must be reported in accordance with the procedures described in Chapter G-1.





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## Our Measures for a Good Working Environment

// S1–4 Taking actions on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those actions

It is crucial for Havila Kystruten to attract and retain skilled employees, and the company works to create a good working environment where everyone can grow and succeed. The company is still in a growth and adaptation phase and has placed particular emphasis on recruitment and leveraging internal competence and skills where possible.

By actively cultivating a culture and working environment where our employees thrive, we believe this will contribute to long-term employee retention. In turn, this will lead to:

- Operational efficiency
- Safety and compliance with laws and regulations
- Competitive advantage
- Sustainability and innovation

The company organizes a range of activities aimed at creating an even better working environment and helping employees develop. Activities differ for land-based and sea-based employees and include:

### For sea-based employees:

- Onboarding program
- Welfare funds to finance well-being initiatives. This includes, but is not limited to, bicycles, massage chairs, game consoles, and movies
- Seminars for ship and shore-based leaders focusing on company strategy and KPIs
- Monthly collaboration meetings with local trade unions
- Shore-based managers regularly visit vessels to support onboard operations
- Employee performance reviews, including individual development programs (launched in October 2023), with ongoing work on improved structure and follow-up
- 6 Working Environment Committee (AMU) meetings (ship leadership and safety representatives) + annual meeting with the Ministry
- Biannual operations meetings for sea and shore-based managers per vessel
- Access to fitness facilities
- Health insurance for all employees, regardless of workplace location

### For land-based employees:

- Onboarding program
- Mentorship meetings
- Annual kick-off seminar for land-based employees
- Employee performance reviews, including an individual development program
- Biannual operations meetings for sea and shore-based managers per vessel
- Access to fitness facilities at the Havila House in Fosnavåg
- Health insurance for all employees, regardless of workplace location

## Goals and future outlook

// S1–5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

We aim to be an attractive employer and therefore have the goal of ensuring a good working environment for all employees.

In that context, in 2024 we continued our work to:

- Establish the foundation for launching the Havila Kystruten School
- Follow up on individual development plans for managers and employees
- Define and implement measures based on the results of the safety culture survey conducted in December 2023
- Attract and retain employees by professionalizing the recruitment process to bring in candidates with the necessary qualifications, while also working to maintain a strong reputation
- Build a digital support tool for managing sick leave follow-up. We believe this tool will provide our managers with structure and oversight, allowing them to spend their time on meaningful contact with employees on sick leave

Priorities for 2025 will be to continue focusing on the areas above, as well as to introduce additional well-being initiatives both on land and on board. We will also allocate resources to help employees return to work after sick leave.

## Adequate wages

// S1–10 Adequate wages

Sea-based employees are paid based on tariffs and associated wage scales negotiated between the Norwegian Shipowners’ Association and the seafarers’ unions NSF, NSOF, and DNMF. The company operates in accordance with these collective agreements and does not differentiate between women and men in matters of pay. However, there are wage differences based on job category and seniority. In 2024, women’s share of men’s pay was 100% for employees within the same job category among sea-based staff.

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## Pension and insurance schemes, as well as other welfare benefits

// S1–11 Social Protection

Norwegian laws, along with their associated regulations, are aligned with the Maritime Labour Convention (MLC). In addition, Havila Kystruten is bound by collective agreements between the Norwegian Shipowners' Association and the Norwegian Maritime Officers' Association (NSOF), the Norwegian Seafarers' Union, and the Norwegian Union of Marine Engineers (DNMF).

In situations where sea or land-based employees of Havila Kystruten become fully or partially incapacitated for work, the employer is obligated—under the aforementioned laws and collective agreements—to have insurance in place that safeguards the employees. We also provide pension savings in accordance with applicable collective agreements and Norwegian law.

## Competence Development

// S1–13 Training and skills development metrics

Havila Kystruten has the opportunity to continue investing in the training and development of its employees, thereby increasing the competence and performance of everyone working for the company. When new employees are hired, we ensure they receive a proper introduction and training. We also make sure that administrative staff visit the vessels to provide training to leaders in areas such as the use of digital tools, sharing of necessary information, follow-up on safety matters, and work related to emergency preparedness drills.

The employer ensures that all employees are trained in accordance with applicable requirements and the company's own risk assessments. In addition, external providers are used to conducting training on the use of the technologies they supply, or in theory related to subject areas where they support us. Health and safety courses are also held for safety representatives and members of the Working Environment Committee (AMU).

In 2025, the company will establish an overview of the development opportunities already available to employees and implement new initiatives for individual development.



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## Work–life balance

// S1–15 Work–life balance metrics

Havila Kystruten continuously works to foster a culture that promotes work–life balance, as this often proves beneficial in the long run. The company supports social gatherings throughout the year as a way to help create a more unified workforce. This contributes to increased productivity, as greater well–being and collaboration are often closely linked.

The company wants employees to be able to combine their careers with a meaningful private life. In 2024, Havila Kystruten had 3 women on land, and 16 men and 7 women at sea, on care and parental leave.

## Overview of own employees

// S1–6 Characteristics of the undertaking’s employees

|                                | On–shore |        |       | Off–shore |        |       |
|--------------------------------|----------|--------|-------|-----------|--------|-------|
|                                | Male     | Female | Total | Male      | Female | Total |
| Total employees                | 38%      | 62%    | 100%  | 61%       | 39%    | 100 % |
| Total employees                | 24       | 39     | 63    | 370       | 239    | 609   |
| Permanent employees            | 23       | 37     | 60    | 301       | 177    | 478   |
| Temporary employees            | 1        | 2      | 3     | 69        | 62     | 131   |
| Part–time employees            | 3        | 5      | 8     | 0         | 2      | 2     |
| New–hires (permanent )         | 9        | 16     | 25    | 58        | 31     | 89    |
| Employee turnover (permanent ) | 3        | 3      | 6     | 27        | 21     | 48    |
| Maternity leave                | 0        | 3      | 3     | 16        | 7      | 23    |

Table 11: Overview of own employees

The table above shows number of employees as of December 31, 2024.





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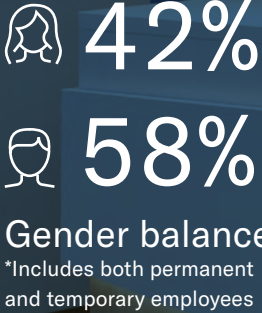
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## Diversity, Equality, and Inclusion

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# Material Impacts, Risks, and Opportunities and Their Influence on Our Strategy and Business Model

// Own workforce ESRS 2 – SMB 3 – S1 Material impacts, risks and opportunities and their interactions with strategy and business model

Good DEI practices ( Diversity, Equity, Inclusion ) mean proper attention to diversity, equity, and inclusion <sup>14</sup>. Promoting diversity and gender equality can offer significant advantages for Havila Kystruten, including access to highly qualified and skilled employees on whom our operations depend. By “diversity,” we refer not only to gender, but also to age, nationality, cultural background, and similar aspects.

Everyone is responsible for rejecting discrimination, violence, and harassment, and for setting a good example by showing respect and being inclusive in their behavior toward all employees.

Our impacts, risks, and opportunities identified in the double materiality analysis related to the company’s diversity and inclusion efforts are described in the table below.

| ESRS | Description                                                | IRO                       | Value Chain |   |   | Time line (year) |     |    |
|------|------------------------------------------------------------|---------------------------|-------------|---|---|------------------|-----|----|
|      |                                                            |                           | O           | E | N | 0–1              | 1–5 | 5+ |
| S1   | Diversity, Equity, and Inclusion (DEI) Among Our Employees | Potential negative impact |             | ● |   |                  | ●   |    |
|      | Deficiencies in DEI Practices                              | Risk                      |             | ● |   |                  | ●   |    |
|      | Employee Skills Development                                | Possibility               |             | ● |   |                  | ●   |    |

Table 12: S1 Diversity, Equity and Inclusion – material topics and IROs

The double materiality analysis shows that diversity, equity, and inclusion (DEI) are material for Havila Kystruten. This should remain a priority area for the company to avoid negative impact. Deficiencies in DEI practices are defined as a risk to our own operations within the value chain, while skills development among our employees is defined as an opportunity. The impact, risk, and opportunity are described in more detail to the right.

## Impact

Gender equality, equal pay for equal work, diversity, and inclusion are essential to the success of Havila Kystruten. Failure to ensure equal treatment can have a negative impact on the company, increase employee stress, and reduce well-being and job satisfaction.

We believe it is crucial to prevent this potential negative impact by carrying out targeted work on our internal culture. Our employees are our most important resource. If we fail in building a strong corporate culture that embraces diversity, equality, and inclusion, we will not succeed as a company either.

## Risk

If we do not practice sound DEI ( Diversity, Equity, and Inclusion ) principles, Havila Kystruten may suffer reputational damage and face legal consequences. Examples of this could include violence or harassment in the workplace—something the company has zero tolerance for. There is also a risk of reduced access to skilled employees if there are gaps in DEI practices.

## Opportunity

Building an inclusive and supportive culture that empowers our employees is our approach to preventing these potential negative scenarios. Strengthening DEI practices and ensuring a safe working environment can boost the morale of everyone working in the company. This also makes it easier for the company to attract the right and best candidates for the job. Skills development and training are important to ensure equal opportunities for all and to attract and retain talented and capable employees.

## Definitions

### Impact, Risk, Opportunity (IRO):

The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

### Upstream Operations (O):

Activities related to Havila Kystruten’s supply chain. This includes the procurement of fuel, raw materials, and spare parts.

### Own Operations (E):

The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

### Downstream Operations (N):

Everything that occurs after Havila Kystruten’s services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.

<sup>14)</sup> [What Are the Principles of Diversity, Equity, and Inclusion \(DEI\)? – PeopleThriver](#)



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## Policies related to diversity, equity and inclusion

// S1-1 Policies related to diversity and inclusion

Havila Kystruten is committed to ensuring fair working conditions across all areas of the business. This includes ensuring that all employees of the company refrain from—and are not subjected to—discrimination based on gender, age, ethnicity, nationality, religion, disability, trade union membership, political affiliation, or sexual orientation.

Havila Kystruten does not tolerate any form of forced labor and will ensure that all employees are entitled to fair and equal compensation in accordance with national legal standards, international agreements, or comparable industry standards. Working hours must comply with national legislation and comparable standards and must not exceed applicable international standards.

In Havila Kystruten’s employee handbook, we have specific guidelines covering human rights, discrimination, and sexual harassment. All employees are expected to familiarize themselves with and follow these guidelines so that we can live up to our values: lead, share, and care.

## Measures for Diversity, Equity, and Inclusion

// S1-4 Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce.

// S1-5 Targets related to managing material negative impact, advancing positive impacts, and managing material risk and opportunities.

We believe that good DEI (Diversity, Equity, and Inclusion) practices are absolutely essential to succeed as a company. In every employee’s job description, it is specified that, as an employee of Havila Kystruten, one is expected to contribute to building strong relationships. This is also supported by our Code of Conduct.

Havila Kystruten has taken an active step by signing the “40 by 30 Pledge” by WISTA International, a cross-industry maritime initiative aimed at promoting the recruitment of women into leadership positions. WISTA’s goal is to increase the share of women in leadership roles to 40% by 2030 as part of broader diversity efforts.

By signing the pledge, Havila Kystruten has committed to this focus, and we have already met the target for land-based employees. Currently, the gender distribution in land-based leadership positions is 56% women and 44% men. This includes all levels up to senior management. In the executive management team and the board of directors, the distribution is 50% women and 50% men. In leadership positions at sea, the distribution is 31% women and 69% men.

When working with recruitment, we keep a focus on diversity. In 2024, we continued our efforts to bring more women into traditionally male-dominated roles such as navigators and engineers.



## Measuring Diversity, Equity, and Inclusion

// S1-9 Diversity metrics

As of December 31, 2024, we had 478 permanent sea-based employees and 60 permanent land-based employees — a total of 538. Most of our employees have a maritime or hospitality-related background, and the majority are members of the Norwegian Seafarers’ Union, the Norwegian Maritime Officers’ Association, or the Norwegian Union of Marine Engineers.

We strive to create an inclusive and engaging work environment with a focus on employee well-being and development. This is not only important for recruiting employees, but also for retaining them.



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| As of December 31, 2024 |      |        |       |
|-------------------------|------|--------|-------|
| Occupational Roles      | Male | Female | Total |
| Deck                    | 80   | 11     | 91    |
| Machinery               | 65   | 4      | 69    |
| Hotel                   | 160  | 167    | 327   |
| Administration          | 23   | 37     | 60    |

Table 13: Occupational Roles

| As of December 31, 2024           |      |        |       |
|-----------------------------------|------|--------|-------|
| On-shore gender distribution      | Male | Female | Total |
| Boad of Directors                 | 3    | 3      | 6     |
| Excecutive Management             | 4    | 4      | 8     |
| Management with Advisory Function | 4    | 6      | 10    |
| The rest of the Administration    | 19   | 32     | 51    |

Table 14: Gender Distribution

| As of December 31, 2024           |          |       |         |
|-----------------------------------|----------|-------|---------|
| On-shore Age Distribution         | Under 30 | 30–50 | Over 50 |
| Board of Directors                | 0        | 2     | 4       |
| Excecutive Management             | 0        | 5     | 3       |
| Management with Advisory Function | 0        | 7     | 3       |
| The rest of the Administration    | 15       | 24    | 12      |

Table 15: Age Distribution

## Persons with disabilities

// S1-12 Persons with disabilities

We are equipped to accommodate employees with disabilities at our headquarters and at the crew office in Hammerfest.

## Remuneration Process

// S1-15 Renumination metrics

The company offers annually negotiated, competitive wages based on collective agreements. All compensation on board shall be equal for equal work.

## Incidents, Complaints, and Serious Consequences Related to Human Rights

// S1-17 Incidents, complaints and severe human rights impacts

In 2024, we received one notification to the Chair of the Board and five complaints, two of which were submitted anonymously via the whistleblowing channel on our website. One notification is defined under our whistleblowing procedure, and five are defined under our “right to complain” procedure. The complaints have primarily concerned the onboard working environment, collaboration, and communication. All reported cases have been investigated and concluded.

Havila Kystruten has not received any reports of human rights violations in 2024. The company operates in Norway and is audited in accordance with Norwegian laws and regulations.



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## Local Communities

Havila Kystruten aims to minimize our environmental impact on coastal communities and provide solutions that benefit everyone. Our goal is to ensure stable and reliable transport along the coast while supporting local value creation. The ships we operate are part of Norway’s critical infrastructure, and our societal mission helps meet transport needs while also shifting some transportation from road and air to sea. In a time of geopolitical uncertainty, the coastal route vessels also ensure a Norwegian presence in Norwegian waters, particularly in the northern regions.

Our operations are vital for the transport of people and goods, including mail and medicines. In fact, we constitute critical infrastructure north of the Arctic Circle. The local population uses our ships as a means of transportation, as ships are often more reliable and efficient than cars for getting from one place to another. That’s why operational uptime and stable, reliable service are extremely important. We also optimize the use of our vessels by offering a unique coastal cruise along the transport route, where guests visiting us get to experience the best of Norway in the best possible way.

Since our founding, Havila Kystruten has sought to contribute to increased economic activity and job creation in small coastal communities along the Norwegian coast. Our foremost goal is to provide stable and reliable transport and support to local communities, which we consider a positive impact. Each of the 34 ports we visit is a vital part of the company’s operations.

Without Havila Kystruten and the services we provide, there would be less activity in both small and large ports, and in the communities more broadly. At the same time, we would not be able to offer our guests the authentic and atmospheric coastal communities as part of their experience if we were not allowed to visit them. That is why it is essential for us to care for the relationships we have with the people and the nature we encounter along our journey up the coast. Our guests would have less reason to travel with us if it weren’t for the coastal communities – and our societal mission would lose much of its meaning. As a year-round operator along the Norwegian coast, it is therefore a fundamental principle for Havila Kystruten to contribute to the sustainability of local communities.

## Material Impacts, Risks, and Opportunities and Their Influence on Our Strategy and Business Model

// S3–ESRS 2 SBM *Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model*

Assessment and planning are essential to managing our impact on local communities. Good collaboration helps us understand their expectations and needs. In the double materiality analysis conducted by Havila Holding and external consultants, local communities did not emerge as a material chapter. However, we believe that local communities are highly material to Havila Kystruten and have chosen to include this chapter in this year’s report despite it not being part of the results from the current double materiality analysis.

Through our societal mission, our operations can have a negative impact on biodiversity and wildlife in local communities, as well as contribute to noise pollution during times when we are not sailing on clean battery power. The transport of goods and passengers on land can also have a negative impact if it causes pollution. Our experience during the COVID–19 pandemic also showed us that when we are not operating along the coast, it negatively affects the local economies of the places we visit.

Havila Kystruten is committed to offering sustainable solutions that reduce such impact. Our sailings have replaced previously diesel–powered ships on the coastal route. As a result, we are not creating more traffic than before but rather contributing to making the existing activity more environmentally friendly. All four of our identical sister ships sail more quietly and emit less than previous operators.





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## Local Collaboration with Coastal Communities and Measures for Value Creation

// S3–2 Processes for Engaging with Affected Communities About Impacts  
// S3–4 Taking Action on Material Impacts on Affected Communities, and Approaches to Managing Risks and Pursuing Opportunities Related to Affected Communities, and Effectiveness of Those Actions

In 2024, we achieved operational uptime of 98%, excluding weather–related operational cancellations and stoppages.

A central part of creating value in coastal communities is our excursion program, where we exclusively collaborate with local operators and suppliers. This is both to ensure authentic experiences for our guests and to anchor economic value creation locally.

In 2024, we worked with over 80 local suppliers who provided excursions and experiences to our passengers — more than 70 excursions across both the northbound and southbound voyages. This includes everything from guiding companies and museums to small transport businesses and family–owned tourism operators. Examples of our partners include Snowhotel Kirkenes AS, the Norwegian Fjord Center in Geiranger, Stella Polaris in Bodø, and the Lofotr Viking Museum in Lofoten — businesses with deep local roots offering unique experiences tied to nature, history, and culture.

Through these partnerships, we generate economic ripple effects in coastal communities by ensuring that excursion revenues are reinvested locally, and by encouraging our guests to also visit local eateries, shops, and attractions. By offering a wide range of excursions year–round, we contribute to year–round tourism and stable income for many smaller providers who are otherwise affected by seasonal fluctuations.

We place great emphasis on working with suppliers who offer sustainable and environmentally friendly experiences — such as low–emission fjord cruises, electric bike tours, nature hikes with local guides, and cultural experiences with a low footprint. These are offerings we aim to further develop in our work with “eco–excursions,” a key focus area going forward. We also strive to support local businesses and suppliers by using local ingredients in the food we serve onboard our ships. Our goal is to showcase Norwegian food culture, with a modern and international twist. In the ships’ restaurants, we alternate between four regional menus that rotate every few days to reflect the part of the coast we are currently sailing along. This includes breakfast, lunch, and dinner. Our culinary concept, called Havila Food Stories, features ingredients from four different regions along the coast.

## Processes for Addressing Negative Impacts and Channels for Affected Communities to Raise Concerns

// S3–3 Processes to Remediate Negative Impacts and Channels for Affected Communities to Raise Concerns

We work to maintain close dialogue with stakeholders who are actually or potentially affected by our operations. In addition to communicating with port authorities, excursion providers, and local transport companies, we also collaborate with local hotels and restaurants in several of the ports we visit along the coast.

We have not yet established a formal grievance mechanism for local communities, but we do have an open feedback channel on our website, and suppliers and community actors can raise concerns directly with our staff.

## Goals and Measures for 2025

// S3–5 Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

Goals for 2025:

- Provide stable and reliable transportation along the coast.
- Support local value creation and economic growth.

Priorities for 2025:

- Ensure reliability through continuous improvement of maintenance systems.
- Continue trainee/internship programs to attract local talent and contribute to recruitment in the maritime industry.
- Explore collaborations with local schools and colleges.
- Explore other community engagement initiatives.
- Continue the development of Havila Food Stories.
- As part of our sustainability strategy, we aim to categorize all excursions by various sustainability parameters during 2025–2026, including carbon footprint, local value creation, nature impact, and cultural authenticity. This categorization will form the basis for a structured and targeted dialogue with our suppliers, aiming to further develop and enhance sustainability across our entire experience portfolio.

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The measures above are part of our strategy for responsible tourism, contributing to Havila Kystruten's role as a driver of sustainable development in coastal communities – not only through transportation but also as an active contributor to local business value creation.

| Local value creation                         | Unit   | 2024   | 2023   | 2022  | 2021 |
|----------------------------------------------|--------|--------|--------|-------|------|
| Operational Uptime                           | %      | 97.8%  | 99.5%  | 0     | 0    |
| Local Travelers ( Commuters )*               | %      | 53%    | 58%    | 42%   | 45%  |
| Cargo transported ( Total weight )           | tons   | 20,663 | 12,486 | 7,211 | 55   |
| Local suppliers providing onshore activities | number | 80     | 80     | 80    | 80   |

Table 16: Local value creation

\* The company experienced a system integration failure that resulted in the underreporting of the number of passengers. This was discovered and corrected during the fall of 2024, with retroactive adjustments applied from 2023 onwards.



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98% operational up-time



80% locally sourced ingredients



20,660 tons cargo transported



80 excursion collaborations  
70 excursions

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### Corporate Governance

Good corporate governance is achieved through transparency, objectivity, reliability, honesty, and diligence. This is reflected in Havila Kystruten's values: Lead, Share, and Care.

To succeed, it is essential that we maintain high ethical standards and build trust-based relationships with our stakeholders through good ESG reporting and transparency about where we are today and where we can improve in the future. Quality at all levels is essential for us to continue being the most environmentally friendly operator on the Coastal Route.

### Corruption Index

Based on initial risk assessments, Havila Kystruten's current exposure to corruption is limited. The entire business is conducted in Norway, where the risk of corruption, according to the Corruption Index (developed by Transparency International), is considered low, and the company complies with all Norwegian laws and regulations. Our ethical guidelines provide clear instructions to all employees on how to conduct ethically responsible business. All employees have access to, and must familiarize themselves with, understand, and adhere to the principles outlined in the company's ethical guidelines. We believe that our business is best positioned to grow by respecting human rights, and that our commitment to conducting ethically responsible business is a result of our values in addition to legal obligations.

We understand that we add value to the organization and achieve enhanced competitiveness by operating in accordance with our ethical guidelines.

## Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and Business Model

// *ESRS 2 SBM –3 G1 Material Impacts, Risks, and Opportunities and Their Interaction with Strategy and Business Model*

Our double materiality assessment summarizes Havila Kystruten's impacts, risks, and opportunities in the table to the right:

| ESRS | Description                                                                  | IRO                    | Value Chain |   |   | Time line (year) |     |    |
|------|------------------------------------------------------------------------------|------------------------|-------------|---|---|------------------|-----|----|
| G1   |                                                                              |                        | O           | E | N | 0-1              | 1-5 | 5+ |
|      | Corporate culture that encourages good behavior and ethical business conduct | Actual positive impact |             |   |   |                  |     |    |
|      | Lack of training can affect employee well-being and performance              | Risk                   |             |   |   |                  |     |    |
|      | Effective training and clear ethical guidelines                              | Opportunity            |             |   |   |                  |     |    |

Table 17: G1 Corporate Culture and Etical Business Conduct – material topics and IROs

### Impact: Corporate Culture and Ethical Business Conduct

The double materiality assessment shows that Havila Kystruten has an actual positive impact on its own workforce through its corporate culture. The company promotes good behavior and ethical business conduct through our ethical guidelines, job descriptions, and culture.

### Risks and Opportunities Related to Corporate Culture and Ethical Business Conduct

#### Risks and Opportunities

Without regular implementation and review of training, job descriptions, and ethical guidelines for Havila Kystruten's operations, the company may face challenges in attracting and retaining attractive employees both onshore and at sea. If such a risk materializes, it can negatively impact operational efficiency, reputation, and the company's results.

Havila Kystruten takes this risk seriously by maintaining a strong focus on clear communication of our guidelines, including human rights and anti-corruption. We continuously work to ensure that everyone performing work on behalf of Havila Kystruten is aware of, understands, and adheres to responsible business conduct in their daily work. We also follow up on this work to identify areas for improvement and implement measures. This can enhance workplace attractiveness and employee satisfaction, ultimately increasing operational efficiency and further strengthening our business relationships.

### Definitions

#### Impact, Risk, Opportunity (IRO):

The table to the left distinguishes between the impacts, risks, and opportunities the company has related to the ESRS point. It differentiates between actual and potential impacts, as well as whether they are negative or positive.

#### Upstream Operations (O):

Activities related to Havila Kystruten's supply chain. This includes the procurement of fuel, raw materials, and spare parts.

#### Own Operations (E):

The core activities of Havila Kystruten. This includes the operation and maintenance of ships, hotel operations, and excursions.

#### Downstream Operations (N):

Everything that occurs after Havila Kystruten's services are delivered. This includes the passenger experience after the journey and further logistics for cargo and goods upon arrival at the port.



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# Our Guidelines and Strategy for Ensuring Good Corporate Governance and a Strong Corporate Culture

// G1–1 Business conduct policies and corporate culture

Responsible business conduct is embedded in Havila Kystruten’s management system and our governing documents, which guide all parts of the company. In 2023, the company established ethical principles for our employees both onshore and onboard that clearly communicate the company’s guidelines, including human rights, discrimination and sexual harassment, competition and prohibition of anti-competitive practices, business partners, third-party corporate governance, and anti-corruption. At Havila Kystruten, business ethics are achieved through transparency, objectivity, reliability, honesty, and diligence.

The company’s success depends on maintaining high ethical standards and building trust-based relationships with stakeholders while adhering to all relevant legal requirements and building strong integrity through regular training, communication, and accessible information. Our approach to corporate governance is rooted in our business operations and frameworks. This sets the standard for how Havila Kystruten and our employees conduct business, while also outlining our expectations for suppliers and business partners. These expectations are reinforced through due diligence assessments and regular supplier audits.

We aim to prioritize the development of our employees, and during 2025, we will conduct training on the company’s ethical guidelines for all employees. The company has also developed internal procedures for reporting deviations, and all matters raising ethical concerns must be reported according to established complaints and whistleblowing guidelines.

The ethical guidelines are published for our employees within the safety management system and approved by the CEO of Havila Kystruten.

## Human Rights

To ensure future success, we are committed to ensuring that our company respects and practices human rights. Havila Kystruten has been reporting on human rights and the Transparency Act since 2022 and has its own human rights guidelines approved by the board and published for our employees. Our supplier guidelines are also published on our website.

As a new and more environmentally friendly operator along the coast, we aim to develop an organizational culture that supports internationally recognized human rights and works to avoid involvement in human rights violations.

Havila Kystruten is committed to fulfilling our responsibility to respect human rights as defined by:

- UN Universal Declaration of Human Rights

- The International Covenant on Civil and Political Rights
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- The OECD Guidelines for Multinational Enterprises
- The Norwegian Transparency Act

Havila Kystruten is headquartered in Norway and operates in accordance with the Anti-Money Laundering Act and the Penal Code, along with related regulations. Onboard our ships, we have guidelines and procedures that comply with Norwegian laws and regulations related to the right to complain and to whistleblow.

## Whistleblowing

Havila Kystruten provides various channels for submitting a complaint or whistleblowing report. Employees are encouraged to resolve matters at the lowest possible level, but the company has established internal procedures for reporting deviations, and all matters raising ethical concerns must be reported in accordance with internal guidelines and procedures. These procedures ensure that employees can submit or report a complaint or concern to:

- Nearest manager
- Manager above the nearest manager
- Captain
- HR Department
- Designated person
- Union representative
- Safety representative
- External parties
- Anonymous and digital solution on the company’s website

Employees are encouraged to provide their names, but it is also possible to submit a complaint or report anonymously. Customers, suppliers, and other stakeholders also have the option to report deviations or concerns through the digital solution on the company’s website.

## Training and Awareness

Havila Kystruten is not required to establish an ethics committee, but the management team regularly communicates expectations for and adherence to good business ethics to employees. In the company’s job descriptions, we clearly communicate our expectation that all employees always follow internal guidelines and procedures, laws, and regulations and are aware of potential ethical breaches.

As part of our goal to be open and transparent about our sustainability efforts, we increased the amount of information available on our website in 2024, as well as through our newsletters and social media channels. We also participated in several conferences throughout 2024, where we contributed with knowledge and experiences from our sustainability work. In addition, we have included sustainability information in our quarterly reporting, worked closely with interest and industry organizations, and engaged with relevant media covering topics that matter to us.



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## Managing Relationships with Suppliers and Business Partners

// G1–2 Management of relationships with suppliers

Havila Kystruten works continuously to build and maintain strong relationships with our suppliers. We are committed to treating these relationships responsibly and fairly. At the same time, we also expect our suppliers to uphold high ethical standards in their business operations.

The Supplier Code of Conduct outlines our expectations of suppliers and business partners and is communicated at the time of contract signing. The Supplier Code of Conduct is published on our website.

Havila Kystruten selects and evaluates its suppliers based on internal HSE requirements, policies, product standards, as well as logistics and process flow within the procurement process. Havila Kystruten regularly conducts due diligence assessments of suppliers with support from Havila Service. This is done through the Ignite system, both at the time of contract signing and subsequently on a regular basis for existing suppliers. These due diligence assessments focus on identifying, assessing, preventing, and reporting potential and actual negative impacts on human rights in the supply chain.

The need for physical audits is decided in an annual strategic meeting between the maritime and technical operations department and the head of procurement. The decision is based on an evaluation of critical suppliers, new suppliers, and the performance of existing suppliers over the year.

Physical audits are conducted by the procurement department at Havila Service and/or employees of Havila Kystruten.

In 2024, three physical audits were conducted. Two audits are planned for 2025. In 2023, it was reported that zero audits had been conducted, when in fact one had taken place. This discrepancy was due to a typographical error in the document, which we now choose to correct. In addition, audits are conducted on behalf of Havila Kystruten and other companies that are members of the Incentra agreement.

### Supplier Due Diligence Assessments in 2024

In our supplier due diligence assessments in 2024, we have:  
Defined a risk assessment of first-tier suppliers:

1. We have established a traffic light system for relevant suppliers based on country ( according to the Human Rights Index ) and industry sector risk, based on our internal assessment.
- 2.Developed a list of actual and potential human rights risks among our suppliers and created a scoring system based on this list to support supplier approval.
- 3.Communicated our ESG questionnaire to all suppliers:

In 2024, the ESG questionnaire was distributed to suppliers accounting for 51.8% of our total procurement volume. Suppliers identified as low risk for human rights violations required no immediate action. Suppliers with medium or high human rights risk were asked to respond to our ESG questionnaire and sign our Supplier Code of Conduct.

In addition, the procurement department has carried out a more detailed risk assessment related to human rights before continuing business with the relevant supplier. So far, the following risk areas have been identified and are being regularly evaluated and followed up:

- Working conditions
- Wages and working hours
- Health and safety
- Data privacy
- Pollution
- Gender-based discrimination
- Sexual harassment
- Use of toxic or hazardous chemicals

Looking ahead, we will work to further optimize our supplier base. This includes improving our supplier evaluations, focusing on conducting due diligence assessments for all existing suppliers, and collaborating more closely with suppliers on actions to improve overall supplier performance – such as follow-up on subcontractors and communicating ethical principles throughout the value chain.

We will also work to raise awareness among our own employees on this topic and will update the employee handbook to include our procurement policy. Finally, we will explore how to further enhance our supplier due diligence processes through digital tools, in order to automate some of our manual procedures. This will not only save time and resources but also ensure regular follow-up of suppliers.

## Prevention and Detection of Corruption and Bribery

// G1–3 Preventions and detection of corruption and bribery

Havila Kystruten maintains a zero-tolerance policy towards bribery and corruption, which is clearly communicated in our ethical principles.

No area within Havila Kystruten’s value chain is considered to have a high risk of bribery or corruption. Anti-corruption assessment is well implemented in the procurement process with suppliers, as well as in internal procedures for administration, hotel operations, and maritime operations. However, further implementation and improvements will continue to be a focus area.

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### Our Goals

- Be open and transparent with our stakeholders.
  - Ensure a responsible supply chain.
- Havila Kystruten’s commitment to lead, share, and care is also reflected in how we measure our efforts through KPIs and set goals we actively work toward. In cases where the company does not perform as expected, we will take concrete actions to counter this development.

In 2025, we will continue to communicate our Code of Ethics to employees and board members. In addition, we will carry on with supplier due diligence assessments. We will also continue preparations for ISO 9001:2015 certification of our environmental management system in 2025.

### Results

We use the IntegrityLog system to track the number of cases related to human rights violations. In 2024, the company received one notification, which was investigated and handled in accordance with the company’s anti–corruption guidelines. The company has not received any reports of potential human rights violations or other ethical breaches.

| Anti-Corruption Assessments and Incidents | 2024 | 2023 |
|-------------------------------------------|------|------|
| Number of operations                      | 1    | 3    |
| Percentage of operations                  | 100% | 75%  |
| Number of confirmed incidents             | 1    | 0    |

Table 18: Anti-Corruption Assessments and Incidents

| Communication on Anti-Corruption | 2024 | 2023 |
|----------------------------------|------|------|
| Number of board member           | 6    | 6    |
| Percentage of board members      | 100% | 100% |
| Number of permanent* employees   | 590  | 407  |
| Percentage of employees          | 100% | 100% |
| Number of business partners      | 787  | 681  |
| Percentage of business partners  | 35%  | 30%  |

Table 19: Communication on Anti-Corruption

\* During the year





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## Political Influence and Lobbying Activities

// G1–5 Political influence and lobbying activities

### Havila Kyststruten is a member of several industry associations:

These collaborations contribute to the decarbonization of an industry with a significant climate footprint, help pave the way for more climate-friendly solutions through a strengthened Norwegian tourism industry, and emphasize increased diversity by, among other things, increasing the proportion of women in leadership positions within the maritime industry.

According to the company's guidelines, Havila Kyststruten may engage in advocacy on issues of importance to our business, such as zero-emission sailings in World Heritage fjords. However, political support in the form of donations to candidates or political parties is not allowed.



#### Norwegian Shipowners' Association:

An employer and interest organization for Norwegian shipping companies.



#### Maritime CleanTech:

A world-leading cluster focused on developing energy-efficient and sustainable technologies for the maritime industry.



#### Skift:

A business-led climate initiative aimed at bringing Norway and the world a step closer to solving the climate and nature crisis.



#### Virke – The Enterprise Federation of Norway:

Represents over 24,000 businesses with more than 280,000 employees in the trade and service industries.



#### Tourism Organizations:

We collaborate with a wide range of tourism organizations that aim to promote Norwegian tourism and sustainability within the industry.



#### Bergen Chamber of Commerce:

The largest membership organization for the business community in the Bergen region, with over 4,500 members employing more than 150,000 people.

### Security and Personal Data

VWe take security and personal data seriously. Top-level digital security is recognized as essential to ensure seamless and efficient operations without harm to people, the environment, or material assets. This will further contribute to a positive reputation and benefit owners, customers, employees, and other stakeholders.

We have established dedicated guidelines for digital security and have conducted training in IT security.



#### Women's International Shipping & Trading Association (WISTA):

An organization for maritime professionals aimed at attracting more women to the industry and supporting women in leadership positions.



#### Tool Ocean Opportunity Lab:

A creative community for innovators across ocean industries, business, and technology.



#### Det Norske Veritas (DNV):

A leading classification society and a recognized advisor for the maritime industry.



#### Blue Maritime Cluster:

A global leader in the design, construction, and operation of advanced vessels for the global ocean industry.



#### Plastic Free Oceans:

An organization committed to removing marine litter, especially plastic. The organization uses communication as a tool to encourage more people to contribute to cleaning up our oceans.



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# Income Statement Group

| NOK in 1 000                                                            | Note        | 12/31/2024        | 12/31/2023      |
|-------------------------------------------------------------------------|-------------|-------------------|-----------------|
| <b>Operating income</b>                                                 |             |                   |                 |
| Government contractual revenues                                         | <u>3</u>    | 387,660           | 216,115         |
| Operating revenues                                                      | <u>3</u>    | 1,141,151         | 548,079         |
| Other revenue                                                           |             | 42                | 0               |
| <b>Total operating revenues</b>                                         |             | <b>1,528,853</b>  | <b>764,194</b>  |
| <b>Operating expenses</b>                                               |             |                   |                 |
| Good and services consumed related sale of goods and ancillary services | <u>4</u>    | -184,201          | -105,691        |
| Payroll and other personnel expenses                                    | <u>5</u>    | -449,413          | -281,697        |
| Other operating expenses                                                | <u>4, 6</u> | -306,571          | -319,743        |
| Bunkers and port fees                                                   | <u>4</u>    | -370,014          | -247,830        |
| <b>Total operating expenses</b>                                         |             | <b>-1,310,199</b> | <b>-954,961</b> |
| <b>Operating income before depreciation (EBITDA)</b>                    |             | <b>218,654</b>    | <b>-190,767</b> |
|                                                                         |             |                   |                 |
| Depreciation                                                            | <u>7, 8</u> | -213,894          | -137,479        |
| <b>Operating profit/loss</b>                                            |             | <b>4,760</b>      | <b>-328,247</b> |
| <b>Financial items</b>                                                  |             |                   |                 |
| Interest income                                                         |             | 6,834             | 4,080           |
| Interest expenses                                                       | <u>18</u>   | -615,054          | -359,075        |
| Net currency profit/loss                                                | <u>13</u>   | -183,706          | -175,155        |
| Other financial expenses                                                |             | -982              | -16,009         |
| <b>Net financial items</b>                                              |             | <b>-792,908</b>   | <b>-546,159</b> |
| <b>Profit before taxes</b>                                              |             | <b>-788,148</b>   | <b>-874,407</b> |
| Taxes                                                                   | <u>9</u>    | 220               | -38,564         |
| <b>Profit for the period</b>                                            | <u>10</u>   | <b>-787,928</b>   | <b>-912,971</b> |
|                                                                         |             |                   |                 |
| <b>Earnings per share (basic and diluted)</b>                           |             | <b>-0.92</b>      | <b>-2.18</b>    |

# Other comprehensive income

| NOK in 1 000                                     | 12/31/2024      | 12/31/2023      |
|--------------------------------------------------|-----------------|-----------------|
| <b>IFRS</b>                                      |                 |                 |
| Profit/loss                                      | -787,928        | -912,971        |
|                                                  |                 |                 |
| <b>Total items that will not be reclassified</b> | <b>0</b>        | <b>0</b>        |
| <b>Total items that may be reclassified</b>      | <b>0</b>        | <b>0</b>        |
|                                                  |                 |                 |
| Comprehensive income                             | 0               | 0               |
| <b>Total comprehensive profit/loss</b>           | <b>-787,928</b> | <b>-912,971</b> |



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NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### ASSETS

#### Tangible fixed assets

|                               |          |           |           |
|-------------------------------|----------|-----------|-----------|
| Other intangible assets       | <u>7</u> | 37,403    | 37,949    |
| Vessel                        | <u>7</u> | 4,123,944 | 4,274,464 |
| Property, plant and equipment | <u>7</u> | 10,799    | 4,574     |
| Right-of-use assets           | <u>8</u> | 14,124    | 19,679    |
| Total fixed assets            |          | 4,186,270 | 4,336,665 |

#### Financial fixed assets

|                             |               |           |           |
|-----------------------------|---------------|-----------|-----------|
| Investments in shares       | <u>11, 12</u> | 25        | 25        |
| Other long-term receivables | <u>13</u>     | 1,429     | 401       |
| Total financial assets      |               | 1,454     | 426       |
| Total fixed assets          |               | 4,581,672 | 4,750,755 |

#### Current assets

|                           |              |         |         |
|---------------------------|--------------|---------|---------|
| Trade receivables         | <u>13</u>    | 89,860  | 140,641 |
| Other current receivables | <u>6, 13</u> | 78,013  | 107,744 |
| Inventories               | <u>15</u>    | 11,078  | 15,121  |
| Cash and cash equivalents | <u>16</u>    | 48,795  | 20,395  |
| Restricted cash           | <u>16</u>    | 166,201 | 129,762 |
| Total current assets      |              | 393,948 | 413,663 |

|              |  |           |           |
|--------------|--|-----------|-----------|
| Total assets |  | 4,581,672 | 4,750,755 |
|--------------|--|-----------|-----------|

#### Paid in equity

|                      |           |           |           |
|----------------------|-----------|-----------|-----------|
| Share capital        | <u>17</u> | 855,986   | 855,986   |
| Share premium        |           | 1,335,697 | 1,335,697 |
| Total paid-in equity |           | 2,191,683 | 2,191,683 |

NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### Retained earnings

|                        |  |            |            |
|------------------------|--|------------|------------|
| Uncovered loss         |  | -2,514,080 | -1,726,151 |
| Total reained earnings |  | -2,514,080 | -1,726,151 |
| Total equity           |  | -322,397   | 465,531    |

### LIABILITIES

#### Other non-current liabilities

|                                                   |                   |           |           |
|---------------------------------------------------|-------------------|-----------|-----------|
| Non-current liabilities to financial institutions | <u>13, 14, 18</u> | 3,115,798 | 2,853,960 |
| Non-current lease liabilities                     | <u>8, 13, 18</u>  | 12,298    | 17,031    |
| Non-current liabilities to related parties        | <u>6, 13, 18</u>  | 1,221,855 | 232,363   |
| Deferred income                                   | <u>3</u>          | 42,685    | 20,736    |
| Total non-current liabilities                     |                   | 4,392,636 | 3,124,089 |

#### Current liabilities

|                                               |                  |           |           |
|-----------------------------------------------|------------------|-----------|-----------|
| Trade payables                                | <u>6, 13</u>     | 143,454   | 214,291   |
| Current liabilities to financial institutions | <u>13, 18</u>    | 67,795    | 657,452   |
| Public duties payable                         |                  | 16,488    | 15,321    |
| Current liabilities to related parties        | <u>6, 13, 18</u> | -         | 10,526    |
| Other current liabilities                     | <u>19</u>        | 280,004   | 253,433   |
| Current lease liabilities                     | <u>8, 13, 18</u> | 3,691     | 3,839     |
| Total current liabilities                     |                  | 511,432   | 1,154,861 |
| Total liabilities                             |                  | 4,904,069 | 4,285,224 |
| Total equity and liabilities                  |                  | 4,581,672 | 4,750,755 |

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Fosnavåg, 27.05.2025  
The Board of Havila Kystruten AS

  
Per Sævik  
Chairman of the Board of Directors

  
Vegard Sævik  
Board member

  
Hege Sævik Rabben  
Board member

  
Anita Nybø  
Board member

  
Karina Birkelund  
Board member

  
Svein Roger Selle  
Board member

  
Bent Martini  
Chief Executive Officer (CEO)



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# Cash Flow Statement Group

NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### Cash flows from operating activities

|                                     |                      |          |          |
|-------------------------------------|----------------------|----------|----------|
| Profit/loss before tax              |                      | -788,148 | -874,406 |
| Depreciation and impairment         | <u>7</u>             | 213,894  | 137,479  |
| Net interest expense                |                      | 608,220  | 408,735  |
| Inventories                         | 15                   | 4,043    | -1,667   |
| Trade receivables                   |                      | 50,780   | -54,082  |
| Trade payables                      | <u>6</u> , <u>13</u> | -70,765  | 43,818   |
| Net currency profit/loss            | <u>13</u>            | 183,706  | 34,604   |
| Other financial expenses            |                      | 0        | 134,998  |
| Other accruals                      |                      | 54,271   | 19,391   |
| Cash flow from operating activities | <u>7</u>             | 256,002  | -151,130 |
| Interest received                   | <u>7</u>             | 6,834    | 0        |
| Net cash from operating activities  |                      | 262,836  | -151,130 |

### Cash flows from investing activities

|                                                                        |          |         |            |
|------------------------------------------------------------------------|----------|---------|------------|
| Purchase of vessel                                                     | <u>7</u> | -33,542 | -1,368,009 |
| Purchase of other property, plant and equipment, and intangible assets | <u>7</u> | -27,305 | -1,629     |
| Net cash flows from investing activities                               |          | -60,847 | -1,369,638 |

NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### Cash flow from financing activities

|                                         |                                  |          |            |
|-----------------------------------------|----------------------------------|----------|------------|
| Proceeds from equity                    |                                  | 0        | 765,554    |
| Proceeds from borrowings                | <u>18</u>                        | 0        | 3,393,888  |
| Redemption of previous financing        | <u>18</u>                        | 0        | -2,514,753 |
| Proceeds from intercompany borrowings   | <u>6</u> , <u>13</u> , <u>18</u> | 200,000  | 222,550    |
| Interest paid                           | <u>18</u>                        | -344,160 | -479,337   |
| Repayment of leases liabilities         | <u>8</u>                         | -4,882   | 1,342      |
| Net cash flow from financing activities |                                  | -149,042 | 1,389,245  |

|                                                          |           |         |          |
|----------------------------------------------------------|-----------|---------|----------|
| Net change in cash and cash equivalents                  |           | 52,947  | -131,523 |
| Cash and cash equivalents at the beginning of the period |           | 150,157 | 303,467  |
| Currency effect on bank deposits                         |           | 11,892  | -21,788  |
| Cash and cash equivalents at the end of the period       | <u>16</u> | 214,996 | 150,157  |

## Accounting policies:

### The cash flow statement

The cash flow statement has been prepared using the indirect method. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.



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# Equity Statement

| NOK in 1 000                            | Share capital | Share premium | Uncovered loss | Total    |
|-----------------------------------------|---------------|---------------|----------------|----------|
| Equity per 1/1/24                       | 855,986       | 1,335,697     | -1,726,153     | 465,530  |
| Profit/loss for the period              | 0             | 0             | -787,928       | -787,928 |
| Other comprehensive income and expenses | 0             | 0             | 0              | 0        |
| Equity per 12/31/24                     | 855,986       | 1,335,697     | -2,514,080     | -322,397 |

|                                         | Share capital | Share premium | Uncovered loss | Total    |
|-----------------------------------------|---------------|---------------|----------------|----------|
| Equity per 1/1/23                       | 74,650        | 1,335,697     | -797,400       | 612,947  |
| Profit/loss for the period              | 0             | 0             | -912,971       | -912,971 |
| Other comprehensive income and expenses | 0             | 0             | 0              | 0        |
| Share issue                             | 781,336       | 0             | -15,782        | 765,554  |
| Transactions with owners                | 781,336       | 0             | -15,782        | 765,554  |
| Equity per 12/31/23                     | 855,986       | 1,335,697     | -1,726,153     | 465,530  |

Despite negative book equity, adjusted equity is significantly positive and estimated at MNOK 3 751 as of the end of 2024. This is attributed to the added value of the group's assets, where shipbrokers assess the market value of the vessels to be substantially higher than their book value. The increase in value is due to price appreciation since the vessels were contracted and built.



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## Note 1. Basis of preparation

Havila Kystruten AS is the parent company of the Havila Kystruten Group ( note 12 provides information about subsidiaries ). Consolidated financial statements have been prepared for Havila Kystruten Group.

The consolidated financial statements of Havila Kystruten AS for the financial year 2024 have been prepared in accordance with IFRS® Accounting Standards approved by the EU and interpretations from the IFRS Interpretation Committee ( IFRSIC ).

The financial statements have been prepared on a historical cost basis, with certain exceptions as noted in the following notes.

The Group’s head office is located in Fosnavåg, in Herøy.

### Translation of Foreign Currency

The functional and presentation currency of the company is Norwegian kroner ( NOK ). Transactions in foreign currencies are translated into the functional currency using the exchange rate applicable on the transaction date. Translation of monetary assets and liabilities in foreign currencies is made using the exchange rate at year–end. Exchange gains and losses arising from the settlement of such transactions are recognized in profit or loss.

Exchange gains and losses related to loans are presented in profit or loss, as part of finance costs. Unrealized exchange gains/losses are presented on a separate line, also under financial items.

Non–monetary items that are measured at fair value in foreign currencies are translated using the exchange rate applicable at the date the fair value was determined. Translation differences on fair value assets and liabilities are reported as part of the gain or loss on fair value measurement.

### New and amended standards

IFRS 18 becomes effective for financial years beginning on or after January 1, 2027. The company has initiated the process of assessing the potential impacts on the company’s reporting upon implementation.

## Note 2. Significant accounting estimates

In preparing the annual report, estimates and assumptions have been made that have affected the income statement and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with good accounting practice. Areas that to a large extent contain such subjective assessments, a high degree of complexity, or areas where the assumptions and estimates are material to the interim report, are described in the notes.

Estimates and assessments are continuously evaluated and are based on experience, consultation with experts, trend analyzes and several other factors, including forecasts for future events that are considered likely under current conditions.

### Going concern

In accordance with IAS 1.125 it is confirmed that the preconditions for going concern are present. Refer to note 21 for further explanation.



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# Note 3. Revenues

| Business area                        |           |         |
|--------------------------------------|-----------|---------|
| NOK in 1 000                         | 2024      | 2023    |
| Government contract revenues         | 387,660   | 216,115 |
| Ticket revenues                      | 751,855   | 328,384 |
| Additional services ( shorex, etc. ) | 139,438   | 72,498  |
| Sales of goods ( food, shop etc. )   | 240,576   | 140,874 |
| Cargo                                | 9,282     | 6,323   |
| Other revenues                       | 42        | 0       |
| Total                                | 1,528,853 | 764,194 |

Unearned revenue from agents and individual travelers is recorded as other current liabilities. Refer to note 19.

### The contract with the Ministry of Transport

The company’s 10–year contract with the Ministry of Transport, which includes an option for a one–year extension, represents a significant revenue stream. The remaining consideration is calculated at NOK 2,235 million, and is adjusted annually based on an index determined by Statistics Norway.

To calculate future consideration, the company has based its estimates on the approved annual consideration for 2025 of NOK 351 million. This amount is adjusted annually in accordance with the Consumer Price Index (CPI) from Norges Bank’s latest monetary policy report. From 2028 onwards, an annual adjustment of 2.0% has been assumed, consistent with the long–term inflation target. However, it is important to note that the index can vary significantly from actual inflation, particularly due to fluctuations in gas prices, which constitute a substantial part of the index.

According to the agreement with the Ministry of Transport, the consideration for the option year is lower than in the fixed contract period. The company has applied the simplification rule in IFRS 15.B43, and the total consideration (excluding expected index adjustments) for both the fixed contract period and the option period is allocated linearly over the entire contract period, including the option year. This implies that a portion of the contractually agreed revenue received during the fixed contract period is recognized as unearned revenue.

For the fiscal year 2024, the company has recognized revenue NOK 23 million less than what was actually received from the government ( 2023: NOK 19 million ). This unearned revenue is presented as long–term liabilities in the balance sheet.

## Accounting policies:

### Revenue

#### Revenue from the sale of travel and services

Sales of services are recognized in the financial period in which the service has been performed and /or delivered to the customer. Advance sales are recognized over the days the passenger is on board. For scheduled voyages on the reporting date, revenue is based on the remaining days in the financial period. Revenue is periodized based on reports from the booking system, with detailed information about the sailings. Tickets, meals and excursions are primarily pre–sold before the start of the journey, but for travelers along the Norwegian coast it is also possible to buy tickets at the port just before the ship sails. Prepaid journeys are recognized as deposits from customers (liabilities).

#### Revenue from the sale of goods

The Group’s sales of goods mainly relate to the sale of food, souvenirs and other products on board the ships. Sales are recognized when the customer has received and paid for the goods. Payment for retail is usually in the form of cash or credit card, from which any credit card fees are booked as a selling cost. The sale is recognized when the goods are delivered to the customer.

#### Public procurement

Havila Kystruten AS has a state service obligation to the Ministry of Transport to operate the Bergen–Kirkenes coastal route. Revenue from public procurement is recognized on an ongoing basis throughout the year based on existing contracts. These contracts are primarily based on a public tender, where the company has a fixed contract sum for planned (annual) operation. There are specific terms and calculation methods for index regulation of the contract sum. Any changes beyond the planned production are compensated /deducted using agreed rates set out in the agreements and are recognized in the periods they occur.



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## Note 4. Specification of expenses

### Good and services consumed related sale of goods and ancillary services

| NOK in 1 000 | 2024    | 2023    |
|--------------|---------|---------|
| Goods        | 104,146 | 65,576  |
| Services     | 80,055  | 40,113  |
| Total        | 184,201 | 105,690 |

### Bunkers and port fees

| NOK in 1 000       | 2024    | 2023    |
|--------------------|---------|---------|
| Port expenses      | 87,083  | 55,254  |
| Bunkers and power* | 282,931 | 192,575 |
| Total              | 370,014 | 247,830 |

### Other operating expenses

| NOK in 1 000                    | 2024    | 2023    |
|---------------------------------|---------|---------|
| Rent of facilities              | 2,829   | 1,492   |
| IT costs                        | 34,748  | 23,373  |
| Legal fees*                     | -147    | 76,300  |
| Audit and accounting            | 3,336   | 3,029   |
| Other consultancy fees          | 29,261  | 23,972  |
| Internal travel expenses        | 7,200   | 6,828   |
| External travel expenses***     | 6,176   | 7,855   |
| Marketing and sales             | 69,663  | 82,037  |
| Insurance                       | 28,314  | 21,605  |
| Maintenance and repair expenses | 56,639  | 26,860  |
| Other operating expenses        | 68,552  | 46,392  |
| Total                           | 306,571 | 319,743 |

\* Includes the NOx emission tax.  
\*\* In 2024, a credit note was received pertaining to prior work, explaining the negative balance as of December 31, 2024.  
\*\*\* External travel expenses are associated with costs arising from cancellations, scheduled routes, operational disruptions, and related incidents.



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# Note 5. Payroll, employees, personnel expenses, etc.

| Payroll and other personnel expenses |         |         |
|--------------------------------------|---------|---------|
| NOK in 1 000                         | 2024    | 2023    |
| Payroll                              | 420,237 | 299,599 |
| Government grant*                    | -63,082 | -40,591 |
| Social security                      | 8,557   | 6,639   |
| Pensions                             | 31,888  | 22,204  |
| Other personnel expenses             | 51,813  | 32,676  |
| Capitalized payroll                  | 0       | -38,830 |
| Total                                | 449,413 | 281,697 |

\* This pertains to the subsidy scheme for shipping companies, known as the net wage scheme.

| Compensation to the CEO |       |       |
|-------------------------|-------|-------|
| NOK in 1 000            | 2024  | 2023  |
| Salary                  | 2,915 | 2,758 |
| Pension                 | 206   | 206   |
| Other                   | 247   | 212   |
| Total                   | 3,368 | 3,176 |

| Compensation to the Board and Nomination Committee |       |      |
|----------------------------------------------------|-------|------|
| NOK in 1 000                                       | 2024  | 2023 |
| Compensation                                       | 2,205 | 900  |

No loans or securities have been granted to CEO or members of the Board of Directors.

| Fees to auditor          |       |       |
|--------------------------|-------|-------|
| NOK in 1 000             | 2024  | 2023  |
| Audit                    | 2,771 | 2,404 |
| Other assurance services | 322   | 376   |
| Other advisory services  | 10    | 128   |
| Tax advisory services    | 258   | 243   |
| Total                    | 3,361 | 3,151 |

## Accounting policies:

### Pension obligations

The Company has a mandatory defined contribution pension scheme for its employees. The annual premium paid to the insurance company is recognized through profit and loss as incurred and is presented within payroll costs.



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# Note 6. Related parties

## Transactions with related parties

The Group has engaged in various transactions with related parties. All transactions were conducted in the ordinary course of business and at arm’s length prices.

| NOK in 1 000        |                                    |         |
|---------------------|------------------------------------|---------|
| Related parties     | Transaction                        | Amount  |
| Havila Holding AS   | Interest costs                     | 115,271 |
| Havila Holding AS   | Forwarded other operating expenses | 560     |
| Havila Service AS   | Business administration*           | 15,922  |
| Havila Service AS   | Forwarded other operating expenses | 4,245   |
| Havila Service AS   | Forwarded payroll                  | 33      |
| Havila Shipping ASA | Forwarded other operating expenses | 195     |
| Havila Shipping ASA | Forwarded payroll                  | 2       |
| Havila Hotels AS    | Forwarded payroll                  | 291     |
| Havila Hotels AS    | Operation revenue                  | 51      |

\* Accounting and IT services.

| Related parties     | Relation                     | Ownership |
|---------------------|------------------------------|-----------|
| Havila Holding AS   | Parent company               | 59.7 %    |
| Havila Service AS   | Subsidiary of Havila Holding | 0.0 %     |
| Havila Shipping ASA | Subsidiary of Havila Holding | 0.0 %     |
| Havila Hotels AS    | Subsidiary of Havila Holding | 0.0 %     |

## Balances with related parties

| NOK in 1 000            |           |         |
|-------------------------|-----------|---------|
| Non-current liabilities |           |         |
| Havila Holding AS*      | 1,221,855 | 238,637 |
| Total                   | 1,221,855 | 238,637 |

| Other current liabilities |   |        |
|---------------------------|---|--------|
| Havila Holding AS         | 0 | 10,526 |
| Total                     | 0 | 10,526 |

NOK in 1 00012/31/202412/31/2023

## Non-current liabilities

### Trade payables

|                     |       |       |
|---------------------|-------|-------|
| Havila Shipping ASA | 119   | 116   |
| Havila Service AS   | 2,341 | 3,983 |
| Havila Hotels AS    | 93    | 42    |
| Total               | 2,553 | 4,140 |

### Current receivables

|                     |    |    |
|---------------------|----|----|
| Havila Shipping ASA | 0  | 54 |
| Havila Hotels AS    | 64 | 0  |
| Total               | 64 | 54 |

\* Note 18 provides more information about the loan and the interest terms of the loans from Havila Holding.

In 2024, Havila Holding AS provided security of NOK 110 million as a guarantee to Atradius, which in turn issued a guarantee of NOK 150 million to the Norwegian Travel Guarantee Fund.



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# Note 7. Fixed assets

| Property, plant and equipment            |                            |           |                      |           |                |           |
|------------------------------------------|----------------------------|-----------|----------------------|-----------|----------------|-----------|
| NOK in 1000                              | Vessels under construction | Vessel    | Periodic maintenance | Equipment | Art            | Sum       |
| Acquisition cost                         |                            |           |                      |           |                |           |
| Per 1/1/2024                             | 0                          | 4,369,914 | 28,072               | 2,670     | 3,093          | 4,403,749 |
| OB correction                            | 0                          | 0         | 0                    | -31       | 0              | -31       |
| Aquisitions                              | 0                          | 0         | 38,466               | 8,088     | 0              | 46,554    |
| Disposals                                | 0                          | 0         | 0                    | -78       | 0              | -78       |
| Reclassification                         | 0                          | -59,102   | 0                    | 57,966    | 0              | -1,136    |
| Per 12/31/2024                           | 0                          | 4,310,811 | 66,538               | 68,615    | 3,093          | 4,449,057 |
|                                          |                            |           |                      |           |                |           |
| Per 1/1/2023                             | 1,112                      | 1,003,631 | 10,116               | 1,702     | 456            | 1,017,016 |
| Aquisitions                              | 1,298                      | 3,536,270 | 17,956               | 999       | 2,638          | 3,559,161 |
| Disposals                                | 0                          | -172,397  | 0                    | 0         | 0              | -172,397  |
| Reclassification                         | -2,411                     | 2,411     | 0                    | 0         | 0              | 0         |
| Per 12/31/2023                           | 0                          | 4,369,914 | 28,072               | 2,701     | 3,093          | 4,403,780 |
| Accumulated depreciation and impairment: |                            |           |                      |           |                |           |
| Per 1/1/2024                             | 0                          | 104,108   | 7,264                | 13,230    | 0              | 124,601   |
| Depreciation                             | 0                          | 140,942   | 21,528               | 27,239    | 0              | 189,709   |
| Per 12/31/2024                           | 0                          | 245,050   | 28,791               | 40,468    | 0              | 314,309   |
|                                          |                            |           |                      |           |                |           |
| Per 1/1/2023                             | 0                          | 24,604    | 0                    | 741       | 0              | 25,345    |
| Depreciation                             | 0                          | 91,654    | 7,264                | 481       | 0              | 99,399    |
| Per 12/31/2023                           | 0                          | 116,258   | 7,264                | 1,222     | 0              | 124,744   |
|                                          |                            |           |                      |           |                |           |
| Book value per 12/31/2023                | 0                          | 4,253,656 | 20,808               | 1,479     | 3,093          | 4,279,036 |
| Book value per 12/31/2025                | 0                          | 4,065,762 | 37,747               | 28,146    | 3,093          | 4,134,748 |
| Useful economic lifetime                 | Not applicable             | 30 years  | 1-3 years            | 3-5 years | Not applicable |           |



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# Note 7. Fixed assets cont.

| Intangible assets                              |           |
|------------------------------------------------|-----------|
| NOK in 1000                                    | Sum       |
| <b>Acquisition cost</b>                        |           |
| Per 1/1/2024                                   | 60,659    |
| Correction OB                                  | -6,257    |
| Aquisitions                                    | 18,304    |
| Reclassification                               | 1,136     |
| Per 12/31/2024                                 | 73,842    |
| <b>Accumulated depreciation and impairment</b> |           |
| Per 1/1/2023                                   | 35,983    |
| Aquisitions                                    | 24,676    |
| Per 12/31/2023                                 | 60,659    |
| <b>Book value</b>                              |           |
| Per 1/1/2024                                   | 16,453    |
| Amortisation                                   | 19,424    |
| Impairment                                     | 562       |
| Per 12/31/2024                                 | 36,439    |
| <b>Useful economic lifetime</b>                |           |
| Per 1/1/2023                                   | 9,534     |
| Amortisation                                   | 10,122    |
| Impairment                                     | 3,054     |
| Per 12/31/2023                                 | 22,710    |
| Book value per 12/31/2023                      | 37,949    |
| Book value per 12/31/2024                      | 37,403    |
| Useful economic lifetime                       | 2-5 years |

## Accounting policies:

### Property, plant and equipment

Property, plant and equipment consists of vessels, furniture, equipment and office related equipment.

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment are depreciated on a straight-line basis. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

When material components of operating assets have different useful lives, these operating assets are recognized as separate components and depreciated over each component's useful life.

### Newbuildings

Vessels under construction include instalment payments to the shipyard, as well as design and engineering expenses, capitalized borrowing costs and construction oversight costs.

### Intangible assets

Intangible assets consist of a software booking system under development and are measured at cost at initial recognition, if the criteria for recognition in the balance sheet are met. Cost associated with maintaining software systems are recognized as expense as incurred.

Development costs that are directly attributable to new functionality and new systems, controlled by the Company, are recognized in the balance sheet as intangible asset when the criteria for doing so are met. Development expenditure that do not meet these criteria are recognized as an expense as incurred. Software systems recognized in the balance sheet are amortized over its estimated useful life. Amortization commences when the asset is available for use.



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# Note 8. Leases

The Group has implemented IFRS 16 Leases.

Lease liabilities under IFRS 16 are measured at the present value of the remaining lease payments, discounted at the leesees’s incremental borrowing rate. The Group’s weighted average marginal borrowing rate on lease liabilities as of December 31, 2024 was 4.9% for other leases. The associated right-of-use for the assets was measured at an amount equal to the lease liability adjusted for any prepaid payments or accrued lease costs capitalized as of December 31, 2024.

The Group’s leases consist of office premises, apartments and ship equipment. The rental of apartments runs until they are cancelled. The office lease agreements are for a term of between 6 and 10 years, and are automatically renewed for a further 5 years unless terminated by either party within the agreed notice periods. Ship equipment is leased for between 5 and 8 years.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract between the lease and non-lease components based on the components’ relative fair values. However, for office lease contracts where the Group is the lessee, the Group has elected not to separate the lease and nonlease components, and instead to treat the entire rent as a lease component.

| Total lease liabilities          |                |          |        |
|----------------------------------|----------------|----------|--------|
| NOK in 1000                      | Ship equipment | Property | Total  |
| As of 1/1/2024                   | 10,277         | 10,594   | 20,871 |
| Addition new leases              | 0              | 0        | 0      |
| Disposal / termination of leases | -418           | -794     | -1,212 |
| Lease payments                   | -1,930         | -1,740   | -3,670 |
| As of 12/31/2024                 | 7,929          | 8,060    | 15,989 |

| Right of use assets* |            |            |
|----------------------|------------|------------|
| NOK in 1000          | 12/31/2024 | 12/31/2023 |
| Property             | 7,778      | 10,190     |
| Vessel equipment     | 6,346      | 9,489      |
| Total                | 14,124     | 19,679     |

\*Included in Tangible fixed assets in the balance sheet.

| Lease liabilities** |            |            |
|---------------------|------------|------------|
| NOK in 1000         | 12/31/2024 | 12/31/2023 |
| Current             | 3,691      | 3,839      |
| Non-Current         | 12,298     | 17,031     |
| Total               | 15,989     | 20,870     |

| Amounts recognised in the Statement of Profit or Loss                           |       |        |
|---------------------------------------------------------------------------------|-------|--------|
| The Statement of Profit or Loss shows the following amounts relating to leases: |       |        |
| NOK in 1000                                                                     | 2024  | 2023   |
| Depreciation right of use assets                                                | 4,274 | 4,099  |
| Interest expense                                                                | 1,338 | 1,318  |
| Expenses relating to short-term leases                                          | 3,728 | 5,011  |
| Total                                                                           | 9,340 | 10,428 |



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## Accounting policies:

### Leases

Assets and liabilities arising from a lease are initially measured on a present value basis as of the commencement date of the lease. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate the Company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Havila Kystruten AS and makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options are included in several of the lease agreements. These are used to maximize operational flexibility in terms of managing the assets used in the Company’s operations. Some of extension and termination options held are exercisable only by the Company and not by the respective lessor. Some of the termination options are exercisable by both parties in the agreement. In these cases the lease period that can be terminated unilaterally are excluded from the lease period.



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# Note 9. Tax

### Specification of income tax expense:

| NOK in 1000                                                | 2024     | 2023     |
|------------------------------------------------------------|----------|----------|
| Change in tax loss carry forwards                          | -218,670 | -306,793 |
| Change in temporary differences                            | 44,647   | 118,377  |
| Change in deferred tax not recognized in the balance sheet | 173,803  | 226,980  |
| Income tax expense                                         | -220     | 38,564   |

### Reconciliation of the income tax expense:

| NOK in 1000                                                          | 2024     | 2023     |
|----------------------------------------------------------------------|----------|----------|
| Profit/loss before tax                                               | -788,148 | -874,406 |
| Expected income tax expense using the applicable statutory tax rates | -173,393 | -192,369 |
| Change in statutory tax rate                                         | 218      | 178      |
| Other changes                                                        | -220     | 3,775    |
| Deferred tax not recognized in the balance sheet                     | 173,174  | 226,980  |
| Income tax expense                                                   | -220     | 38,564   |

### Deferred tax

Deferred tax and deferred tax asset that can be offset in the balance sheet:

### Accounting policies:

#### Tax

The tax expense for the period is the tax payable on the taxable income of the current period based on the current tax rate, adjusted for changes in deferred tax or deferred tax benefit that can be attributed to temporary differences and unused tax losses.

Management regularly reviews the positions taken in the tax return with regard to situations where the current tax regulations are subject to interpretation. Provisions are made where appropriate on the basis of the amounts expected to be paid to the tax authorities.

Deferred tax is calculated based on temporary differences that arise between the tax bases of assets and liabilities and the carrying amount in the financial statements. Deferred tax is calculated using the tax rates ( and laws ) that are enacted or substantially enacted at the

### Temporary differences

| NOK in 1000                               | 2024       | 2023       |
|-------------------------------------------|------------|------------|
| Vessels under construction                | 0          | 0          |
| Property, plant and equipment             | 1,022,026  | 658,362    |
| Lease liabilities                         | -1,865     | -1,191     |
| Profit/loss account                       | 386,611    | 483,264    |
| Provisions                                | -48,152    | 14,441     |
| Receivables                               | -800       | 0          |
| Total                                     | 1,357,819  | 1,154,876  |
| Tax loss carry forward                    | -3,671,079 | -2,677,124 |
| Basis for deferred tax/deferred tax asset | -2,313,259 | -1,522,248 |

|                                               |          |          |
|-----------------------------------------------|----------|----------|
| Gross deferred tax/deferred tax asset         | -508,917 | -334,895 |
| Accounted deferred tax/deferred tax asset     | 0        | 0        |
| Non-accounted deferred tax/deferred tax asset | 508,917  | 334,895  |

As of December 31, 2024, the Group has a deferred tax asset of NOK 509 million due to uncertainty regarding future taxable income.

reporting date and are expected to apply when the related deferred tax benefit is realized or the deferred tax liability is settled.

Deferred tax benefit is only recognized if it is probable that future taxable amounts will be available to utilize the temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively



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## Note 10. Earnings per share

Earnings per share is calculated by dividing the part of the annual profit allocated to the company’s shareholders by a weighted average of total shares.

| Earnings per share                      |          |          |
|-----------------------------------------|----------|----------|
| NOK in 1000                             | 2024     | 2023     |
| Profit for the period                   | -787,928 | -912,971 |
| Number of shares                        | 855,986  | 855,986  |
| Weighted average of total issued shares | 855,986  | 419,049  |
| Basic earnings per share                | -0.92    | -2.18    |
| Diluted earnings per share              | -0.92    | -2.18    |

## Note 11. Subsidiaries

Havila Kystruten AS had the following corporate structure as of 31st of December 2024:

| Company structure              | Relationship     | Ownership |
|--------------------------------|------------------|-----------|
| Havila Kystruten AS            | Mother           | 100%      |
| Havila Kystruten Operations AS | Daughter         | 100%      |
| HK Crew AS                     | Daughterdaughter | 100%      |
| HK Crew Management AS          | Daughterdaughter | 100%      |
| Havila Castor AS               | Daughterdaughter | 100%      |
| Havila Capella AS              | Daughterdaughter | 100%      |
| Havila Polaris AS              | Daughterdaughter | 100%      |
| Havila Pollux AS               | Daughterdaughter | 100%      |

## Note 12. Financial instruments

All financial assets and liabilities are measured at amortized cost, except for an insignificant equity investment. This is considered to approximate fair value.

The Group's assets measured at fair value are level 3.

| Changes in financial instruments – level 3 |      |      |
|--------------------------------------------|------|------|
| NOK in 1000                                | 2024 | 2023 |
| Opening balance                            | 25   | 25   |
| End balance                                | 25   | 25   |



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# Note 13. Financial risk management

The company’s policy for financial risk management is developed by the management. At the end of 2024, the company is exposed to financial risk related to market risk ( currency risk, interest rate risk and bunkers risk ), in addition to liquidity and credit risk.

The Group has no derivative instruments to hedge the abovementioned risks, but had a fixed price for about 35% of the LNG volume in the period January to June 2024.

### Market risk

Market risk is the risk that future cash flows from a financial instrument will fluctuate due to changes in market prices. Market risk comprises interest rate risk and currency risk. Financial instruments affected by market risk include 1 loans, deposits, debt and equity investments, and derivatives.

### Interest rate risk

Interest rate risk is the risk of fluctuations in future cash flows of a financial instrument due to changes in market interest rates. The Group's exposure to changes in interest rates is primarily related to the Group's long-term debt obligations with floating interest rates.

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's 1 approach to managing 2 this is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities, both under normal and stressed conditions, and without incurring unacceptable losses or risking damage to the Group's reputation.

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations associated with a financial instrument or contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities ( primarily trade receivables ) and from its financing activities, including 1 deposits with banks and financial institutions, 2 foreign currency transactions, and other financial instruments.

### Market risk

#### Foreign currency risk

Currency risk is the risk that future cash flows will fluctuate due to changes in exchange rates. The Group is exposed to changes in the value of NOK relative to other currencies, primarily related to ship financing. The ship financing is in EUR, but is recognized on the balance sheet in NOK. The risk is mitigated by the fact that a significant portion of revenues is generated in corresponding currencies ( NOK and EUR ), as well as USD and GBP. Furthermore, the ships' second-hand value is set in either EUR or USD based on the ships' suitability in alternative markets such as expedition cruising.

The Group’s exposure in EUR presented in NOK are as follows:

|                           |         |         |
|---------------------------|---------|---------|
| Short-term receivables    | 8,724   | 40,416  |
| Long-term receivables     | 432     | 401     |
| Cash and cash equivalents | 183,506 | 127,942 |
| Total asset               | 192,661 | 168,759 |

#### Liabilities

|                                                   |           |           |
|---------------------------------------------------|-----------|-----------|
| Current liabilities to financial institutions     | 67,795    | 657,452   |
| Non-current liabilities to financial institutions | 3,115,798 | 2,853,960 |
| Non-current liabilities to related parties        | 1,221,855 | 238,637   |
| Accounts payables currency                        | 18,826    | 1,481     |
| Total liabilities                                 | 4,424,274 | 3,751,530 |

#### Total profit/losses recognised in the income statement:

|             |          |         |
|-------------|----------|---------|
| Agio        | 245,367  | 220,827 |
| Disagio     | -429,073 | -45,671 |
| Net disagio | -183,706 | 175,155 |

Net foreign exchange gain/loss consists of realized and unrealized foreign exchange gains or losses, primarily related to the vessel financing in Euro. Refer to note 18.

#### Sensitivity\*:

As shown in the table above, the Group is primarily exposed to currency fluctuations in EUR/NOK. The amounts below are calculated based on the relationship between the company’s currency exposure in Euros for debt and assets. The figures are presented pre-tax as the company does not recognize deferred tax assets.

| NOK in 1000               | 12/31/2024 | 12/31/2023 |
|---------------------------|------------|------------|
| EUR/NOK – increase of 10% | -423,161   | -358,277   |
| EUR/NOK – decrease of 10% | 423,161    | 358,277    |

\*All other factors held unchanged



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# Note 13. Financial risk managemen cont.

### Interest rate risk

The Group’s most material interest rate risk arises from borrowings at floating interest rate. All non-current liabilities are agreed with a floating interest rate, both for NOK and EUR borrowings. The borrowings are recognised at amortised cost. The Group’s exposure to changes in interest rates are as follows:

| NOK in 1000                              | 12/31/2024 | 12/31/2023 |
|------------------------------------------|------------|------------|
| Borrowings from financial institutions   | 3,183,593  | 3,545,545  |
| Borrowings from parent Havila Holding AS | 1,221,855  | 238,637    |
| Cash and cash equivalents                | 48,795     | 150,157    |
| Total                                    | 4,454,243  | 3,934,340  |

The Group do not apply derivatives to hedge the interest rate exposure.

### Sensitivity\*

#### Impact on profit before tax

| NOK in 1000                              | 12/31/2024 | 12/31/2023 |
|------------------------------------------|------------|------------|
| Interest - increase by 100 basis points  |            |            |
| Borrowings from financial institutions   | -31,836    | -35,455    |
| Borrowings from parent Havila Holding AS | -12,219    | -2,386     |
| Interest - decrease by 100 basis points  |            |            |
| Borrowings from financial institutions   | 31,836     | 35,455     |
| Borrowings from parent Havila Holding AS | 12,219     | 2,386      |

\*All other factors held constant

### Bunker fuel risk

LNG bunker costs accounted for approximately 22% of the Group’s operating expenses in 2024, representing an operational risk due to fluctuations in gas prices. As of January 1, 2024, the company had secured the future price of bunkers for 70% of the volume in the first half of 2024, or approximately 35% of the estimated total consumption in 2024. The hedges were executed through fixed-price agreements with suppliers and was based on the actual volume consumed by the ships serving the Kyststruten route.

The bunker price comprises fixed components and a floating component linked to the TTF price of LNG. A price change of + / - 10 percent on the TTF will result in a pre-tax earnings impact of approximately + / - NOK 15 million, based on a TTF price of 37 EUR/MWh. The company has no

hedging in place for 2025.

### Liquidity risk

“The Group manage liquidity risk by ensuring that it maintains sufficient holding of cash and liquid assets so that the Group is able to fulfil its obligations as they fall due. Refer to note 18 for more information regarding the companys debt.

Management is monitoring the Group’s liquidity reserves based on forecasted cash flows.

### Borrowings

The Group had the following undrawn borrowing facilities at year end:

| NOK in 1000                         | 12/31/2024 | 12/31/2023 |
|-------------------------------------|------------|------------|
| Loan from financial institutions    | 0          | 0          |
| Loan from parent Havila Holding AS* | 0          | 0          |
| Total                               | 0          | 0          |

\*The company has a revolving credit facility of NOK 200 million from Havila Holding AS, which is fully utilized as of December 31, 2024 .

### Maturity of financial liabilities

| NOK in 1000                           | Less than 12 months | 2 years   | More than 3 years | Total     |
|---------------------------------------|---------------------|-----------|-------------------|-----------|
| Per 31 December 2024                  |                     |           |                   |           |
| Trade payables                        | 143,454             | 0         | 0                 | 143,454   |
| Liabilities to financial institutions | 429,010             | 3,293,500 | 0                 | 3,722,509 |
| Liabilities to related parties        | 163,729             | 325,309   | 0                 | 1,503,814 |
| Other liabilities                     | 47,120              | 0         | 42,685            | 89,805    |
| Lease liabilities                     | 3,691               | 6,114     | 6,184             | 15,989    |
| Total                                 | 787,004             | 3,624,923 | 48,869            | 5,475,571 |

### Credit risk

The groups largest customer is the Norwegian Government ( AAA rated ) through the 10-year concession agreement. Other than this contract, the Group has no significant concentration of credit risk. Sales to travellers are settled through payment or with accepted credit cards. Sales to agents are made either through invoicing or prepayment/ credit cards.

Routines to ensure that credit is only extended to agents with a satisfactory credit rating is under development.



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## Note 14. Other current receivables

| Specification of other current receivables |            |            |  |
|--------------------------------------------|------------|------------|--|
| NOK in 1000                                |            |            |  |
|                                            | 12/31/2024 | 12/31/2023 |  |
| Prepaid expenses*                          | 19,961     | 65,706     |  |
| VAT refund                                 | 6,339      | 10,003     |  |
| Net salary benefit                         | 20,152     | 20,067     |  |
| Other current receivables                  | 31,560     | 11,967     |  |
| Total                                      | 78,013     | 107,743    |  |

\*In 2023 MNOK 26 was related to LNG hedging.

## Note 15. Inventories

| NOK in 1000                            |            |            |  |
|----------------------------------------|------------|------------|--|
|                                        | 12/31/2024 | 12/31/2023 |  |
| Purchased finished goods               | 6,447      | 9,965      |  |
| Bunkers                                | 4,632      | 5,157      |  |
| Total                                  | 11,078     | 15,121     |  |
| Inventories valued at acquisition cost | 11,078     | 15,121     |  |
| Total                                  | 11,078     | 15,121     |  |

## Note 16. Restricted cash

Total bank deposits, cash and cash equivalents as of December 31, 2024 amounted to NOK 215 million, of which restricted cash was NOK 166 million. Of the restricted cash, NOK 16.4 million represents tax withholding funds. The remaining balance consists of pledged bank deposits of NOK 118 million in accordance with an agreement with the lender, and a guarantee deposit of NOK 32 million.

Total bank deposits, cash and cash equivalents as of December 31, 2023 amounted to NOK 150 million, of which restricted cash was NOK 130 million.

## Note 17. Shares and shareholders

Per 31/12/24 1 221 shareholders owns the company, whereof 47 shareholders from outside of Norway. Havila Holding AS owns 59.7 % of the company. The company has no own shares.

The share capital amounts to MNOK 856, comprising 855 985 659 shares at par value NOK 1. Havila Kystruten AS has one class of shares, where each share gives one vote at the company’s general meeting.

### The 20 largest shareholders at 31/12/24:

| Shareholder                      | Shares      | Ownership |
|----------------------------------|-------------|-----------|
| Havila Holding AS                | 510,928,333 | 59.69%    |
| DZ Privatbank S.A.               | 85,156,010  | 9.95%     |
| Athinais Maritime Corp.          | 59,137,470  | 6.91%     |
| Basat Shipping Ltd               | 56,685,393  | 6.62%     |
| Camillo AS                       | 20,012,578  | 2.34%     |
| Clearstream Banking S.A.         | 17,864,612  | 2.09%     |
| Farvatn II AS                    | 16,960,784  | 1.98%     |
| MP Pensjon PK                    | 5,380,064   | 0.63%     |
| Camaca AS                        | 3,500,000   | 0.41%     |
| Nordnet Livsforsikring AS        | 3,462,662   | 0.40%     |
| Commerzbank Aktiengesellschaft   | 2,912,774   | 0.34%     |
| Eitzen AS                        | 2,784,700   | 0.33%     |
| Interface AS                     | 2,241,752   | 0.26%     |
| Fremr AS                         | 2,077,235   | 0.24%     |
| State Street Bank and Trust Comp | 1,884,675   | 0.22%     |
| Jomani AS                        | 1,832,311   | 0.21%     |
| Cryptic AS                       | 1,700,562   | 0.20%     |
| Farvatn Private Equity AS        | 1,666,666   | 0.19%     |
| Morgan Stanley & Co. Int. Plc.   | 1,417,812   | 0.17%     |
| Eitzen                           | 1,402,500   | 0.16%     |
| 20 largest                       | 799,008,893 | 93.34%    |
| Other                            | 56,976,766  | 6.66%     |
| Total                            | 855,985,659 | 100.00%   |

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# Note 18. Borrowings

The company’s debt is interest-bearing.

| Lån                                   | Nominal value    | Non amortised transac-<br>tion cost | Book value       |
|---------------------------------------|------------------|-------------------------------------|------------------|
| NOK i 1000                            |                  |                                     |                  |
| <b>Nominal value at 12/31/2024</b>    |                  |                                     |                  |
| <b>Liabilities</b>                    |                  |                                     |                  |
| Liabilities to financial institutions | 3,183,593        | 5,468                               | 3,178,125        |
| Of which long-term                    | 3,115,798        | 5,468                               | 3,110,330        |
| Of which short-term                   | 67,795           | 0                                   | 67,795           |
| Liabilities to related parties        | 1,221,855        | 0                                   | 1,221,855        |
| <b>Total</b>                          | <b>4,405,448</b> | <b>5,468</b>                        | <b>4,399,980</b> |

|                                       |                  |                |                  |
|---------------------------------------|------------------|----------------|------------------|
| <b>Nominal value at 12/31/2023</b>    |                  |                |                  |
| <b>Liabilities</b>                    |                  |                |                  |
| Liabilities to financial institutions | 3,511,412        | -34,132        | 3,545,544        |
| Of which long-term                    | 2,853,960        | -38,005        | 2,891,965        |
| Of which short-term                   | 657,452          | 3,872          | 653,580          |
| Liabilities to related parties        | 238,637          | 0              | 238,637          |
| <b>Total</b>                          | <b>3,750,049</b> | <b>-34,132</b> | <b>3,784,181</b> |

The carrying amount of financial instruments measured at amortized cost is not significantly different from fair value.

Since 2023, the Group has had a financing agreement with HPS Investment Partners, encompassing a EUR 305 million bond loan to finance the Group’s four vessels. The bond loan carries an interest rate of 3-month EURIBOR plus 6 percent, and a PIK ( payment-in-kind ) interest rate of 3.5 percent. Upon fulfillment of specific conditions, the interest rate reduces to 3-month EURIBOR plus 7.75%. EUR 50 million of the loan (Tranche B) matured at a price of 107 after 15 months, and Havila Holding AS (the Group’s largest shareholder) assumed the obligation in April 2024. The corresponding liability to Havila Holding has no cash effect for Havila Kystruten. This liability has terms equivalent to the secured loan with 3-month EURIBOR plus 9.5%, and interest accrues.

The remaining debt of EUR 255 million (Tranche A) has a total term of three years and is to be redeemed at 106% of its nominal value, in addition to PIK interest.

The loan agreement with HPS Investment Partners contains general and vessel-specific provisions customary for secured high-yield loans. Additionally, given the circumstances surrounding the

refinancing, several of the provisions are particularly stringent, including mandatory prepayment clauses, some of which entail a “make-whole” payment, as well as significant additional costs for repurchase.

This loan agreement also includes covenant requirements stipulating that the company maintains a maximum LTV (loan to value) of 60–65%, where the ship value is based on broker rates . The agreement also has a minimum liquidity requirement of 5% of outstanding debt or EUR 15 million, as well as a minimum LTM EBITDA of EUR 45 million requirement commencing in September 2024. LTM EBITDA is to be tested quarterly.

In 2024, the target date for compliance with the LTM EBITDA and minimum liquidity requirements was postponed several times. As of the balance sheet date, the target date for compliance with these requirements had been postponed to January 2025. As a result of these postponements, the company has not been in breach of the loan covenants during the year or at the balance sheet date. The debt is therefore classified as long-term in the balance sheet. Subsequent to the balance sheet date, the deadline for the company to comply with these two loan covenants has been further postponed on several occasions. There is a constructive dialogue with the lender regarding long-term solutions.

In 2024, Havila Holding AS provided a revolving credit facility of NOK 200 million, which was fully drawn as of December 31, 2024. The facility carries an interest rate of 13% in addition to a quarterly fee of 0.5%.

## Accounting policies:

### Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Subsequently, borrowings are recognized at amortized cost using the effective interest method. The difference between the proceeds (net of transaction cost) and the redemption value is recognized over the income statement over the period of the borrowings as part of the effective interest. Borrowings that are decomposed are expensed between the old and new borrowings. As well past and future transaction costs. Borrowing costs related to borrowings that are directly related to vessels under construction are according to IAS 23 capitalized as part of the acquisition cost.

Borrowings are classified as current liabilities unless there is an unconditional right to defer payment of the liability at least 12 months after the reporting date. Repayments due within one year are therefore classified as current liabilities.

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## Note 18. Borrowings cont.

### Changes in borrowings:

| NOK in 1000                                      | Shareholder<br>loan | Obligasjonslån | Bond loan | Total     |
|--------------------------------------------------|---------------------|----------------|-----------|-----------|
| Per 01.01.2024                                   | 238,637             | 3,511,412      | 20,871    | 3,770,920 |
| Changes from financing cash flows                |                     |                |           |           |
| Repayment of leases liabilites                   | 0                   | 0              | -6,094    | -6,094    |
| Proceeds from intercompany borrowings            | 200,000             | 0              | 0         | 200,000   |
| Interest expense                                 | 0                   | -344,160       | -1,338    | -345,498  |
| Total changes from financing cash flow           | 200,000             | -344,160       | -7,432    | -151,592  |
| Non-cash changes                                 |                     |                |           |           |
| Interest expense using effective interest method | 115,273             | 496,511        | 0         | 611,784   |
| Agio/disagio                                     | 18,487              | 169,288        | 0         | 187,775   |
| Changes in non-current debt                      | 649,458             | -649,458       | 0         | 0         |
| Interest expense leasing                         | 0                   | 0              | 1,338     | 1,338     |
| Total non-cash changes                           | 783,218             | 16,341         | 1,338     | 800,897   |
| Per 31.12.2024                                   | 1,221,855           | 3,183,593      | 14,777    | 4,420,226 |

| NOK in 1000                                       | Borrowing  | Leasing | Total      |
|---------------------------------------------------|------------|---------|------------|
| Per 01.01.2023                                    | 3,074,309  | 16,943  | 3,091,252  |
| Repayment of leases liabilites                    | 0          | -1,340  | -1,340     |
| Proceeds from new borrowings                      | 3,616,438  | 0       | 3,616,438  |
| Repayment of borrowings                           | -2,514,753 | 0       | -2,514,753 |
| Paid interest                                     | -479,337   | -1,358  | -480,695   |
| Total changes from financing cash flow            | 622,348    | -2,698  | 619,650    |
| Non-cash changes                                  |            |         |            |
| Interest expense using effective interest method* | 391,027    | 0       | 391,027    |
| Unrealized currency profit/loss                   | 36,498     | 0       | 36,498     |
| Changes in debt**                                 | -444,453   | 0       | -444,453   |
| Transaction fees in amortised cost                | 34,134     | 0       | 34,134     |
| Changes in fair value                             | 0          | 0       | 0          |
| New lease liabilities                             | 0          | 6,627   | 6,627      |
| Other changes                                     | 36,186     | 0       | 36,186     |
| Total non-cash changes                            | 53,391     | 6,627   | 60,018     |
| Per 31.12.2023                                    | 3,750,048  | 20,871  | 3,770,920  |

\*Interest cost included new measurement amortized cost

\*\*Is related to Barreras.



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## Note 19. Other current liabilities.

| NOK in 1000                      | 12/31/24       | 12/31/23       |
|----------------------------------|----------------|----------------|
| Holiday pay                      | 5,986          | 4,556          |
| <b>Other accrued expenses</b>    | <b>41,134</b>  | <b>36,900</b>  |
| Prepayments customers / agents   | 232,885        | 213,020        |
| <b>Other current liabilities</b> | <b>280,004</b> | <b>254,475</b> |

## Note 20. Subsequent events

There have been no specific events subsequent to the balance sheet date that would materially impact the financial statements or require further disclosure.

## Note 21. Going concern

The financial statements for 2024 have been prepared on a going concern basis. The company’s core operations are based on a long-term agreement with the Ministry of Transport for the operation of four vessels on the coastal route between Bergen and Kirkenes.

Following a period marked by challenges related to the delivery and financing of the company’s new, environmentally friendly coastal cruise ships, 2024 marks a significant turning point with the full operational deployment of all four vessels in Havila Kystruten AS. This has resulted in a positive operating profit for the first time in the company’s history. The fleet achieved an impressive operational uptime of 98% during the year, underscoring the competence of the crew, the efficiency of the onshore organization, and the positive collaboration with customers and partners along the coast. This stable and efficient operation forms a solid foundation for the company’s continued value creation for shareholders, travelers, and the local communities served.

As of May 2025, 61% of the total capacity for the year is already booked. In the first quarter of 2025, an occupancy rate of 61% was achieved, a decrease from 68% in the corresponding period of 2024. The average cabin revenue is expected to increase by 20–30% in 2025, driven by price adjustments and the phasing out of previous low-price bookings that contributed to higher volumes in 2024. However, the company anticipates an increase in demand throughout the year and is budgeting for an average occupancy rate of 75% for the full year 2025.

The company has a bond loan with a scheduled maturity in July 2026. The secured bond loan agreement contains general, financial and vessel covenants customary in high yield bonds. In addition, given the circumstances surrounding the financing in 2023, a number of the provisions are particularly strict, including mandatory prepayment provisions, many of which attract a make-whole payment and substantive call premia.

As of the reporting date the company is not in compliance with all terms of the current financing. However, the company has received a commitment for a new bond loan from the existing lender, which – if entered into – would address these issues. This provides a foundation for a planned long-term refinancing during 2025, which will strengthen the company’s ability to establish itself as a profitable and sustainable operator on the coastal route. It will also facilitate further growth and a capital structure that better reflects vessel values and earnings potential.

The company’s board of directors assumes that the conditions for continued operations are in place.

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| NOK in 1 000                    | Note | 12/31/2024        | 12/31/2023    |
|---------------------------------|------|-------------------|---------------|
| <b>Operating expenses</b>       |      |                   |               |
| Payroll                         | 2    | 3,834             | 1,107         |
| Other operating expenses        | 2    | 777               | 1,340         |
| <b>Total operating expenses</b> |      | <b>4,611</b>      | <b>2,446</b>  |
| <b>Operating profit/loss</b>    |      |                   |               |
|                                 |      | <b>-4,611</b>     | <b>-2,446</b> |
| <b>Financial items</b>          |      |                   |               |
| Interest income affiliates      | 3    | 115,271           | 14,160        |
| Other interest income           |      | 29                | 0             |
| Other financial income          |      | 16,030            | 2,258         |
|                                 | 3, 5 | -1,567,382        | 0             |
| Interest expenses affiliates    | 3    | -115,271          | -14,160       |
| Other interest expenses         |      | 0                 | -1            |
| Other financial expenses        |      | -16,237           | -2,554        |
| <b>Net financial items</b>      |      | <b>-1,567,559</b> | <b>-296</b>   |
| <b>Profit before taxes</b>      |      |                   |               |
|                                 |      | <b>-1,572,170</b> | <b>-2,743</b> |
| Taxes                           | 4    | 0                 | 0             |
| <b>Profit for the period</b>    |      | <b>-1,572,170</b> | <b>-2,743</b> |

### Distribution of results

The board proposes the following distribution of the annual result in Havila Kystruten AS:

|                        |                   |               |
|------------------------|-------------------|---------------|
| Allocation of profit   |                   |               |
| Uncovered loss         | -1,572,170        | -2,743        |
| <b>Total allocated</b> | <b>-1,572,170</b> | <b>-2,743</b> |



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# Parent Company Balance Sheet

NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### ASSETS

#### Financial fixed assets

|                               |     |           |           |
|-------------------------------|-----|-----------|-----------|
| Investments in shares         | 3.5 | 0         | 1,114,084 |
| Borrowings to related parties | 3   | 1,824,152 | 1,295,475 |
| Total financial assets        |     | 1,824,152 | 2,409,559 |
| Total fixed assets            |     | 1,824,152 | 2,409,559 |

#### Current assets

|                           |   |     |       |
|---------------------------|---|-----|-------|
| Cash and cash equivalents | 6 | 235 | 1,266 |
| Total current assets      |   | 235 | 1,266 |

|              |  |           |           |
|--------------|--|-----------|-----------|
| Total assets |  | 1,824,388 | 2,410,825 |
|--------------|--|-----------|-----------|

#### Paid in equity

|                      |   |           |           |
|----------------------|---|-----------|-----------|
| Share capital        | 7 | 855,986   | 855,986   |
| Share premium        | 8 | 1,335,697 | 1,335,697 |
| Other paid-in equity | 8 | -15,776   | -15,776   |
| Total paid-in equity |   | 2,175,907 | 2,175,907 |

#### Retained earnings

|                         |   |            |        |
|-------------------------|---|------------|--------|
| Uncovered loss          | 8 | -1,575,907 | -3,737 |
| Total regained earnings |   | -1,575,907 | -3,737 |

|              |  |         |           |
|--------------|--|---------|-----------|
| Total equity |  | 600,000 | 2,172,170 |
|--------------|--|---------|-----------|

NOK in 1 000

|  | Note | 12/31/2024 | 12/31/2023 |
|--|------|------------|------------|
|--|------|------------|------------|

### LIABILITIES

#### Other non-current liabilities

|                                            |  |           |         |
|--------------------------------------------|--|-----------|---------|
| Non-current liabilities to related parties |  | 1,221,855 | 238,637 |
| Total non-current liabilities              |  | 1,221,855 | 238,637 |

#### Current liabilities

|                           |  |       |    |
|---------------------------|--|-------|----|
| Trade payables            |  | 17    | 17 |
| Public duties payable     |  | 0     | 0  |
| Other current liabilities |  | 2,516 | 0  |
| Total current liabilities |  | 2,533 | 17 |

|                   |  |           |         |
|-------------------|--|-----------|---------|
| Total liabilities |  | 1,224,388 | 238,654 |
|-------------------|--|-----------|---------|

|                              |  |           |           |
|------------------------------|--|-----------|-----------|
| Total equity and liabilities |  | 1,824,388 | 2,410,825 |
|------------------------------|--|-----------|-----------|

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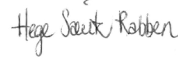
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Fosnavåg, 27.05.2025  
The Board of Havila Kystruten AS

  
Per Sævik  
Chairman of the Board of Directors

  
Vegard Sævik  
Board member

  
Hege Sævik Rabben  
Board member

  
Anita Nybø  
Board member

  
Karina Birkelund  
Board member

  
Svein Roger Selle  
Board member

  
Bent Martini  
Chief Executive Officer (CEO)

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# Parent company cash flow statement

| NOK i 1 000                                              | Note | 12/31/2024 | 12/31/2023 |
|----------------------------------------------------------|------|------------|------------|
| <b>Cash flows from operating activities</b>              |      |            |            |
| Profit/loss before tax                                   |      | -1,572,170 | -2,743     |
| Trade payables                                           |      | -1         | -49        |
| Interest income without cash effect                      |      | -115,271   | 0          |
| Interest expense without cash effect                     |      | 115,271    | 0          |
| Write-down of shares and receivables                     | 3, 5 | 1,567,382  | 0          |
| Unrealized foreign exchange gain without cash effect     |      | -15,956    | 0          |
| Unrealized foreign exchange loss without cash effect     |      | 15,956     | 0          |
| Other accruals                                           |      | 2,516      | 0          |
| Net cash from operating activities                       |      | -2,274     | -2,792     |
| <b>Cash flows from investing activities</b>              |      |            |            |
| Loans to companies in the same group                     | 3, 5 | -198,757   | -589,501   |
| Net cash from investing activities                       |      | -198,757   | -589,501   |
| <b>Cash flow from financing activities</b>               |      |            |            |
| Proceeds from intercompany borrowings                    |      | 200,000    | 0          |
| Proceeds from equity                                     | 8    | 0          | 299,740    |
| Net cash flow from financing activities                  |      | 200,000    | 299,740    |
| Net change in cash and cash equivalents                  |      | -1,030     | -292,552   |
| Cash and cash equivalents at the beginning of the period |      | 1,266      | 293,819    |
| Cash and cash equivalents at the end of the period       |      | 236        | 1,266      |

## Accounting principles

### Cash flow statement

The cash flow statement is prepared using the indirect method. Cash and cash equivalents comprise cash on hand, demand deposits, and short-term, highly liquid investments.



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## Note 1. Basis for preparation

Havila Kystruten AS was established 18th of May 2021 and has its headoffice located in Fosnavåg, Herøy. The purpose of the company is to own shares in Havila Kystruten Operations AS.

The financial statements are prepared in accordance with the provisions of the Norwegian Accounting Act and good accounting practice.

### Currency

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Norwegian kroner at the exchange rates ruling at the balance sheet date. Non-monetary items measured at historical cost in a foreign currency are translated into Norwegian kroner at the exchange rates ruling at the dates of the transactions. Exchange differences are recognized in profit or loss as other financial income and expenses.

## Note 2. Payroll, personnel expenses, employees etc.

The company has no employees in 2024 and therefore no personnel expenses.

The company is not obligated to have a mandatory occupational pension scheme according to the Mandatory Occupational Pension Act.

| Compensation for the board and nominating committee |       |      |
|-----------------------------------------------------|-------|------|
| NOK in 1 000                                        | 2024  | 2023 |
| Board of Directors                                  | 2,100 | 900  |
| Nomination committee                                | 105   | 70   |
| Total                                               | 2,205 | 970  |

Senior executives are not party to any agreements pertaining to bonuses or equity-based remuneration.

No loans or securities have been granted to members of the Board of Directors..

| Fee to the auditor       |      |      |
|--------------------------|------|------|
| NOK in 1000              | 2024 | 2023 |
| Audit                    | 301  | 293  |
| Other assurance services | 23   | 24   |
| Other advisory services  | 0    | 165  |
| Tax advisory services    | 0    | 0    |
| Total                    | 324  | 482  |

The amounts are ex. VAT.



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# Note 3. Transactions with related parties

| Company structure              | Affiliation         | Ownership |
|--------------------------------|---------------------|-----------|
| Havila Kystruten Operations AS | Daughter            | 100.0%    |
| Havila Holding AS              | Largest shareholder | 59.7%     |

### Internal transactions executed during 2024:

| NOK in 1 000                 | 12/31/24 | 12/31/23 |
|------------------------------|----------|----------|
| Interest expense to daugther | 115,271  | 14,160   |
| Interest income to owner     | 115,271  | 14,160   |

### Balances within the group and with related parties

| NOK in 1000                                  | 12/31/24   | 12/31/23  |
|----------------------------------------------|------------|-----------|
| Trade receivables                            | 24,429     | 6,275     |
| Borrowings to Havila Kystruten Operations AS | 1,799,723  | 1,295,475 |
| Debt to Havila Holding AS                    | -1,197,426 | -232,363  |
| Accrued interest payable to owner            | -24,429    | -6,275    |

The debt of Havila Holding AS consists of shareholder loans amounting to TNOK -980,110 and a revolving credit facility established in April 2024 amounting to NOK -217,316. The loans have been further loaned to the subsidiary Havila Kystruten Operation AS and classified as receivables with a face value of NOK 744,128. As of December 31, 2024, the receivable was written down by TNOK 456 298. Interest is capitalized and added to the loan (PIK).

No security or guarantees were provided during the year.

# Accounting principles

### Subsidiaries and associates

Subsidiaries and associates are accounted for using the cost method in the company's financial statements. Investments are initially recognized at cost unless impairment is required. Impairment losses are recognized when the carrying amount of an investment exceeds its recoverable amount and are reversed when the basis for impairment no longer exists. Dividends and other distributions from subsidiaries are recognized as income in the year in which they are declared, provided they represent a return of investment capital.

### Classification and measurement of current assets

Current assets and liabilities include items that are expected to be settled within one year after the reporting date and items related to the operating cycle. Current assets are measured at the lower of cost and net realizable value. Current liabilities are recognized at the nominal amount at the time of transaction.



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## Note 4. Taxes

### Current tax expense:

| NOK in 1000                          | 2024     | 2023     |
|--------------------------------------|----------|----------|
| Spesification of income tax expense: |          |          |
| Payable tax                          | 0        | 0        |
| Change in tax loss carry forwards    | 0        | 0        |
| <b>Income tax expense</b>            | <b>0</b> | <b>0</b> |

### Taxable income

|                                           |            |                |
|-------------------------------------------|------------|----------------|
| Profit before tax                         | -1,572,170 | -2,743         |
| Temporary differences                     | 0          | -15,776        |
| Change in temporary differences           | 2,205      | 0              |
| Utilization of carried forward tax losses | 1,569,965  | 0              |
| <b>Taxable income</b>                     | <b>0</b>   | <b>-18,518</b> |

|                                                  |          |          |
|--------------------------------------------------|----------|----------|
| Payable tax                                      | 0        | 0        |
| <b>Payable tax recorded in the balance sheet</b> | <b>0</b> | <b>0</b> |

### Calculation of effective tax rate:

|                                     |                 |               |
|-------------------------------------|-----------------|---------------|
| Profit before tax                   | -1,572,170      | -2,743        |
| Calculated tax on profit before tax | -345,878        | -603          |
| Tax effect of permanent differences | 0               | -3,471        |
| <b>Total</b>                        | <b>-345,878</b> | <b>-4,074</b> |
| Effective tax rate                  | 22%             | 22%           |

The tax effect of temporary differences and loss carryforwards that have given rise to deferred tax and deferred tax assets, specified by type of temporary difference

| NOK i 1000                                      | 2024          | 2023      | Change           |
|-------------------------------------------------|---------------|-----------|------------------|
| Provisions for board fees                       | -2 205        | 0         | 2 205 000        |
| <b>Total</b>                                    | <b>-2 205</b> | <b>0</b>  | <b>2 205 000</b> |
| Accumulated carried forward tax loss            | -1,589,478    | -19,512   | 1,569,965        |
| Not included in the calculation of deferred tax | 1,591,683     | 19,512    | -1,572,170       |
| <b>Deferred tax</b>                             | <b>0%</b>     | <b>0%</b> | <b>0%</b>        |

## Accounting principles

### Taxes

The tax expense in the income statement comprises both current and deferred taxes. Deferred tax is calculated at 22% based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, as well as tax losses carried forward at the end of the reporting period. Deferred tax assets and liabilities are offset if they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

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# Note 5. Subsidiaries

Havila Kystruten AS had the following subsidiaries as of 31st of December 2024:

| NOK in 1000                    | Office municipality | Ownership | Voiting share | Balance sheet value | Equity     | Profit /loss |
|--------------------------------|---------------------|-----------|---------------|---------------------|------------|--------------|
| Havila Kystruten Operations AS | 1515                | 100%      | 100%          | 0                   | -1,151,121 | -764,410     |

As of 31 December 2024, a write-down of the balance sheet value of the company’s investment in the subsidiary has been made. This is justified by negative equity in the subsidiary.

# Note 6. Restricted cash

The funds in the tax withholding account ( restricted funds ) amount to NOK 27.





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## Note 7. Shares and shareholders

Per 12/31/2024 1 221 shareholders owns the company, whereof 47 shareholders from outside of Norway. Havila Holding AS owns 59.7 % of the company. The company has no own shares.

The share capital amounts to MNOK 856, comprising 855 985 659 shares at par value NOK 1. Havila Kystruten AS has one class of shares, where each share gives one vote at the company's general meeting.

### The 20 largest shareholders at 12/31/2024:

| Shareholder                      | Shares      | Denomination |
|----------------------------------|-------------|--------------|
| Havila Holding AS                | 510,928,333 | 1            |
| DZ Privatbank S.A.               | 85,156,010  | 1            |
| Athinais Maritime Corp.          | 59,137,470  | 1            |
| Basat Shipping Ltd               | 56,685,393  | 1            |
| Camillo AS                       | 20,012,578  | 1            |
| Clearstream Banking S.A.         | 17,864,612  | 1            |
| Farvatn II AS                    | 16,960,784  | 1            |
| MP Pensjon PK                    | 5,380,064   | 1            |
| Camaca AS                        | 3,500,000   | 1            |
| Nordnet Livsforsikring AS        | 3,462,662   | 1            |
| Commerzbank Aktiengesellschaft   | 2,912,774   | 1            |
| Eitzen AS                        | 2,784,700   | 1            |
| Interface AS                     | 2,241,752   | 1            |
| Fremr AS                         | 2,077,235   | 1            |
| State Street Bank and Trust Comp | 1,884,675   | 1            |
| Jomani AS                        | 1,832,311   | 1            |
| Cryptic AS                       | 1,700,562   | 1            |
| Farvatn Private Equity AS        | 1,666,666   | 1            |
| Morgan Stanley & Co. Int. Plc.   | 1,417,812   | 1            |
| Eitzen                           | 1,402,500   | 1            |
| 20 largest                       | 799,008,893 | 799,008,893  |
| Other                            | 56,976,766  | 56,976,766   |
| Total                            | 855,985,659 | 855,985,659  |

## Note 8. Equity Statement

| NOK i 1000                 | Share Capital | Share premium | Other contributed equity | Other equity | Total      |
|----------------------------|---------------|---------------|--------------------------|--------------|------------|
| Equity per 1/1/2024        | 855,986       | 1,335,697     | -15,776                  | -3,737       | 2,172,171  |
| Profit/Loss for the period | 0             | 0             |                          | -1,572,170   | -1,572,170 |
| Equity per 12/31/2024      | 855,986       | 1,335,697     | -15,776                  | -1,575,907   | 600,000    |

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To the General Meeting of Havila Kystruten AS

### Independent Auditor's Report

#### Opinion

We have audited the financial statements of Havila Kystruten AS, which comprise:

- the financial statements of the parent company Havila Kystruten AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Havila Kystruten AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2024, the income statement, other comprehensive income, equity statement and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Bergen, 27 May 2025  
**PricewaterhouseCoopers AS**

Fredrik Gabrielsen  
State Authorised Public Accountant  
Note: This translation from Norwegian has been prepared for information purposes only.



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Revisjonsberetning

 Securely signed with Brevio

**Signers:**

| Name                | Method | Date             |
|---------------------|--------|------------------|
| Gabrielsen, Fredrik | BANKID | 2025-05-27 21:51 |

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# Abbreviations and Terms

## CSRD – Corporate Sustainability Reporting Directive

The Corporate Sustainability Reporting Directive (CSRD) is the EU’s sustainability directive aimed at standardizing reporting and increasing transparency in the sustainability field. The EU’s goal is for sustainability information to have the same quality as financial reporting; therefore, specific reporting requirements are imposed.

## ESRS – European Sustainability Reporting Standards

The European Sustainability Reporting Standards (ESRS) are the European sustainability standards that are legally required to assist companies in identifying what to report on and how. ESRS is part of CSRD and is divided into two standards containing general reporting principles (ESRS 1 and 2) and ten standards that include standardized reporting requirements within the sustainability themes of E, S, and G:

- E – Environmental
- S – Social
- G – Governance

## ESG – Environmental, Social, and Governance

ESG is a framework used to assess a company’s impact on environmental, social, and governance factors.

## EFRAG – European Financial Reporting Advisory Group

The European Financial Reporting Advisory Group (EFRAG) is the advisory expert group responsible for assisting with the implementation of the European sustainability standards (CSRD).

## IRO – Impact, Risks, and Opportunities

IRO refers to how the company’s activities impact the environment and people because of operations and activities throughout the value chain.

## DMA – Double Materiality Assessment

Double Materiality Assessment (DMA) is the foundation of the sustainability report. The analysis identifies what is important for the company, what the company should focus on, and what should be reported.

Materiality must be assessed from two perspectives:

- Material Impact (Actual or Potential)
- Financial Materiality

## GRI – Global Reporting Initiative

The Global Reporting Initiative (GRI) is an international, independent, and non-profit organization dedicated to supporting companies in their sustainability reporting.



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# Stakeholder Groups and Engagement Activities

Stakeholders can be defined as those who can influence or be influenced by the company’s decisions and actions.

Havila Kystruten’s ESG working group conducted a stakeholder assessment in December 2021, which identified the eight most important stakeholder groups.

The table below provides a description of each stakeholder group and how we typically engage with them.

| Stakeholder group                 | Description                                                                              | Engagement activities                                                      |
|-----------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Investors/Owners                  | All individuals or entities investing capital with the expectation of financial returns. | Quarterly reports<br>Annual reports<br>Corporate presentations             |
| Board of Directors                | All members of Havila Kystruten’s board.                                                 | Board meetings<br>Other meetings<br>Annual ESG Survey                      |
| Management                        | All members of Havila Kystruten’s management team.                                       | Managements meetings<br>Annual ESG Survey                                  |
| Employees                         | Individuals employed by Havila Kystruten.                                                | Annual Employee Review<br>Questionnaires<br>Annual ESG Survey              |
| Suppliers and business partners   | Suppliers and companies from which Havila Kystruten purchases goods and services.        | Meetings<br>Audits<br>ESG Survey                                           |
| Customers/Guests                  | Tourists and local passengers traveling from port to port with Havila Kystruten.         | Customer Support<br>ESG Seminars<br>Marketing & Communication<br>Platforms |
| Authorities and regulatory bodies | Political decision–makers and governmental authorities.                                  | Meetings<br>Reporting/Forms/<br>Documentation                              |
| Local communities                 | Local communities where we conduct our operations.                                       | Meetings                                                                   |

Havila Kystruten aims to maintain an ongoing dialogue with the company’s stakeholders, as effective stakeholder engagement ensures a strategic approach to and management of sustainability issues.

In addition to the systematic stakeholder engagement conducted from time to time, we strive to ensure meaningful dialogue with stakeholders on a daily basis through meetings, email, phone, and Teams correspondence



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### Vedlegg 3

# Transparency Act Statement 2024

## About the Transparency Act

The Norwegian Transparency Act was introduced on July 1, 2022.

The Transparency Act requires larger companies to conduct due diligence assessments of fundamental human rights and decent working conditions.

This is Havila Kystruten’s third report on human rights and the Transparency Act; the first was published in April 2022. We have continuously worked to improve the information to be as open and transparent as possible about the work we do on these important topics.

By “fundamental human rights”, we mean the internationally recognized human rights as outlined in instruments such as the International Covenant on Economic, Social and Cultural Rights (1966), the International Covenant on Civil and Political Rights (1966), and the ILO Core Conventions on Fundamental Principles and Rights at Work.

By “decent working conditions”, we mean work that safeguards fundamental human rights, health, safety, and environment at the workplace, and provides a fair, living wage.

## About Havila Kystruten

Havila Kystruten operates the historic coastal route between Bergen and Kirkenes with the four most environmentally friendly ships along the Norwegian coast.

The coastal route ships operate as ferries and cargo vessels for local communities, allowing residents along the coast to send and receive essential goods where they live. In addition, the company’s goal is to offer unforgettable journeys that are both sustainable and adventurous, while also protecting our beautiful coast and the nature surrounding us. With our modern ships, which are operated daily by our employees, we offer our guests comfortable travel, cultural experiences, and breathtaking nature.

Havila Kystruten is headquartered in Fosnavåg on the west coast of Norway. The company is listed on Euronext Growth and as of December 31, 2024, the company had 478 permanent employees at sea and 60 on land, totaling 538 employees.

## Embedding Due Diligence in Governance, Strategy, and Business Model

// *Embedding due diligence in governance, strategy and business model*

Havila Kystruten is committed to preventing, identifying, and addressing actual and potential violations of human rights. The following policy documents are relevant to this topic:

- Human Rights Guidelines
- Ethical Principles Guidelines
- Supplier Code of Conduct
- Whistleblowing Guidelines

The Supplier Code of Conduct outlines our expectations for suppliers and business partners and is communicated during contract establishment. The Supplier Code of Conduct is published on our website

## Stakeholder Engagement

// *Engaging with affected stakeholders in all key steps of the due diligence*

Havila Kystruten has established and implemented processes and systems that ensure control over the company’s supply chain and its impacts on human rights. This is achieved by:

- Ensuring accountability through the company’s policies and management systems.
- Conducting annual due diligence assessments, including human rights risk assessments of suppliers, in collaboration with Havila Service.
- Communicating with direct parties / providing information about negative impacts identified by the company in its due diligence assessments.
- Ensuring or collaborating on solutions where necessary.

As of the end of 2024, Havila Kystruten had a total of 787 suppliers – up from 681 suppliers in 2023. Our suppliers mainly consist of fuel suppliers, staffing companies, food suppliers, in addition to insurance, brokerage, legal, and IT companies. Most of our suppliers are based in Norway, but we also have suppliers operating in United Kingdom, Ireland, Sweden, USA, Estonia, Poland, India, Turkey, Switzerland, Denmark, Austria, Australia and Japan. Since 2022, due diligence assessments have been carried out upon contract establishment. Havila Service’s

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procurement department assists with assessments, evaluates data, and monitors progress via the company’s procurement system, Ignite. In addition to assessing all new suppliers, we work continuously to monitor existing suppliers, meaning contracts established before July 1, 2022.

| Number of Suppliers                         | 2024 | 2023 | 2022 |
|---------------------------------------------|------|------|------|
| Total number of suppliers                   | 787  | 681  | 539  |
| Total new suppliers in the reporting period | 106  | 142  |      |

## Identifying and Assessing Adverse Impacts

// Identifying and assessing adverse impacts

The risk assessment for violations varies depending on the estimated risk associated with the supplier. This may relate to the industry the supplier operates in, and the products/services provided. The risk assessment goes beyond legal criteria and usually consists of a general review of the supplier, where we gather information from publicly available sources, in addition to a mandatory questionnaire that the supplier must complete.

The survey consists of 22 questions covering topics such as human and labor rights, supply chains, governance, health and safety in addition to environment and climate. The information from each supplier is compared with data from the ITUC Global Rights Index (regarding human rights) and the Transparency International Corruption Perception Index (CPI). Suppliers are categorized as low, medium, or high risk based on the results of the risk assessment.

- Low-risk suppliers can continue operations without immediate requirements.
- Medium-risk suppliers must complete the company’s ESG questionnaire and sign the Supplier Code of Conduct before a contract can be renewed or formalized.
- High-risk suppliers must complete the ESG questionnaire and sign the Supplier Code of Conduct. Additionally, the procurement department must conduct a human rights assessment before the company can continue doing business. The supplier must also undergo an audit.

Havila Kystruten selects and evaluates its suppliers based on internal HSE (Health, Safety, and Environment) requirements, guidelines, product requirements, logistics, and process flow in the procurement process. During due diligence assessments, we focus on identifying, assessing, preventing, and reporting potential and actual negative impacts on human rights within the supply chain.

The need for physical audits is determined during an annual strategic meeting between the maritime and technical operations department and the procurement manager.

Shipyards are often the most likely to be examined, as well as business partners providing excursions (due to higher risk of injuries associated with such services). The

conclusion is based on the assessment of critical suppliers, new suppliers, and the evaluation of existing suppliers throughout the year.

Physical audits are carried out by the procurement department at Havila Service and/or Havila Kystruten’s own employees.

In 2024, three physical audits were conducted. Two audits are planned for 2025. In 2023, it was reported that zero audits had been carried out, when in fact one had taken place. This error was due to a typographical mistake in the document, and we are therefore choosing to correct it now. In addition, audits are carried out on behalf of Havila Kystruten and other companies that are members of the maritime procurement collaboration Incentra. Pre-qualification, risk assessments, and audits of the suppliers covered by the collaboration are conducted by Incentra on behalf of its members.

| Supplier risk assessment                                        | 2024   | 2023   | 2022   |
|-----------------------------------------------------------------|--------|--------|--------|
| Percentage of Suppliers Labeled as “Low” Risk                   | 51 %   | 71,8 % | 67,3 % |
| Percentage of Suppliers Labeled as “Medium” Risk                | 37 %   | 21.6 % | 16.0 % |
| Percentage of Suppliers Labeled as “High” Risk                  | 0.25 % | 2.3 %  | 13.4 % |
| Percentage of Suppliers Not Classified                          | 11 %   | 4,3 %  | 3,3 %  |
| Number of Physical Audits Conducted During the Reporting Period | 3      | 1      | 1      |

0.25% of suppliers labeled as high risk represent marginal revenue, criticality, and perceived risk. Therefore, Havila Kystruten considers this impact to be marginal.

## Implementing Measures to Address Potential Negative Impacts

When we distribute the ESG questionnaire, we simultaneously ask suppliers to approve and sign the company’s ethical guidelines. It is becoming increasingly challenging to obtain responses from suppliers through the manual collection of data, as the procedure currently stands. One effect of the Transparency Act is a significant increase in the volume of questionnaires from various customers directed at the same supplier base. It appears that suppliers are increasingly finding this process burdensome, leading to delays in completing such questionnaires.

It appears that the response rate is also declining among other comparable actors, which has been confirmed by our system provider Ignite, who is already exploring alternative methods for collecting this information. We find that the current way of communicating our guidelines to suppliers results in burdensome extra work rather than tangible outcomes, and we will therefore initiate an evaluation of alternative measures.

By the end of 2024, 3% of the company’s suppliers had signed the ethical guidelines, and 3% of the suppliers had shared their own ethical principles with Havila Kystruten.



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| Communication of Ethical Guidelines                                        | 2024 | 2023   | 2022  |
|----------------------------------------------------------------------------|------|--------|-------|
| Percentage of Our Suppliers Who Have Received Our Supplier Code of Conduct | 35 % | 25.4 % | N / A |
| Percentage of Suppliers Who Have Signed Our Supplier Code of Conduct       | 3 %  | 25 %   | N / A |
| Percentage of Suppliers Who Have Submitted Their Own Ethical Guidelines    | 3 %  | 11 %   | N / A |

## Measuring the Effectiveness of Potential Impacts and Communication Measures

// *Tracking the effectiveness of these impacts and communicating*

We continuously communicate with our employees about human rights risks. In 2023, we implemented human rights guidelines that have been communicated to all employees.

We have approved our guidelines for how to handle actual or potential violations of human rights. We also have procedures in place for training new employees.

| Human Rights Training                                                                     | 2024  | 2023  | 2022  |
|-------------------------------------------------------------------------------------------|-------|-------|-------|
| Percentage of Employees Who Have Received Training in Human Rights Policies or Procedures | 100 % | 100 % | N / A |
| Percentage of Suppliers Who Have Received Information About Human Rights Guidelines       | 100 % | 100 % | N / A |

### Key Risk Areas Identified

The most significant risk areas identified in the risk assessments include poor/unsatisfactory working conditions and overtime work.

We have not uncovered or received reports of human rights violations in 2024. We have also not identified any instances of discrimination during the reporting period.

As a result, no supplier contracts were terminated or discontinued for this reason during the reporting period.

### Going Forward

Going forward, we will work to further optimize our supply base. This includes among other things to improve supplier evaluations, focus on conducting due diligence assessments of all existing suppliers and collaborating more closely with suppliers on initiatives that can improve the overall supplier evaluation, such as monitoring subcontractors and communicating ethical principles throughout the value chain.

Finally, we will explore ways to enhance our supplier due diligence assessments through the use of digital tools to automate some of our manual processes.

This approach will not only save time and resources but also ensure regular monitoring of suppliers.



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