

Setting sail on a cleaner course

Sustainability report **2022**



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ABOUT THIS REPORT

This is Havila Kystruten's (Havila Voyages') first sustainability report and applies to the reporting period 1 January to 31 December 2022.

The report was published on 31 May 2023 together with the company's financial report. The company will publish sustainability reports on an annual basis from hereon.

This report is established with reference to the 2021 Global Reporting Initiative (GRI) Standards, the Euronext Guidelines and the Norwegian Shipowner Association sustainability reporting guidelines. Entities in this report includes Havila Kystruten AS.

The report has been reviewed and approved by Havila Kystruten's Board of Directors. It has not been audited by a third party. For questions regarding this report and its contents, please contact:

Sandra Ness

Head of Climate & Environment

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CEO letter

Sailing silently and emissions-free in World Heritage Fjords



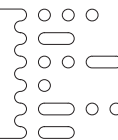
2022 was an eventful and turbulent year, both globally and for Havila Kystruten. Nonetheless, **we believe that our sustainable approach to coastal tourism is a positive contribution to the transition towards a zero-emission society.** We look forward to continuing our journey and do our part in creating a more sustainable coastal cruise industry.

In 2022, the effects on climate change and the transition to a zero-emission society continued to dominate headlines across the world. The transport sector is responsible for approximately 23% of the total man-made CO₂ emissions worldwide, while transport-related CO₂ emissions of the tourism sector accounts for 22% of the whole¹. At the same time, we know that ships largely run on fossil fuels, meaning we have to implement concrete actions to reduce companies' negative impact on our environment in the years to come.

Already by 2026 the Norwegian government will demand that all ships that operate in the Norwegian World Heritage fjords do so without emitting emissions. Havila Kystruten has worked hard to reduce our impact on the

Norwegian coastline, by starting to operate the world's most eco-friendly passenger cruise ships equipped with the most environmentally friendly technology available for a coastal cruise vessels like our today. Through our vessels "Havila Capella" and "Havila Castor", we fulfilled coming climate demands already in 2022, by sailing emission-free through the World Heritage Fjord, the Geirangerfjord.

Our ships run on the world's largest battery packs installed on a passenger vessel. They can sail silently and emission-free for hours through vulnerable areas. At port, we charge the batteries using renewable energy sources. When not operating on pure battery power, our ships are using natural gas and the batteries to



operate, like a “plug-in hybrid”. We are proud to say that this approach earned our first ship, “Havila Capella” the “Next Generation Ship Award” at Nor-Shipping 2022. Our hotel operations are taking great measures to make sure we are doing what we can to take care of nature whilst creating pristine experiences along the Norwegian coast. Identifying what operations can be improved is key to make sure we are the most eco-friendly coastal cruise operator in Norway.

Havila Kystruten also strives to minimise our effect on the environment, society, and people throughout our value chain. On land, we have partnered with transport services to reduce unnecessary travel to or from our ships. We work with local guides, transportation partners and food suppliers where we can, both to bolster local value creation and to reduce emissions or food waste.

Moreover, in 2022 Havila Kystruten started working on our first sustainability report. In the process, we have sought data and information on our most material

impacts and most important stakeholders. In the coming years, we will strive to further improve this reporting, to better assess our impact on the environment, society and people.

We are thrilled to announce that our efforts towards sustainability have yielded positive results. Our focus on employee well-being has led to increased happiness and job satisfaction within our organization. Through our commitment to reducing emissions, we have achieved a significant reduction in our carbon footprint. Our efforts to reduce food waste have also been successful. These achievements have been possible due to the dedication and hard work of our employees, as well as our commitment to sustainable practices. We will continue to prioritize sustainability in all aspects of our organization to ensure a better future for all.

BENT MARTINI

Chief Executive Officer, Havila Kystruten

At a glance

Our vision

Revolutionise coastal travel and contribute to a more sustainable industry for us and generations to come

Our mission

Offer safe, sustainable and eventful travel experiences that creates memories for life and viable coastal communities

Our values

Lead

We always act responsibly, show leadership and act determined. We trust each other and earn the trust of others.

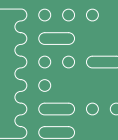
Share

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

Care

We care, and show empathy towards each other, our customers, the coast and the environment.

Havila Kystruten



Havila Kystruten aim to provide our guests with **unforgettable voyages through the stunning beauty of Norway's coastline**. We want to provide value to all the coastal communities, and to our passengers who get to experience these communities and the surrounding picturesque landscapes that define Norway's rich culture and history. Our commitment to sustainability is at the

forefront of everything we do. We operate **the most environmentally friendly ships on the Norwegian coast**, ensuring that we minimise our impact on the environment while still providing an exceptional cruise experience. We believe that our guests should be able to experience the natural beauty of Norway without harming it, and **we take our responsibility to protect the environment very seriously**.



"Let us chart a course towards a sustainable future in the cruise industry, where pristine coastlines and thriving coastal communities are not just destinations, but also our legacy to future generations."

SANDRA NESS

Head of Climate & Environment

About Havila Kysttruten



The Best Way to Experience The Best of Norway

Havila Kystruten is a Norwegian coastal cruise company that operates the classic coastal route between Bergen and Kirkenes with the Norwegian coast's most environmentally friendly ships.

Our company only operates in Norway but has suppliers from several European countries. Havila Kystruten is part of the Havila Group, which dates back to the 1950s. It all started when our founder Per Sævik bought his first fishing boat in his teens, and from fishing, Havila Group is now operating in shipping technology, offshore, transport and tourism. We are headquartered in the small coastal town of Fosnavåg on the west coast of Norway. Havila Kystruten is a privately owned company listed on Euronext Growth (ticker: HKY).

Havila Kystruten owns four new ships that are fitted with the world's largest battery pack. **For four hours, passengers can sail without noise or emissions through the vulnerable fjords of Norway.** The batteries can be charged at shore with clean hydropower, and when the batteries are low the ship switches to liquified natural gas (LNG) which in combination with the battery packs cuts CO2 emissions by approximately 35%. The hull is specially designed for maximum energy efficiency and to withstand the harsh weather along the Norwegian coast, and excess heat from cooling water and sea is used for optimal energy use on board, for example for heating of cabins and water.

Operating as plug-in hybrid ships, with natural gas generating electricity for the batteries, our fleet's emissions of both CO2 and NOx is considerably lower than other fleets that have sailed this route in recent decades and complies with the regulation of zero-emission sailing in the Norwegian World heritage fjords well before this restriction is set to be implemented (2026). In fact the NOx emissions is reduced by 90%. **Moreover, with gradual blending of biogas, emissions of CO2 can be reduced by 50% in 2024 and 80% in 2025, compared to conventional MDO emissions.**

PREPARED FOR HYDROGEN

Our ships are designed to run on zero-emission fuel like hydrogen when that becomes a viable power source approved for commercial sailings. Our coastal cruise vessels are part of a pilot project from Hav Group called "FreeCO2ast". The vessels can be retrofitted using the latest technology, and the hydrogen-based energy system has been granted preliminary approval from DNV.

The "FreeCO2ast" project is supported by the Norwegian Research Council, Innovation Norway and Enova².

OUR SUPPLY CHAIN



Services and
products suppliers



Tourists and local
people use our service



Vessel design and
construction



Vessels demolition

² <https://www.havhydrogen.no/news/2022/hav-group-receives-preliminary-approval-for-hydrogen-based-energy-system-for-ships/>

Memberships and industry associations



Norges
Rederiforbund
Norwegian
Shipowners'
Association

The Norwegian Shipowner Association (Rederiforbundet)

The Norwegian Shipowners' Association is a trade and employment organisation for Norwegian controlled companies within the shipping and offshore industry. The primary fields are national and international industry policies, employer issues, competence and recruitment, environmental issues, innovation and safety at sea.



Women's International Shipping & Trading Association

Formed in 1974, the WISTA is a global organisation connecting female executives and decision-makers around the world.



Tool Ocean Opportunity Lab

Tool Ocean Opportunity Lab is a flagship initiative support the growth of female representation at senior levels.



Blue Maritime Cluster

The Norwegian maritime cluster is a world leader in design, construction, equipment and operation of advanced vessels for the global ocean industries. Blue Maritime Cluster purpose is to increase the level of innovation within the industry.



The Norwegian Maritime Authority

The Norwegian Maritime Authority is a Norwegian government agency responsible for life, health, working conditions and the environment for Norwegian registered ships and ships at Norwegian ports.



Virke

The Federation of Norwegian Enterprise is an employers' organisation in Norway with more than 25,000 member companies.



Skift

Skift is a business driven climate initiative. The goal is to help Norway reach its climate goals for 2030. Skift brings together Norwegian top executives to point out the possibilities of a zero-emission society, and the tools we need to get there.

FreeCO2ast

FreeCO2ast is part of the PILOT-E scheme, which Norway, through the Research Council of Norway, Innovation Norway, and Enova, has implemented to solve some of the biggest problems facing society. Our collaboration project with Sintef Ocean and Prototech on the development of large zero-emission vessels has a budget of 95 MNOK. The goal is to find solutions that enable large ships to cover longer distances at higher speeds and with zero emissions.



Travel organisations

We cooperate with a wide range of travel organisations, with the goal of helping promote Norwegian travel and sustainability within the industry.



Plastic Free Ocean

Since the start in 2017, Plastic Free Ocean have picked up more than 100 tonnes of marine litter. With a high level of activity and great commitment, they have managed to become a clear communicator of attitude-creating work. Students and parents clean in their spare time and raise funds for school trips. They also have a close collaboration with mental health, and claim that tidying things up a bit is good for both body and soul.



DNV

DNV is the world's leading classification society and a recognized advisor for the maritime industry. We enhance safety, quality, energy efficiency and environmental performance of the global shipping industry – across all vessel types and offshore structures. We invest heavily in research and development to find solutions, together with the industry, that address strategic, operational or regulatory challenges.

Corporate governance

Havila Kystruten operates according to the highest corporate governance standards.

Although the company is not legally required to comply with the Norwegian Code of Practice for Corporate Governance (NUES), we aim to eventually adhere to the principles of the recommendations.

Information about Havila Kystruten's governance structure, including a description of the committees of the highest governance body (the Board of Directors), is included in the annual report. Havila Kystruten has not established formal procedures for the nomination and selection process of Board members. As of 31 December 2022, the Board consist of the following members:

- Per Sævik, Chairman of the Board
- Vegard Sævik, Board member
- Hege Sævik Rabben, Board member
- Njål Sævik, Board member
- Anita Nybø, Board member

Alongside company management, the Board takes responsibility for decision making and supervision of Havila Kystruten's impact on the economy, environment and people, encompassing due diligence and evaluating the efficacy of implemented actions. This is done in Board meetings, and when approving the contents of the annual sustainability report.

Developing, approving, and updating the organization's purpose, value and mission statements, strategies, policies, and goals related to sustainable development is a collaborative effort between the Board and senior executives. The Board will evaluate measures to advance their collective knowledge, skills, and experience on sustainable development in 2023.

Today, evaluation of the Board's performance does not take into account Environmental, Social, and Governance (ESG) topics, and remunerations is not tied to their proficiency in managing these issues. More information about remuneration policies and the remuneration for Havila Kystruten's Board can be found in the annual report.

The main responsibility for managing the organisation's impact on the economy, environment and people has been delegated to the CEO and the ESG task force group in Havila Kystruten (a subgroup from executive management, led by the company's Head of Climate & Environment), who regularly report back to the Board. Day-to-day implementation of Havila Kystruten's ESG strategy is executed by the operational functions.

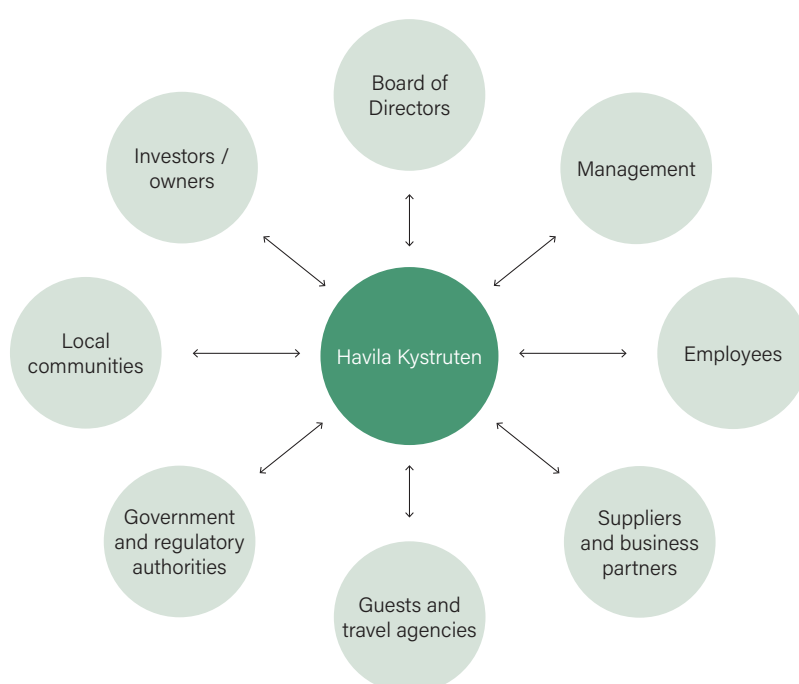
It is the responsibility of the Board to ascertain that conflicts of interest are both deterred and alleviated. Conflicts of interest are disclosed to stakeholders in cases where this is deemed necessary. Havila Kystruten has established routines for communicating critical concerns, which are communicated to the Board in particularly serious instances (no concerns reported in 2022). More information about reporting irregularities can be found in the Ethics chapter of this report.

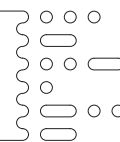
	BOARD OF DIRECTORS	ESG TASK FORCE GROUP
1. ESG Strategy	Reviews and approves the ESG strategy and business plans.	Develops ESG strategy and policies related. Discusses and manages ESG strategy, rules, regulations, human rights and communication.
2. KPIs and responsibilities	Approves KPIs, new and existing policies. Ensures adequate goals are in place.	Defines and reviews KPIs, set targets and field responsibilities. Enables frameworks and systems for accountability and processes
3. Execution	Monitors ESG goals and ambitions. Monitors and oversees the risk management policy and framework.	Manages risks including climate change risks. Develops mitigation plans. Leads implementation of sustainability strategy. Examines risks and opportunities from both financial and non-financial perspectives.
4. Progress and evaluation	Discusses a quarterly review to identify risks, with focus on climate related risks. Guides business plans, action plans and major capital expenditures in accordance with ESG-related issues.	Assesses performance based on KPIs defined and offers advice on emergent matters.
5. Communication	Together with management, plan and follow-up internal audits, including audit of environmental KPIs and other climate-related reporting.	Provides KPIs results and other climate related information for reporting.

Our stakeholders

A stakeholder assessment from December 2021 defined several stakeholder groups relevant to Havila Kystruten. A description of the company's most important stakeholders and how we interact with them are shown in the table below.

STAKEHOLDER GROUP	DESCRIPTION	ENGAGEMENT ACTIVITIES
Investors / owners	Any person or entity who commits capital with the expectation of receiving financial returns.	• Quarterly reports • Annual reports • Company presentations
Board of Directors	Any member of Havila Kystruten's Board of Directors, including the Chairman.	• Board meetings • Other meetings • Annual ESG survey
Management	Any member of Havila Kystruten's management team, including the CEO.	• Management meetings • Annual ESG survey
Employees	People employed at Havila Kystruten.	• Annual employee Development talk • Questionnaire • Annual ESG survey
Suppliers and business partners	Vendors and businesses whom Havila Kystruten procure goods or services from.	• Meetings • Audits • ESG Survey
Customers / guests	Tourists and local passengers travelling port-to-port with Havila Kystruten.	• Customer service • ESG seminars • Marketing and communication platforms
Government and regulatory authorities	Policy makers and governmental authorities.	• Meetings • Reporting / forms / documentation
Local communities	Local communities within the area of our operations.	• Meetings



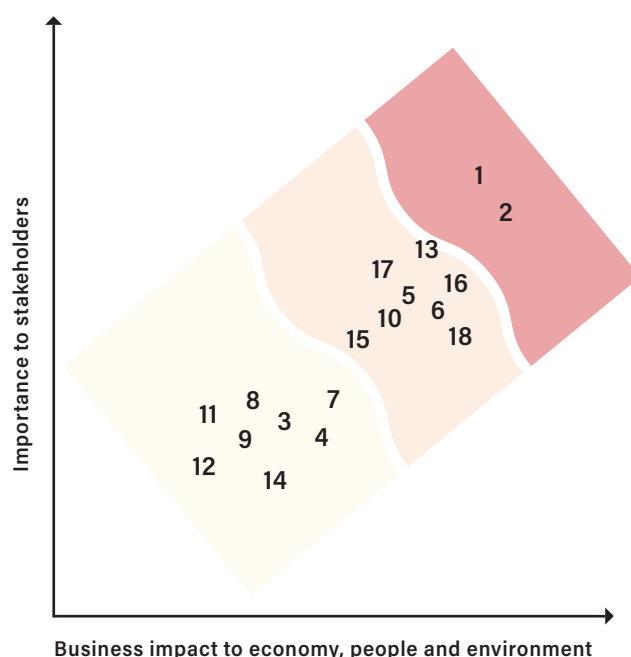


STAKEHOLDER DIALOGUE

Havila Kystruten aims to have an ongoing dialogue with the company's stakeholders, as good stakeholder dialogue ensures a strategic approach to and management of sustainability topics. In December 2021, Havila Kystruten invited key stakeholder groups, including employees, board members, investors, management representatives, suppliers, selected tourist agencies, representatives from the civil society, and governmental authorities, to partake in a survey where we asked about how they perceived our company's management of sustainability topics today, and how our approach could be improved.

In the survey, stakeholders were asked to rate 18 different sustainability topics depending on their perceived importance to Havila Kystruten. The topics were then discussed by Havila Kystruten's ESG task force group, who evaluated the company's direct and indirect ability to affect each topic, both positively and negatively. Topics that received a high score from stakeholders and through our own internal analysis, were defined as material.

ID	ESG TOPIC
1	Occupational health and safety risks
2	Product and service-related health and safety
3	Talent attraction, development & retention
4	Employee diversity and inclusion
5	Products, solutions and services for green transition
6	Energy efficiency (well-to-wake)
7	Product lifecycle management
8	Emissions to air - GHG and other (entire supply chain)
9	Technology and system innovation
10	Ethical business conduct
11	Responsible supply chain
12	Responsible marketing and communication
13	Data security and privacy
14	Office environmental management
15	Waste and wastewater management (own operations)
16	Energy management (own operations)
17	Hazardous materials management
18	Impacts on local communities and services



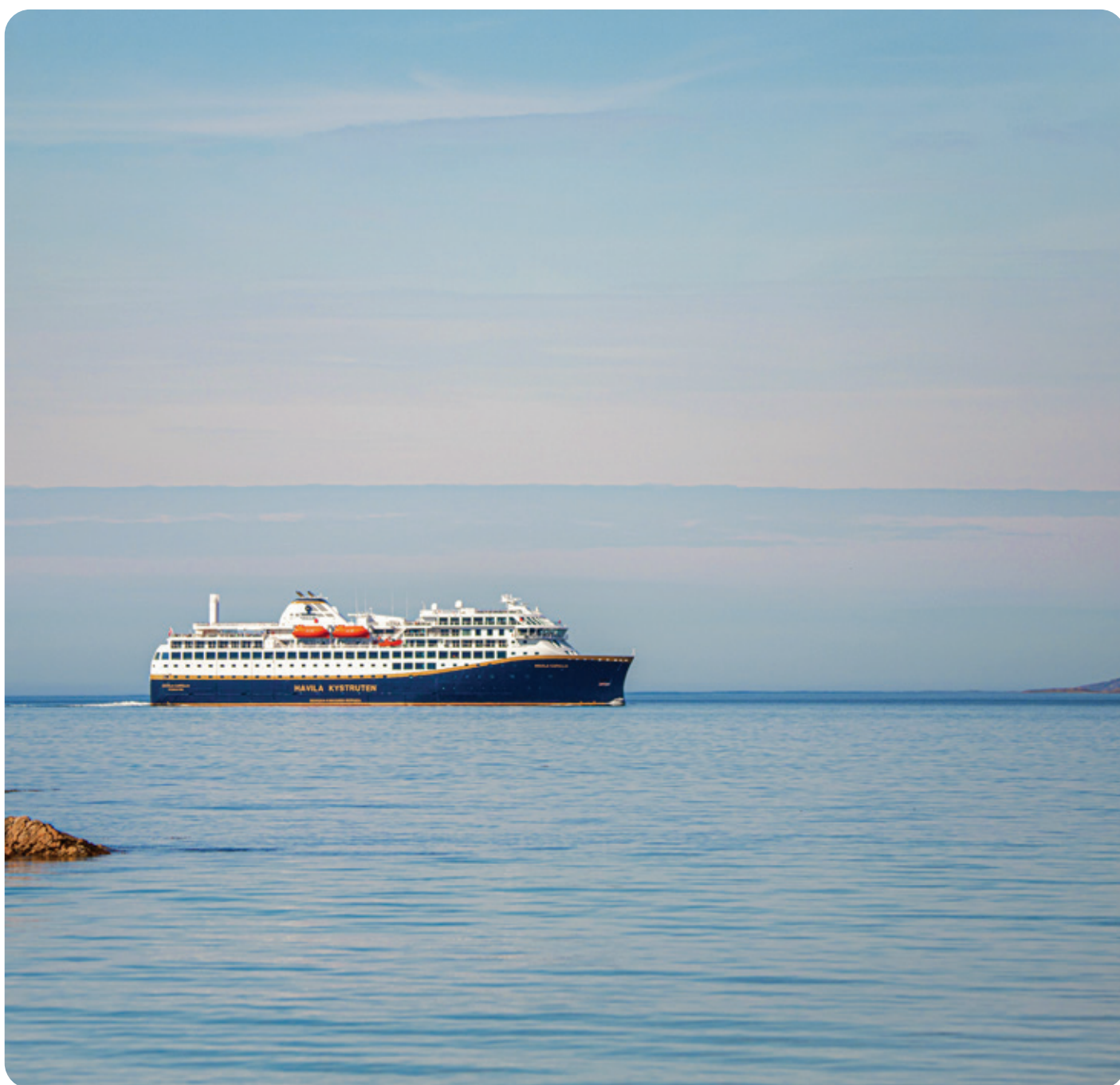
The topics were grouped into the following overarching categories:

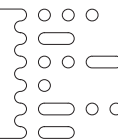
MATERIAL TOPICS	INCLUDING
Health and safety	• Occupational health and safety • Product and service-related health and safety
Environment	• Products, solutions and services for the green transition • Energy management • Energy efficiency • Materials • Waste and wastewater management
Local communities	• Impacts on local communities and services
Ethics and transparency	• Ethical business conduct
People	• Employee diversity and inclusion • Talent attraction, development and retention

Selected UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are a central component of our long-term strategy. Havila Kystruten has singled out five specific goals that are material to our business, and these SDGs cover areas where we believe that we can have the greatest impact.

We believe that our single most important contribution of towards the SDGs, in fact the very reason why we are in business, is goal number 13 Climate Action, because we aim to have a transformative impact through our environmentally friendly ships.





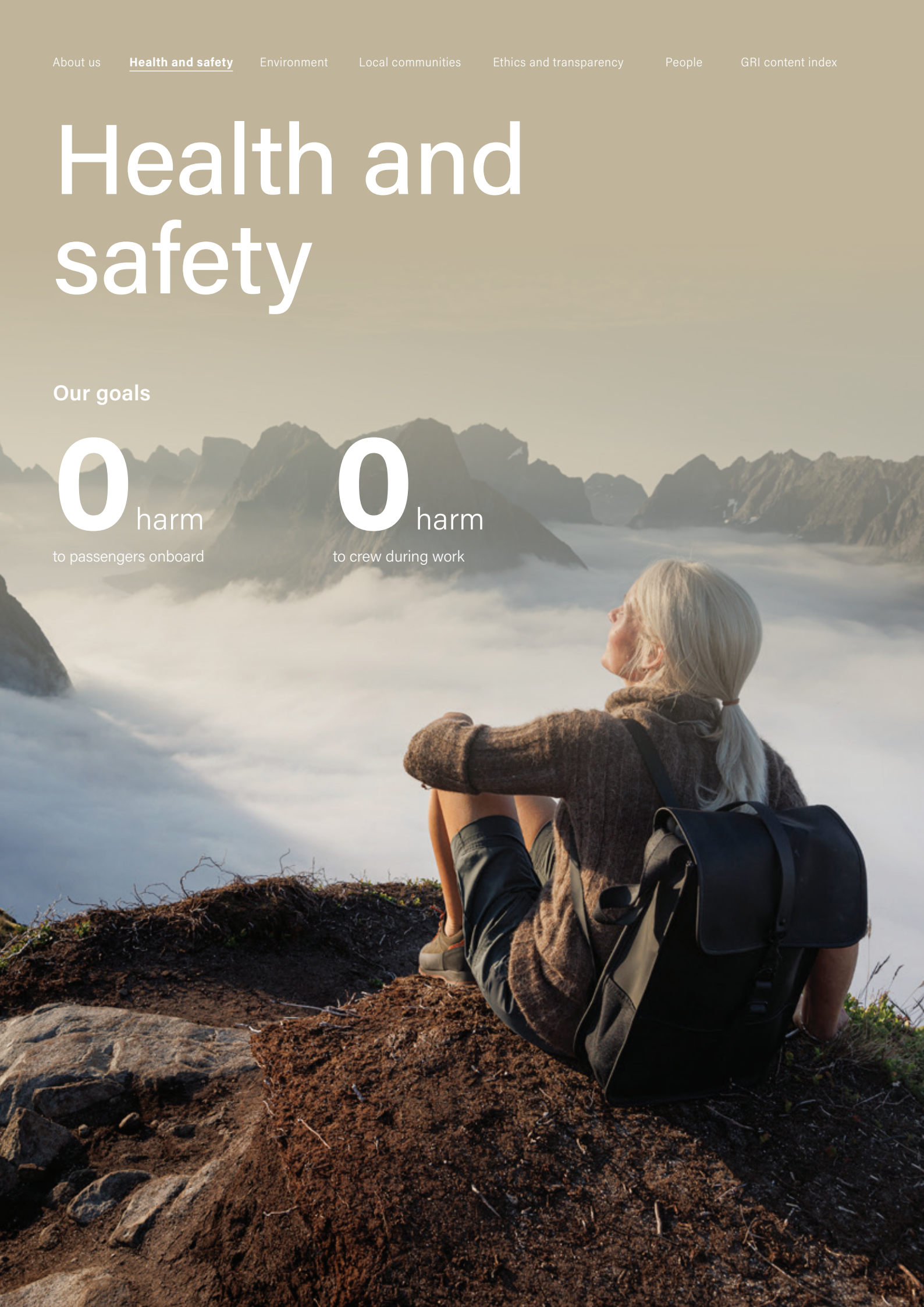
UN SDG	SELECTED TARGETS
	— 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
	— 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment. — 8.9 By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products.
	— 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. — 12.b Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.
	— 13.2 Integrate climate change measures into national policies, strategies and planning.
	— 14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.

Health and safety

Our goals

0 harm
to passengers onboard

0 harm
to crew during work



Havila Kystruten's goal is to create a safe environment for our staff and our passengers.

Our ambition is to have zero injuries, accidents or incidents. Our company works systematically to uphold and maintain a conducive working environment by promoting employee safety and growth, mitigating and ultimately eliminating any exposure to unsafe working or sailing conditions.

Our goals

- Zero injuries, incidents or accidents to crew, personnel and passengers on board during Havila Kystruten's voyages

Priorities for 2023 and beyond

- Perform training of all onboard leaders in our HSE management system
- Implement a company-wide safety culture survey among all employees
- Two internal ISM audits per vessel per year

A safe environment to thrive in

IMPACT ASSESSMENT

Healthy and safe working conditions are recognised as a human right and addressed in authoritative intergovernmental instruments, including those of the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), and the World Health Organization (WHO), and are also a target of the UN Sustainable Development Goals.

As a coastal cruise company, Havila Kystruten's employees and passengers could potentially be exposed to several direct and indirect health and safety risks. According to Havila Kystruten's own risk assessment, the significant health and safety risk for employees are work related injuries such as:

- Slips trips and falls to the same level
- Falls to a lower level
- Struck by and struck against
- Caught in between (from machinery/moving parts)
- Excessive noise

For passengers, we have assessed passenger injuries on board, on land and on excursions as well as passenger illness to be most significant such as:

- Slips, trips and falls on the same level
- Falls to a lower level
- Current medical condition
- Aggravated condition due to physical demands of travel

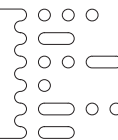
POLICY COMMITMENT

Havila Kystruten's goal is to create and sustain a safe working environment for our staff and our passengers. The company works systematically to produce a conducive working environment by promoting employee safety and growth, mitigating and ultimately eliminating any exposure to unsafe working or sailing conditions.

Our company constantly seeks to minimise risk in our operations and ensure that unavoidable risk factors are handled in accordance with company procedures for risk management and the ALARP principle ('as low as reasonably practical'). We strive to prevent all incidents in escalating into unsafe or threatening conditions and have a zero-harm approach to health and safety for both our employees and passengers.

Havila Kystruten, its management and employees shall always comply with applicable rules and regulations to prevent unsafe incidents, injuries and damage to people, assets, or the environment. **The company follows several rules and regulations relating to occupational health and safety including, but not limited to:**

- The Ship Safety Act
- The Ship Labour Act
- Regulations for the working environment (FOR-2005-01-01 no. 8 health and safety of persons working on board ship)
- Regulations for safety management system for Norwegian ships and mobile offshore units (FOR-2014-09-05 no. 1191)
- Regulations concerning the duty to report accidents or incidents at sea (FOR 1993-12-21 nr 1381)
- Regulations relating to objects or materials that come into contact with food (FOR 1993-12-21 nr 1381)
- Insurance and other safety regulations from the National Maritime Act (FOR 2013-12-09 nr 1552)
- Other relevant regulations by the International Maritime Organisation (IMO) and the Norwegian Maritime Directorate (NMD)



ACTIONS

Havila Kystruten has established its own Occupational Health Management System that is integral to our work on health and safety. The system covers hygiene standards, risk assessment and proactive incident reporting, including corrective actions and follow-up.

Health and safety routines are communicated through daily operations – in reporting and follow up, by phone and e-mail, in addition to continuous improvement by updates of the management system based on lessons learnt and suggestions for improvement from employees. Safety warnings are also included in the management system documentation. The master, employee safety representatives and a Work Safety Board comprised of staff work to ensure that management documents relating to health and safety are relevant and up to date.

Personnel receives information and undergo training on all safety procedures, and safety checklists are implemented in the company's management system. The company follows the International Convention on Standards of Training (STCW) as required by the IMO, and employees working at sea undergo training specifically relating to their working environment. This includes for instance how to assess health and safety risks onboard Havila Kystruten's ships, contagious diseases prevention, and

how to perform advanced medical first aid, including CPR. The company also regularly perform random alcohol and drug testing of captain and crew.

The company currently does not offer any voluntary health promotion services and programmes to workers but evaluate the need for these types of services on a regular basis and in close cooperation with employees via WEC meetings and suggestions for improvement. However, Havila Kystruten has an agreement with a certified occupational health service provider assisting with projects related to health and safety for all onboard personnel.

To minimise risks, particularly in the initial phases of our operations at sea, we have done technical adaptations in the galley, and staff from our head office have been present on several sailings to ensure that risk concerns are addressed.

Although the company has a zero-vision for incidents, it is important to have an overview of any work-related injuries should they arise. All incidents, accidents or near-misses are to be reported to department leaders and the master in question, who are responsible for investigation and necessary follow-up.

PERFORMANCE

Occupational health and safety KPIs

KPI	UNITS	2022		
		ONSHORE	ONBOARD	TOTAL
Workers covered by an occupational health and safety management system	%	100%	100%	100%
Work-related injuries	number	0	10	10
Sick leave*	%	2.35%	4.01%	3.18%

*Does not include self-certification

Compliance with national and international health and safety regulation KPIs

KPI	UNITS	2022	2021
Incidents of non-compliance with regulations resulting in a fine or penalty	number	0	0
Incidents of non-compliance with regulations resulting in a warning	number	0	0
Incidents of non-compliance with voluntary codes	number	0	0

Environment

Our goals

0 emissions

from our vessel operations by 2030



Pure water, fresh air, unspoiled scenery. In the Norwegian fjords you can find it all, and there is nothing we desire more than letting it stay that way forever.

We aim to lead the industry by example, and shape the future of travel along the norwegian coast by operating the world's most environmentally friendly coastal cruise ships.

Our goals

- Climate neutral vessel operation by 2028
- Emission free vessel operation by 2030
- 40% sorting rate for whole fleet in 2023
- Take a circular approach to how we use our resources

Priorities for 2023 and beyond

- Obtain ISO 14001:2015 certification
- Obtain Miljøfyrtårn (Eco-Lighthouse) certification for our hotel operations
- Further develop our Eco-Voyager Programme
- Obtain green certificates for excursions

We depend on the ocean

IMPACT ASSESSMENT

The transport sector accounts for 25% of global emissions and is today dominated by fossil fuels. Maritime transport represents 3% of global emissions and the technology adoption and alternative fuel availability are particularly challenging for this sector.

Ships have the largest potential negative impact on the environment through discharging of oil and by releasing CO₂ and NO_x-gases. To counter this impact, Havila Kystruten employs ships with the world's largest battery packs fitted on a passenger vessel to date, meaning that we can sail four hours through vulnerable seas and fjords, silently and without emissions. At port, we charge these batteries using renewable energy sources. When we can't utilise the batteries, we sail using liquified natural gas (LNG). We have partnered with transport services to reduce unnecessary travels to/from our ships.

Protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and natural ecosystems. Natural ecosystems provide clean water and air, and contribute to food security, human health, and local livelihoods. Operations at sea can impact biodiversity and natural resources. Havila Kystruten offer various excursions, for instance RIB tours for our guests or snowmobile excursions, which could potentially disturb local wildlife. Therefore, when carrying out these types of activities, we work closely with local adventure tourism partners to make sure that such activities are carried out with minimal impact.

Reducing waste and water use is important to Havila Kystruten. We have a zero-single plastic use policy, and all waste should be sorted. To get passengers to assist us on this important mission, we have created information boards informing guests on how to recycle their waste and will continue to implement further education about this is our ecovoyager programme. Today, the main waste source is linked to food and paper, which we are seeking to reduce.

POLICY COMMITMENT

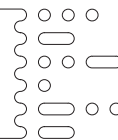
Havila Kystruten seeks to reduce our negative impact on the environment. Our core values Lead, Share and Care, mean that as a company we are focused on protecting and preserving the environment and local ecosystems. This is crucial to our business model, which is built on the very idea of experiencing uninterrupted nature and wildlife.

In addition to the Maritime Act and regulations specified by the Norwegian Maritime Directorate, Havila Kystruten is subject to eight national regulations that specifically relate to environmental impact, including:

- Regulations relating to pollution control (FOR 2004-06-01 nr 931)
- Regulation concerning environmental declaration in connection with environmental differentiation for ships and mobile offshore units (FOR 2000-11-28 nr 1194)
- Regulations concerning notification of acute pollution or danger of acute pollution (FOR 1992-07-09 nr 1269)
- Regulations relating to environmental safety onboard ships and other floating devices.

Our company is also certified by the DNV volunteer scheme "Clean notation", which shows compliance with all mandatory requirements in the International Convention for the Prevention of Pollution from Ships (MARPOL).

Havila Kystruten expects our suppliers to integrate environmental impact assessments into their own operations. While we do not currently stipulate this in our contracts or audit our supply chain, we wish to implement these routines as our operations progress. We also plan to integrate routines that allow our customers to contribute to lowering environmental impact in our operations.



ACTIONS

We encourage our staff to be environmentally conscious in all that they do. Our Director of Health and Safety has the overall responsibility for the environmental policy at the company, and environmental factors are an integrated part of our Safety Management System.

Havila Kystruten has established the following company-wide goals related to environment, which every employee is expected to comply with:

- Follow existing environmental rules and regulations.
- Ensure environmentally conscious design solutions.
- Develop an IT structure that supports our environmental policy.
- Ensure ship operations that are conscious of the environment in all aspects.
- Always assess and minimise climate risk.
- Establish and follow up an environmental programme that initiates goals and tracks progress.
- Analyse and optimise operations to reduce emissions and waste, and always look for measures to increase energy efficiency.
- Systematically work with partners to find means of transport with the least harm to the environment,

including public transportation options.

- Evaluate suppliers on their environmental impact.
- Include contractual obligations on environmental footprint among excursion suppliers.
- Enable customers to contribute towards the company's environmental goals.
- Encourage staff, customers, and suppliers to recycle and re-use.
- Correct attitudes or actions that harm the environment.
- Train staff to lessen impact on the environment, both in normal operations and during a potential crisis.

We have established several partnerships with third parties to protect or restore habitat areas, among them the local environmental organisation Plastic Free Ocean, that works to reduce plastic waste in nearby shoreline areas.

Moreover, Havila Kystruten is part of a research project with HAV Group and SINTEF Ocean to develop and utilise hydrogen technology on our ships. The goal is to utilise this technology to carry out emissions' free passenger transport along the Norwegian shoreline, which would further reduce our CO2-footprint.

PERFORMANCE

GHG Emissions

KPI	UNITS	2022	2021
Direct Scope 1 GHG Emissions	tonnes CO2e	26 387	1 952
Energy Indirect Scope 2 GHG Emissions	tonnes CO2e	42	-
Other Indirect Scope 3 GHG Emissions (excluding yard expenses)	tonnes CO2e	8 863	3 032
Other Indirect Scope 3 GHG Emissions (including yard expenses)	tonnes CO2e	35 099	27 078

Waste generation

KPI	UNITS	2022	2021
Waste generated (total weight of waste)*	kg	153 442	25 882
Sorting rate**	%	34.43%	35.17%

*Vessels only **Mixed paper, cardboard, mixed metals, brown paper and corrugated cardboard, clear plastic foil, lead accumulators, lead accumulators on pallets without shrink wrap.

Water management

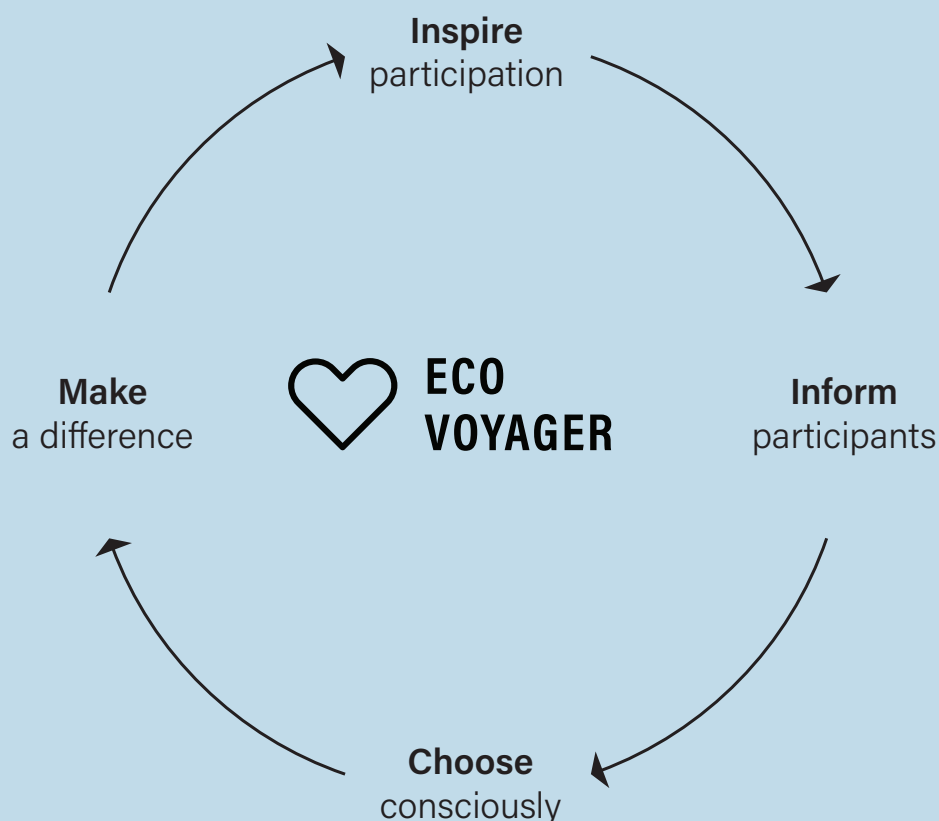
KPI	UNITS	2022	2021
Water withdrawal	megalitres	24.58	0.79
Water discharge	megalitres	7.29	0.66
Water consumption	megalitres	17.30	0.13

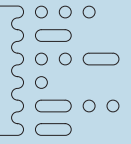
Eco-Voyager Programme

A circular approach
to how we use our
resources.

Havila Kystruten have the most environmentally friendly ships along the Norwegian coast, but still we continuously work to find new measures that can make a positive contribution to the environment.

To take this a step further, we want to give guests the opportunity to contribute with us. Our Eco-Voyager Programme gives our guests the opportunity to get involved and make informed choices on board. Small measures, such as reducing the use of energy, water, and waste, can make a difference.





The Eco-Voyager Checklist

- Asking the cabin to be cleaned only when needed
- Reusing towels
- Turn off the lights when leaving the cabin
- Waste recycling by using appropriate bins
- Reducing food waste in restaurants by ordering only what you need
- Refilling your water bottle, instead of using single plastic bottles

Local communities

47

local suppliers

providing experiences for our guests through our excursion program in 2022



Havila Kyststruten is determined to minimise our impact on local coastal communities and provide solutions that benefits all.

Our goal is to provide stable and reliable transport along the coastline and support economic activity in the region that we operate.

Our goals

- Provide stable and reliable transport along the coastline and support economic activity
- Require locally produced ingredients in our food experience

Priorities for 2023 and beyond

- Operational optimisation
- Implementation of Havila Food Stories - local ingredients from 4 regions

We sail together

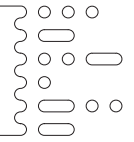
IMPACT ASSESSMENT

A key element in managing impacts on people in local communities is assessment and planning in order to understand the actual and potential impacts, and strong engagement with local communities to understand their expectations and needs. Seafaring impacts local communities through noise pollution from ships and onshore transportation of guests and ships may also have a negative impact on local biodiversity and fauna. Havila Kystruten is focused on offering green solutions that reduce these types of impact. Our voyages have replaced existing routes and have therefore not increased activity in the local communities. Our ships also run quieter and with fewer emissions than previous operators.

POLICY COMMITMENT

Ever since our inception, we have sought to contribute to activity and job creation in small coastal societies along the Norwegian coast. In many ways, it is in our DNA. Therefore, providing stable and reliable transport and support to local communities is Havila Kystruten's number one goal, and something we consider a positive impact. All the 34 ports where we dock are therefore an integral part of the company's operations. Without these communities, there would be little reason for our customers to sail with us along the coast. We are therefore very cognisant of our impact on these communities, and our relationship with local stakeholders.





ACTIONS

In the ports where we dock, Havila Kystruten contribute to local value creation and local businesses, for instance by always partnering with local suppliers. In 2021, we partnered with 47 local suppliers, including SnowHotel Kirkenes AS, Geiranger FjordService and Stella Polaris. By purchasing transport through local operators, we bring visitors to sites of historic and cultural importance, which creates economic ripple effects for local hospitality and service businesses.

Many of Havila Kystruten's guests also book local tour or excursion operators through our system, which in turn adds to local job creation and economic activity. Moreover, we seek to reduce our environmental impact in local communities by finding partners that offer eco-excursions.

Requiring local content in the food experience for our guests is another form way in which we seek to bolster local business and suppliers. In our ships' restaurants, we shift between four regional menus changing every few days to reflect the part of the coast we are sailing in, for breakfast, lunch, and dinner.

We seek to maintain a close dialogue with stakeholders that are impacted by our operations. In addition to communicating with port authorities, excursion companies and local transportation, we are also in touch with local hotels and hospitality wherever we dock.

Havila Kystruten does not yet have in place a formal local community grievance mechanism but plans to look into this in 2023. Although we do not engage third parties to address risk or impacts on local communities, the company does have an open feedback channel through our website, and suppliers and local community actors can voice grievances directly with our company's staff.

PERFORMANCE

Local community impact

KPI	UNITS	2022	2021
operational time	%	99.6%	100%
local travellers (commuters)	%	42%	45%
Goods transported (total weight)	tonnes	2 647	55
Local suppliers onshore activities	number	47	N/A

Havila Food Stories

A menu to benefit the environment, served with an aftertaste of sustainability

Our menus have been carefully selected to reflect Norway's heritage and culinary traditions using high quality food from Norwegian and local producers, prepared by first-class chefs.

We take our pride in reducing the food waste on board as much as possible. **In fact, we have set an ambitious goal of limiting the average food waste per passenger to 75 grams per day.** The way our food is being served – at the guests' table after letting them choose several dishes from our rich la carte menus – makes this goal much more achievable, all while avoiding having people wandering around in the restaurant. Over the course of one year – and across the four ships – the food waste will be **reduced by as much as 60 tonnes** compared to buffet style dining.

71 grams

average food waste per passenger

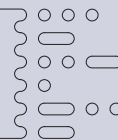
60 tonnes

waste reduction compared to buffet style dining

↓13.04 %

less food waste in 2022 than our goal (75 g) with two ships in operation.

A case for local communities



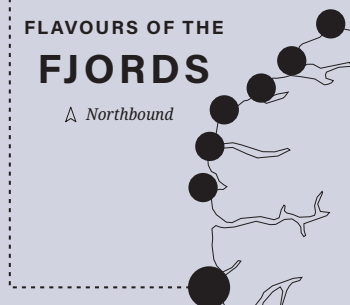
By sourcing our ingredients locally, we lower our carbon footprint, reduce transportation emissions, and support local businesses along the coast. Sourcing locally does not only benefit the environment, but also ensures that our food is fresh, healthy, and made from the highest quality ingredients along the coast.



Baked cod from Vaag in Lofoten
with brown herb butter and pickled
button mushrooms



Vestland fish stew
with prawns, scallops, fennel,
mussels and tomatoes



**FLAVOURS OF THE
FJORDS**
△ Northbound



King crab
from Varanger with
horse radish cream



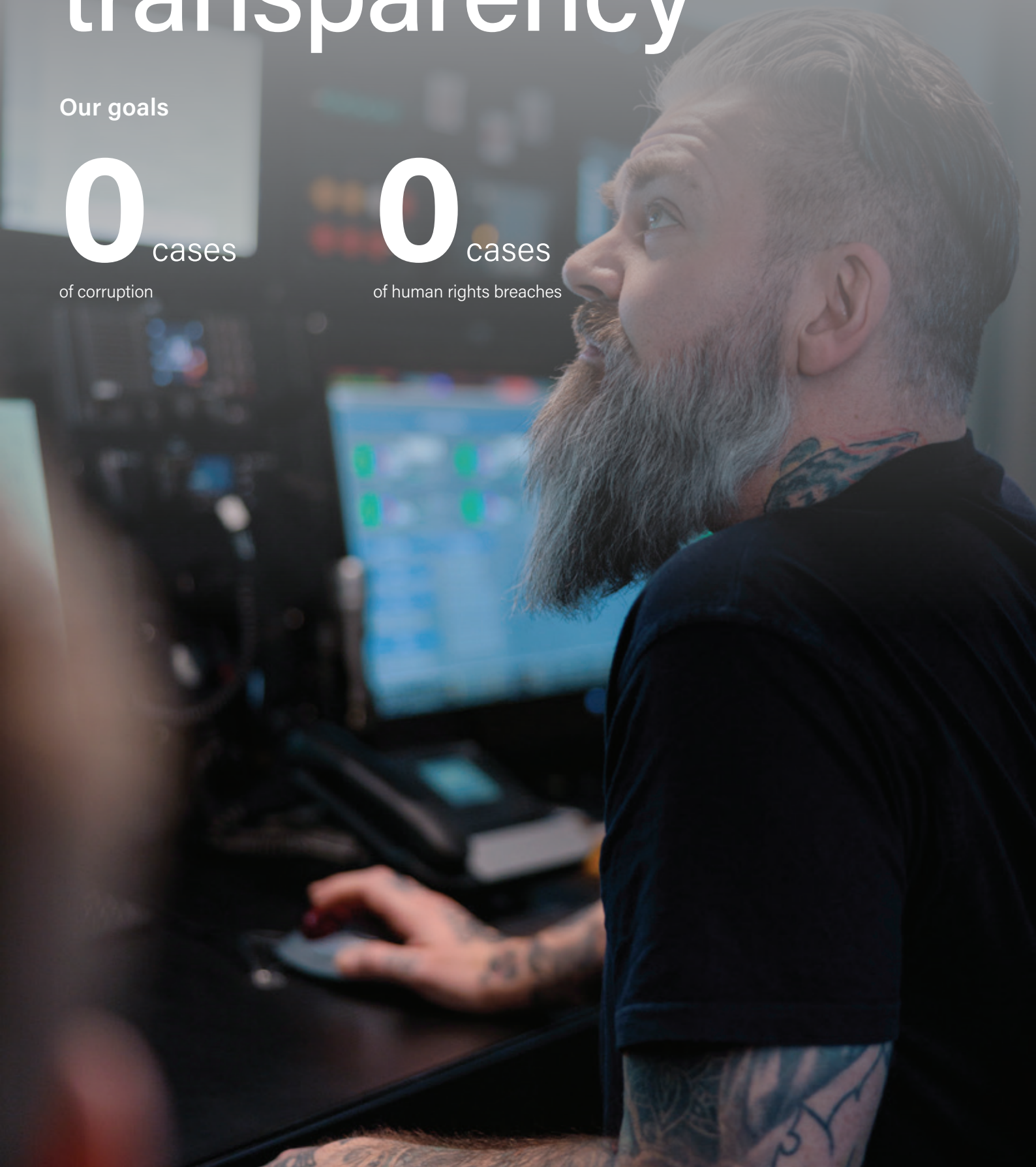
Green Havrand salad
with hydroponic salad
from Molde

Ethics and transparency

Our goals

0 cases
of corruption

0 cases
of human rights breaches



Business ethics derive from transparency, objectivity, reliability, honesty and prudence. These are all values that Havila Kustruten adheres to.

Our company's operations depend on the ability to maintain high ethical standards, and to create trust-based relationships with stakeholders.

Our goals

- Increase sustainability transparency
- Work with a sustainable supply chain
- Zero cases of corruption
- Zero human rights breaches

Priorities for 2023 and beyond

- Implement our Code of Conduct
- Implement our Supplier Code of Conduct
- Implement our Supplier ESG Questionnaire
- Identify and assess human rights risks in our supply chain
- Further develop the Supplier Sustainability Programme
- Obtain ISO 9001:2015 (quality) certification

Operating ethically and transparently

IMPACT ASSESSMENT

Corruption is broadly linked to negative impacts, such as poverty in transition economies, damage to the environment, abuse of human rights and democracy, misallocation of investments, and undermining the rule of law. Based on initial risk screenings, current exposure to corruption is limited for Havila Kystruten. The entirety of our operations take place in Norway, where according to the Corruption Perception Index (developed by Transparency International), the risk of corruption is perceived to be low.

POLICY COMMITMENT

Business ethics derive from transparency, objectivity, reliability, honesty, and prudence. These are all values that Havila Kystruten adheres to. Our company's operations depend on the ability to maintain high ethical standards, and to create trust-based relationships with stakeholders. We believe that the full respect of human rights is the best context to develop our operations, and that our commitment to ethical business conduct results from our values more than from our legal obligations; we understand that implementing ethical principles adds value and competitiveness to the organisation.

We are committed to develop an organisational culture which implements a policy of support for internationally recognised human rights and seek to avoid complicity in human rights abuses. Havila Kystruten is committed to meeting our responsibility to respect human rights as defined by:

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

As a company headquartered in Norway, Havila Kystruten operates in accordance with the Norwegian Money Laundering Act and the Penal Code with related regulations. On board our ships, we follow the national regulations for whistleblowing laid out by the Norwegian Maritime Authority. Responsible business conduct is embedded in our management system and our governing documents, which guide activity in all areas of our business.

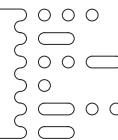
ACTIONS

Havila Kystruten is not required to establish an ethics committee, but the management group regularly communicates expectations and compliance with proper business ethics to our staff. In the company's job descriptions, we communicate that we expect all employees to always follow laws and regulations and to be aware of possible ethical violations.

Our company is currently in the process of developing a Code of Conduct which will clearly communicate our ethical guidelines, including on anti-corruption. All employees are expected to familiarise themselves with, understand and comply with the principles laid out in our Code of Conduct once established. The company will arrange for ethical training for all employees based on the contents of the Code of Conduct.

The company has developed internal procedures for reporting irregularities, and all conditions that give rise to ethical issues should be reported to an employee's closest line manager or the safety representative. Havila Kystruten has also established an external whistleblowing channel available on the [company's website](#).

Regarding suppliers, the company plans to develop a Supplier Code of Conduct which will set clear expectations for all suppliers and business partners regarding ethical conduct. The company has developed a Human Rights Policy, which has been approved by the Board, and Havila Kystruten regularly carry out human rights' due diligence of all suppliers. In the due diligence process, we focus on identifying, assessing, preventing, and reporting potential and actual negative impacts to human rights in our supply chain.



The company will strengthen its due diligence process in 2023 by taking the following steps:

1. The procurement/ESG team will define a 1st layer risk assessment for suppliers: A traffic light system for relevant suppliers by country (following the Human Rights Index) and industry sector risk (own assessment) will be established.
2. The procurement/ESG team will develop a list of actual and potential human rights risks among our suppliers and define a pass/no pass scoring system based on this list.
3. Under our Supplier Sustainability Programme, all suppliers will receive an ESG questionnaire. Our target is to cover 80% of the company's previous financial year spending.
4. No immediate actions are required among suppliers with a low human rights risk score.
5. Suppliers with a medium human rights risk score will be required to reply to our ESG questionnaire and sign the Supplier Code of Conduct.
6. Suppliers with a high human rights risk score will be required to reply our ESG questionnaire and sign the Supplier Code of Conduct. In addition, procurement department will need to conduct a more detailed human rights risk assessment before we can continue doing business with said supplier.

The following risk areas have so far been detected and are being assessed and followed-up on a regular basis:

- Terms of employment
- Wages and workhours
- Health and safety
- Privacy
- Pollution
- Use of toxic or hazardous chemicals
- Gender-based discrimination
- Sexual harassment

PERFORMANCE

There were no identified incidents of corruption in 2021 or 2022 and the company is not aware of any legal cases being brought against Havila Kystnuten or its employees regarding corruption. The company has not detected and has not received any reports about possible human rights violations or other ethical breaches.

As we recognize the importance of maintaining transparency and integrity in our operations. To ensure that our Key Performance Indicator (KPI) reporting is accurate and reliable, we are currently implementing robust anti-corruption policies and regulations. These measures help us to detect, prevent and mitigate any corrupt practices that could potentially compromise the quality of our reporting. By providing quality documentation, we can increase stakeholder trust and confidence, which is essential for maintaining a sustainable business. We continue to work towards improving our anti-corruption measures to promote ethical and responsible practices throughout our organization.

Supplier Sustainability Programme

A responsible supply chain.

Havila Kystruten understands the responsibility for sustainability in the entire supply chain and is planning to implement a Supplier Sustainability Programme.

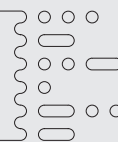
In addition to working together towards a sustainable future, the sustainability programme has the intention to reduce risks associated with disruption to supply, damage to reputation, inconsistency in the quality of products and services, and loss of market share and reduction of share price and profits.

PROGRAMME DEVELOPMENT

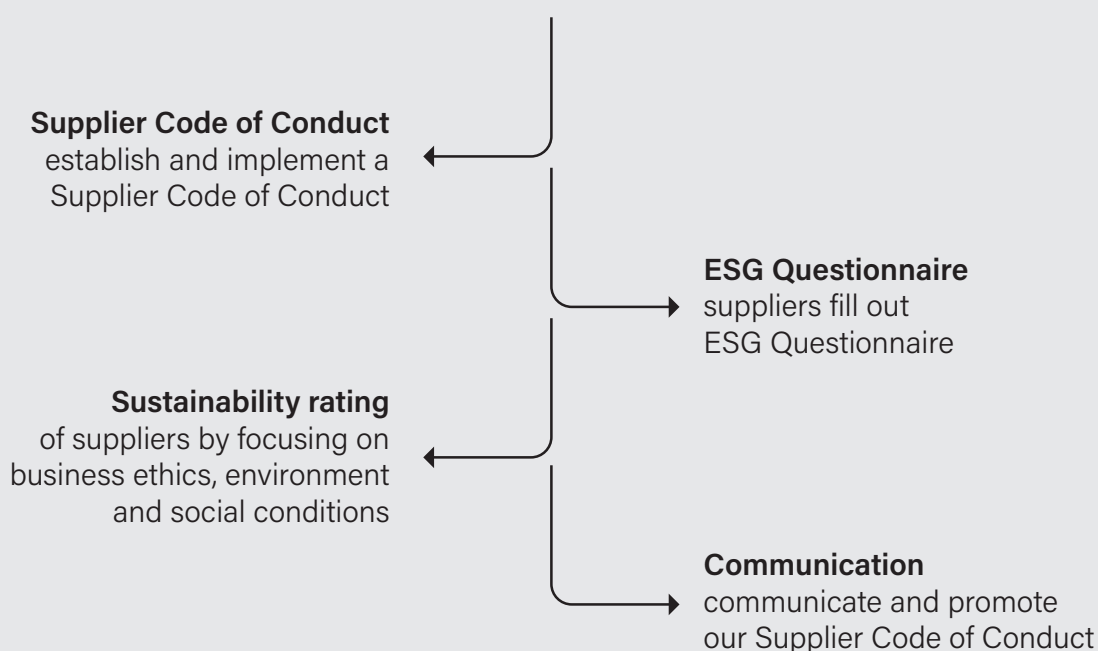
We commit our suppliers to our sustainability ambitions by signing a supplier code of conduct. In the short term, the programme focuses on gathering information about our suppliers, classifying them, and engaging them to work together with us to become more sustainable. Over time, the programme will evolve to increasingly consider the sustainability profile of our suppliers when making procurement decisions.

The programme has the following action points:

- Establish our Supplier Code of Conduct
- Develop a programme to engage suppliers
- Develop an ESG questionnaire for suppliers to fill out
- Create a sustainability rating of suppliers focusing on business ethics, environment and social conditions
- Communicate our Supplier Code of Conduct



Supplier Sustainability Programme action points



People

380 sailing crew

on board our ships along the norwegian coast in 2022.

38 employees

working in our onshore administration in 2022.



People is our greatest asset. Making sure we offer an environment our employees, guest and stakeholders can thrive in is our most important investment.

As a new company we have endless opportunities but we are confident that we are working everyday to live by our values **lead, share and care.**

Our goals

- Ensure a good and healthy working environment for all employees
- Promote diversity in leadership positions
- Implement measures for a good work/life balance
- 40% gender balance on all levels of the organisation within 2030

Priorities for 2023 and beyond

- Develop the Havila Kystruten Academy
- Implement an Employee Engagement Programme
- Implement an Individual Development Programme
- Perform an annual employee survey

Welcome to the family

IMPACT ASSESSMENT

The number, age, gender, and region of an organisation's new employee hires can indicate its strategy and ability to attract diverse, qualified employees. This information can signify the organisation's efforts to implement inclusive recruitment practices based on age and gender. It can also signify the optimal use of available labor and talent in different regions. Employees are a key stakeholder group that is directly affected by, and has a high impact on, Havila Kystruten's operations and business success.

Moreover, promoting diversity and equality at work can generate significant benefits for both Havila Kystruten and our employees. Working actively with improving diversity and inclusion can give access to a larger and more diverse set of potential workers, and these benefits will also flow through to society in general, as greater equality promotes social stability and supports further economic development. We consider diversity to be a key contribution to competitiveness in the coming years and thus, Havila Kystruten aims to have a diverse and inclusive working environment.

In our view, diversity transcends gender, and extends to age, nationality, cultural background, sexual orientation and religious belief or the like. Havila Kystruten does not accept any form of harassment, violence, discrimination, or other unacceptable behaviour. We encourage all of our employees to keep an open mind, speak out against discrimination and set an example of respectful and inclusive behaviour in their everyday actions. The company is currently developing a policy of promoting equality and prevent any form of discrimination on the basis of gender, ethnicity, religion, sexual orientation, age or disability.

According to ILO instruments, discrimination can occur on the grounds of race, color, sex, religion, political opinion, national extraction, and social origin. Discrimination can also occur based on factors such as age, disability, migrant status, gender, sexual orientation, among others. Havila Kystruten believes that the presence and effective implementation of policies to avoid discrimination are a basic expectation of responsible business conduct.

POLICY COMMITMENT

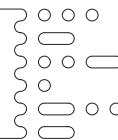
As a company headquartered in Norway, we operate in accordance with the Norwegian Working Environment Act and the Equality and Anti-Discrimination Act.

As a maritime coastal cruise company, we follow the regulations on working environment, safety and health for those who have their work on board ships, in addition to adhering to all relevant, national labour laws and regulations. The company's internal guidelines on the working environment and workers' rights are included in the onboard management system, and the Employee Handbook, which is currently being finalised. The worker's rights and duty to participate is also implemented in several of the company's management documents.

Havila Kystruten is responsible for ensuring safe and secure workplaces where the company operates and seeks to secure value for its customers, employees, the society, and other stakeholders. We strive to take care of the people who work for us, and continuously work to create a welcoming working environment and culture. We want to develop and retain talent, support employee well-being, and promote diversity, equality and inclusion – not just in Havila Kystruten, but across our industry.

To secure future value creation, recruiting and retaining talented employees and ensuring a diverse workforce is key for Havila Kystruten.





ACTIONS

Havila Kystruten had 380 sailing crew at the end of 2022. Havila Kystruten's administration consisted of 38 employees, eight of which worked outside of the headquarter in Fosnavåg: five employees in Oslo, one employee in Sweden, one employee in the UK and one employee in Germany.

Most of our employees have a maritime or hotel-related background, and most of them are either members of the Norwegian Seafarers' Union, the Norwegian Maritime Officers' Association or the Norwegian Union of Marine Engineers.

A continuous goal for Havila Kystruten is to increase the number of female employees and leaders, and the company's ambition is to establish a 40% gender balance on all levels of the organisation within 2030.

In 2022, we managed to significantly improve gender diversity. As of 31 December 2022, the company employed 157 (38%) women and 261 (62%) men.

In terms of wage we follow the collective agreement between The Norwegian Shipowners Association and their partnered unions: NSF, NSOF and NMF and there are no differences in pay between women and men for the same position group, vessel type and seniority. In 2022, women's amount of men's pay was 100%. Ensuring that both men and women have access to parental leave is not just an obligation, but something that is very important to the company. In 2022, none of Havila Kystruten's male employees took parental leave, compared to one woman. Seafarers are paid on the basis of tariffs negotiated between the Norwegian Shipowners' Association and the seafarers' organisations.

Diversity is always considered in recruitment processes. In 2022, 86% of the company's employees came from Norway, and 14% represented other nationalities, which was an increase from 2021. Attracting young talent to our organisation is important to us, and we actively engage with students.

The company employs seafarers from all ethnicities and discrimination is avoided by making education and qualifications decisive criteria. As such, Havila Kystruten

believe that our policies may contribute positively in the area of non-discrimination.

The company takes part in several initiatives aimed at improving gender balance. Since 2022, Havila Kystruten has been an active member of Wista International (Women's International Shipping and Trading Association). Wista International's mission is to attract and support women at the management level, in the maritime, trading and logistics sectors. One initiative that we have worked on specifically is the organisation's '40 by 30' Pledge, in which companies actively commit to promoting diversity in the maritime industry, most importantly by striving towards increasing the share of women in leading positions to 40% within 2030.

At each of Havila Kystruten's ships, staff select an employee representative who is responsible for conveying information and/or concerns about the working environment to the management. In addition, each ship has a safety representative, and we have also appointed a safety representative on land. Employee representatives regularly meet (separately or jointly) depending on relevance to the different working groups. The company has also formed a working environment committee (WEC), mandated to ensure and proactively promote working conditions in all locations that are satisfactory from an HSE and welfare perspective.

The company does not perform employee surveys as of today, but plan to have these implemented by 2023. We conduct an onboarding program for all new employees and have mentorship programme for new employees at sea.

It is critical for Havila Kystruten to attract and retain skilled workers, and the company endeavours to create a thriving working environment where everyone can grow and succeed. The company is currently in a growth phase and has been particularly focused on recruitment processes. We seek to utilise internal competence and skills wherever possible.

PERFORMANCE

See next page.

People

418 employees

ashore and onboard

36 %

female employees in leadership positions

KPI	2022					
EMPLOYEE OVERVIEW	ASHORE			ONBOARD		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total employees in %	55%	45%	100%	63%	37%	100%
Total employees	21	17	38	240	140	380
Permanent employees	17	16	33	211	116	327
Temporary employees	4	1	5	29	24	53
Full time employees	20	16	36	240	140	380
Part time employees	1	1	2	0	0	0
New hires (permanent)	8	8	16	104	58	162
Employee turnover (end contract) (Permanent)	3	1	4	52	26	78
Parental leave	3	1	4	5	1	6

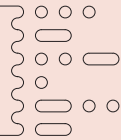
KPI	2022		
EMPLOYEE FUNCTION	MEN	WOMEN	TOTAL
Deck	65	7	72
Engine	54	6	60
Hotel	121	127	248
Administration	21	17	38

KPI	2022		
AGE DISTRIBUTION	ASHORE		
	-30	30-50	50+
Board of Directors	0	1	4
Executive management (C-level)	0	2	5
Non-executive management	0	13	3
Rest of the organisation	4	8	3

KPI	2022		
GENDER DISTRIBUTION	ASHORE		
	MEN	WOMEN	TOTAL
Board of Directors	3	2	5
Executive management (C-level)	5	2	7
Non-executive management	10	6	16
Rest of the organisation	7	8	15

WORKING ENVIRONMENT	2022	2021
80% Employee satisfaction survey	N/A	N/A

Employee satisfaction survey will be implemented in 2023.



Human rights

The new Norwegian Transparency Act entered into force on 1 July 2022. According to the Transparency Act, larger enterprises are required to carry out due diligence of fundamental human rights and decent working conditions. The Transparency Act is based on the UN’s Guiding Principles on Business and Human Rights (UNGP) and the OECD’s guidelines for multinational companies.

In addition to working together towards a sustainable future, the sustainability programme has the intention to reduce risks associated with disruption to supply, damage to reputation, inconsistency in the quality of products and services, and loss of market share and reduction of share price and profits.

- 1. Ensure accountability in policies and management systems
- 2. Monitor and assess negative impact/risk based in the enterprise itself, supply chains and business partners
- 3. Stop, prevent or reduce negative impact/risk
- 4. Supervise implementation and results
- 5. Communicate with direct parties concerned and rights holders on how the impact is handled
- 6. Ensure or collaborate on remedies where necessary

SUPPLIERS
Shipyards
Products and services

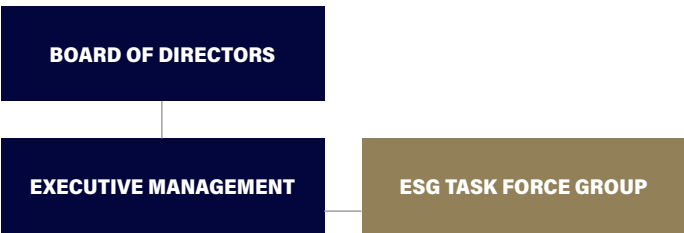
OUR HUMAN RIGHTS APPROACH

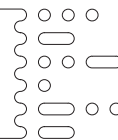
Havila Kystruten is a Norwegian coastal cruise company operating the classical coastal route from Bergen to Kirkenes. We provide our guests with unforgettable voyages through the stunning beauty of Norway’s coastline.

Havila Kystruten is located in Fosnavåg on the west coast of Norway. The company is listed on Euronext Growth, employs around 418 people and operates two passenger vessels within coastal cruising in Norway with two more vessels to come.

The Board of Directors supervises the implementation of the ESG strategy. The BoD is informed of the ESG strategy implementation progress quarterly. Within our ESG strategy we have committed to work on prevention, identification and remediation of human rights violations. We have established a ESG task group. The task group defines and drives the implementation of the sustainability strategy, and is responsible of ensuring that there are clearly established accountability, processes, and systems in place for our ESG performance, including management of impacts on human rights. Part of their activities are:

- Review statistics and risk mapping for human rights on an annual basis.
- Provide information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence.





INITIAL ASSESSMENT RESULTS

Havila Kystruten's actions conducted an initial assessment of the potential adverse impact on human rights in the supply chain and identified the highest risk among suppliers.

Based on this, the risks we should mention in the report are:

- **Labour rights**
 - Terms of employment
 - Wages and workhours
 - Workplace discrimination
 - Forced and bonded labor (salary deductions)
 - Health and safety
- **Environmental rights**
 - Pollution and toxic or hazardous chemicals
- **Voice and participation**
 - inclusivity and participation
 - Privacy
- **Gender equality**
 - Gender-based discrimination
 - Sexual harassment
- **Governance and Security**
 - Employees exposed to external dangers
 - Misuse of Government Authority

In order to mitigate these and other risks in our supply chain, Havila Kystruten has:

- Implemented a human rights policy
- Implemented a supplier code of conduct with reference to human rights
- Implementation of a 3rd party whistleblowing system (website, policies and codes of conduct)
- Approval of guidelines to deal with a potential or actual violation of human rights
- A plan to offer Human rights e-learning course
- Implementation of supplier human rights risk assessment

Risk profiles based on:

- Social risk associated with country of supplier
- Social risk associated with industry relevant to supplier

Requirements based on risk profile:

- Medium risk: Signed code of conduct and ESG questionnaire required
- High risk: Same as medium risk requirement + Human rights audit

HUMAN RIGHTS RISKS

2022 - WITHOUT YARD		SHARE OF SPEND	SHARE SUPPLIERS
HAVILA KYSTRUTEN OPERATIONS AS	Low	85.5%	67.3%
	Medium	11.3%	16.0%
	High	1.4%	13.4%
	Not classified	1.8%	3.3%

GRI content index

STATEMENT OF USE	Havila Kystruten AS has reported the information cited in this GRI content index for the period 1st January 2022 to 31st December 2022 with reference to the GRI Standards.
GRI 1 USED	GRI 1: Foundation 2021

	DISCLOSURE	REFERENCE	OMISSION
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	About this report	
	2-2 Entities included in the organization's sustainability reporting	About this report	
	2-3 Reporting period, frequency and contact point	About this report	
	2-4 Restatements of information	About this report	
	2-5 External assurance	About this report	
	2-6 Activities, value chain and other business relationships	About Havila Kystruten	
	2-7 Employees	People Performance	
	2-8 Workers who are not employees	People Performance	Not applicable: Havila Kystruten has not broken down by region as all employees are in Norway. Should this change in future reporting, we will add these categories. The company does not have any non-guaranteed hours employees.
	2-9 Governance structure and composition	Corporate Governance	Information unavailable: The company does not possess information on the total number of workers who are not employees and whose work is controlled by the organization, but will seek to obtain this in coming reporting.
	2-10 Nomination and selection of the highest governance body	Corporate Governance	
	2-11 Chair of the highest governance body	Corporate Governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance	
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance	
	2-15 Conflicts of interest	Corporate Governance	
	2-16 Communication of critical concerns	Corporate Governance	
	2-17 Collective knowledge of the highest governance body	Corporate Governance	Not applicable: Havila Kystruten has currently not implemented specific measures to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development. In coming reporting, we will add this information if initiatives are implemented.
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	Not applicable: The company does not yet have processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on ESG. In the coming time, we will seek to add such measures and include them in reporting.
	2-19 Remuneration policies	Corporate Governance	
	2-20 Process to determine remuneration	Corporate Governance	
	2-21 Annual total compensation ratio	Corporate Governance	
	2-22 Statement on sustainable development strategy	CEO Letter	
	2-23 Policy commitments	Ethics and transparency	
	2-24 Embedding policy commitments	Corporate Governance	
	2-25 Processes to negative impacts		Not applicable: Havila Kystruten has not registered any negative impacts in the reporting period that require remediation. Should such impacts occur, we will add information on this in future reporting.
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and transparency	
	2-27 Compliance with laws and regulations	Ethics and transparency	
	2-28 Membership associations	About Havila Kystruten	
	2-29 Approach to stakeholder engagement	Approach to Kystruten's Stakeholders	
	2-30 Collective bargaining agreements	People Actions	Information unavailable: Havila Kystruten is unable to calculate the percentage of total employees covered by collective bargaining agreements, but this applies to most of our employees. The company will improve data gathering processes and plans to obtain the information in 2023.

GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	Our stakeholders	
	3-2 List of material topics	Our stakeholders	
ENVIRONMENT			
GRI: 3 Material Topics 2021	3-3 Management of material topics	Environment Impact Assessment	
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Environment Performance	Information incomplete: While Havila Kystruten has gathered Scope 1 emissions data, we are not reporting specific information on methodology. The company will improve data gathering processes and plans to obtain the information in 2023.
	305-2 Energy indirect (Scope 2) GHG emissions	Environment Performance	Information incomplete: While Havila Kystruten has gathered Scope 2 emissions data, we are not reporting specific information on methodology. The company will improve data gathering processes and plans to obtain the information in 2023.
	305-3 Other indirect (Scope 3) GHG emissions	Environment Performance	Information incomplete: While Havila Kystruten has gathered Scope 3 emissions data, we are not reporting specific information on methodology. The company will improve data gathering processes and plans to obtain the information in 2023.
HEALTH AND SAFETY			
GRI: 3 Material Topics 2021	3-3 Management of material topics	Health and Safety Impact Assessment	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	Health and Safety Actions	
	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety Actions / Impact	
	403-3 Occupational health services	Health and Safety Actions	Not applicable: Employees in Norway are covered by public health services, and Havila Kystruten therefore does not provide any additional services to employees.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety Actions	
	403-5 Worker training on occupational health and safety	Health and Safety Actions	
	403-6 Promotion of worker health	Health and Safety Actions	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety Policy Commitment	
	403-8 Workers covered by an occupational health and safety management system	Health and Safety Actions	
	403-9 Work-related injuries	Health and Safety Performance	
	403-10 Work-related ill health	Health and Safety Performance	
LOCAL COMMUNITIES AND SERVICES			
GRI: 3 Material Topics 2021	3-3 Management of material topics	Local communities and services, Impact assessment	
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Local communities and services, Actions	
ETHICS AND TRANSPARENCY			
GRI: 3 Material Topics 2021	3-3 Management of material topics	Ethics and transparency Impact assessment	
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	Ethics and transparency Performance	
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and transparency Actions	
	205-3 Confirmed incidents of corruption and actions taken	Ethics and transparency Performance	
PEOPLE			
GRI: 3 Material Topics 2021	3-3 Management of material topics	People Impact Assessment	
GRI 401: EMPLOYMENT	401-1 New employee hires and employee turnover	People Performance	
	401-3 Parental leave	People Performance	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY	405-2 Ratio of basic salary and remuneration of women to men	People Performance	
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	People Actions	



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