

Fjord1



Sustainability report



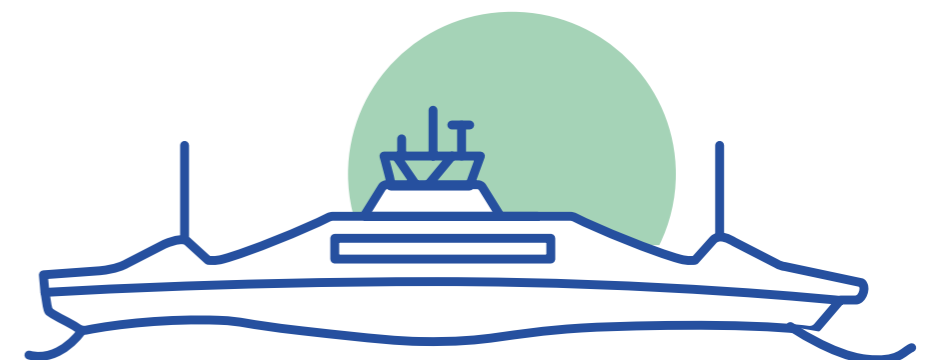
2023

Fjord1

Sustainability Report 2023

Contents

1. Message from the CEO	04
2. About this year's report	05
3. Sustainability in Fjord1	06
4. Environment and climate	18
5. Social factors	34
6. Ethical business practice and governance	64



Message from the CEO



As the country's leading ferry company, operating the largest number of services in Norway, Fjord1 bears a heavy corporate social responsibility to cultivate a sustainable industry with ambitions, development and eco-friendly technology at its core. We have a long tradition of exploring and applying new technology to perform our social mission in the best interests of passengers, society and the climate. Fjord1 aims to be the most eco-friendly and reliable provider of transport services, with the UN Sustainable Development Goals (SDGs) well implemented throughout the value chain.

The transition to new, low-emission technology aboard our vessels has been Fjord1's largest sustainability initiative, and a milestone on the journey to a greener future. With over half of our fleet now powered by zero-emission technology, greenhouse gas emissions have plummeted – an achievement that underlines our commitment to the company's sustainability targets.

In 2023, the company was awarded the contract to operate the world's first autonomous ferry service on the E39 highway between Lavik and Oppedal. In this connection, we will develop an entirely new, world-leading technology to be installed on four fully autonomous ferries. This is a new step on the way to greater automation in the maritime sector, where we are charting the course for future digitalisation and automated solutions. We are, moreover, proud to be spearheading the industry's development, by incorporating environmental considerations in everything we do – from the design and construction of new vessels, to day-to-day operation of eco-friendly sailings and wise procurements.

The company's sustainability endeavours have been noticed outside of Norway, too. This has been confirmed this year with the advent of new owners based abroad. Our new owners were impressed not only by the high quality of our vessels and charging infrastructure, but also by our crews' ability to operate an agile and effective service.

On top of all the technology and innovation, it is our *people* who constitute the backbone of our success and the most important factor in our work on sustainability. Our employees are not merely co-workers, they are co-authors of our success story. Their commitment and competence are the keys to our growth and success, which you can read more about in Chapter 5 of this report.

As the company's CEO, I am proud of the efforts we are making to lead the way in the energy transition, both nationally and internationally. It is with a sense of both awe and excitement that we turn our gaze to the future.

I hope you will gain a greater understanding of our passion and ambition, as well as the challenges we face, by reading this report.

Together, we are stronger; and together, we will pursue the course we have charted towards a more sustainable and brighter tomorrow!

Dagfinn Neteland,
CEO

About this year's report

Fjord1 has reported on multiple sustainability aspects since 2021.

In the time ahead, new requirements with respect to sustainability reporting will come into force as a result of the EU Corporate Sustainability Reporting Directive (CSRD). We expect that the company will have a duty to report in compliance with the new rules with effect from the 2024 financial year.

The new reporting requirements will ensure more balanced and transparent reporting across companies and business sectors, which will strengthen future sustainability activities and is in keeping with our own ambitions and strategies.

In 2024, we will continue working to ready ourselves to meet future reporting requirements. As part of this endeavour, we have elected to structure this year's sustainability report in line with the composition of the new European Sustainability Reporting Standards (ESRS).

Our objective has been to focus on how we must present our sustainability activities in accordance with the ESRS. For this reason, the report does not meet all the requirements that will encompass Fjord1 under the ESRS. However, it is one of several steps along the way to implementing the new structure and thereby initiating the process of integrating the new requirements into our sustainability work.

In 2021, Fjord1 performed an in-depth analysis to identify the important drivers for our sustainability endeavours. This took the form of interviews with internal and external resources, as well as a qualitative assessment by an internal project group.

We adjusted the analysis in 2023, with the results summarised in section, *Material sustainability aspects*. In recent years, we have taken a number of steps to contribute to a sustainable transition. These include the electrification of the fleet, energy-saving measures, a focus on the prevention of emissions to the air and sea, waste management and the use of local suppliers in the Catering segment. These initiatives are described in more detail in the section on environmental, social and governance (ESG) issues.

A key element in Fjord1's sustainability-related efforts going forward will be to perform a double materiality assessment of sustainability in its own operations and those of its supply chain. (Double materiality means that companies must consider not only how their actions impact people and the planet, but also how sustainability issues could affect their own financial wellbeing.) This is a thorough assessment that is required under the new statutory provisions.

This year's report is divided into six main sections. The first section explains what Fjord1 is and what we are doing in the area of sustainability, how this work is managed and how responsibilities for it are allocated. We then take a closer look at the environmental, social and governance (ESG) area. In the chapter on the environment and climate, you can read more about our climate accounts and emissions to the air and sea. In the section covering social aspects, you will find more about the factors that impact our own employees and those in our supply chain, local communities and passengers. Finally, in the chapter on ethical business practices, you will find more about the company's corporate culture and ethical guidelines.



Sustainability in Fjord1

- About Fjord1 and its sustainability-related activities
- Strategy and business model
- Car ferry and high-speed passenger boat services
- Catering: Ferdamat
- Management of the work relating to sustainability
- Roles and responsibilities
- Our primary stakeholders
- Material sustainability aspects
- Our guidelines

About Fjord1 and its sustainability-related activities

Strategy and business model

Fjord1 is a leading provider of ferry services in Norway. Its mission is to provide passengers with safe, reliable and eco-friendly transport. We offer both car ferry and high-speed passenger boat services along the Norwegian coast, as well as catering services.

Car ferry and high-speed passenger boat services

Fjord1's core business is the provision of ferry transport services. It is the largest ferry company in Norway. In 2023, the company operated 44 ferry crossings with 79 vessels in five counties: Vestland, Møre og Romsdal, Rogaland, Trøndelag and Nordland. In 2023, Fjord1 operated three of the ten busiest ferry crossings in Norway.

The county councils and the Norwegian Public Roads Administration purchase ferry services on the roads for which they are respectively responsible. The operation of ferry services is largely put out to competitive tender, with ferry companies owning and operating their own vessels.

These public bodies are therefore an extremely important customer group for Fjord1's ferry services in Norway. They set standards for the ferries' operation through tender processes, and are thus important drivers for sustainable technology.

Passengers are also a vital customer group. In 2023, the company had 17 million passengers and transported 10.5 million vehicles.

In recent years, Fjord1 has been part of an "electric ferry revolution", which has involved massive developments with respect to technology, onshore power supply, testing, adjustment, new partnerships and positioning in the market. We plan to convert all suitable vessels to zero-emission vessels in line with new contracts. The switch to electric power eliminates both greenhouse gas (GHG) emissions and other forms of air pollution. In January 2024, Fjord1 had a total of 21 fully electric ferry crossings, 37 electric ferries and 41 charging towers.

Fjord1 had been waiting for the development of appropriate zero-emission technology in the high-speed passenger boat market, and had therefore not taken active steps in this segment. When this technology finally became available, we were delighted to win contracts to operate high-speed passenger boat services in the cities of Stavanger and Bergen.

In the past few years, Fjord1 has actively endeavoured to find new markets. In 2022, Fjord1 expanded its ferry services to Canada.



Catering: Ferdamat

Fjord1 operates its own catering concept, called *Ferdamat* (Food on the Go), aboard its ferries.

For those who travel with Fjord1's ferries, the refreshment kiosk is likely to be their "window onto the company's soul". In recent years, Fjord1 has phased in the most environment-friendly materials and products, and now focuses on sustainability in all areas.

Serving food on board is closely linked to the Ferry segment and is an important area for Fjord1. Through the *Ferdamat* concept, we have focused on providing high-quality food, freshly made using local ingredients and with a visual identity that enables customers to recognise that they are travelling with a Fjord1 ferry.

Ferdamat comprises a combination of self-service and staffed kiosks. In 2023, we had 48 self-service and 20 staffed kiosks. The selection of food, beverages and other items sold at the kiosks varies according to the season and the size of the vessel. Kiosks aboard smaller vessels may offer a coffee machine and a range of confectionery and

pre-packed snacks, while the larger kiosks serve our signature dish, traditional Norwegian *lapskaus*.

Fjord1's No. 1 signature product, however, is the fluffy pancake known as a *svele*. In 2023, we sold 482,000 *svele* and 622,000 cups of coffee.

The company is constantly striving to develop its catering concept in accordance with passengers' needs and the general demand.

In 2023, Fjord1 focused particularly on products whose suppliers also make sustainable choices. In 2023, Fjord1 partnered with the supplier "MER ENN" in the effort to reduce food waste. Reducing food waste also helps to reduce greenhouse gas emissions.

In addition, Fjord1 continued to focus on switching to recyclable or biodegradable packaging. We emphasise sustainability in the Catering segment. This is presented in more detail in the "Environment and climate" chapter.

Key figures for 2023



Gross revenue: NOK 3.8 bn



Total assets: NOK 10.7 bn



Equity: NOK 1.3 bn



Pre-tax profit: NOK 0.3 bn



EBITDA: NOK 1.3 bn

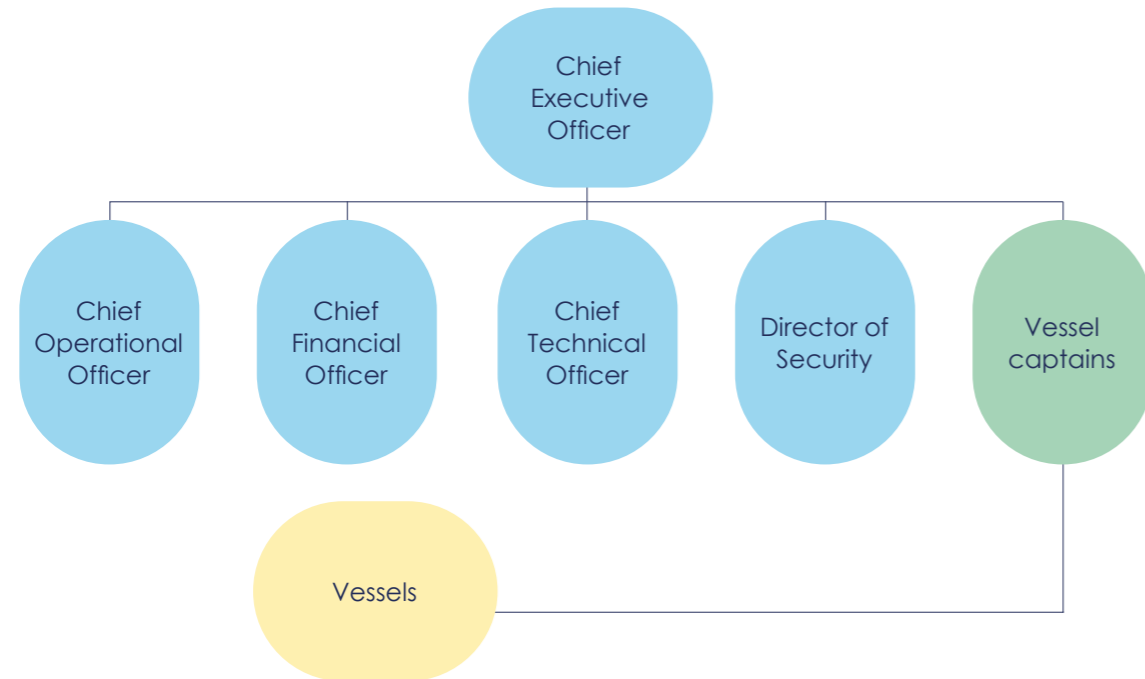


Investments: NOK 0.3 bn

Management of the work relating to sustainability

Roles and responsibilities

We work systematically to become more sustainable and to integrate our sustainability endeavours in our day-to-day routines and structures, in order to ensure that the work is coordinated and risks are reduced. Responsibility for sustainability is allocated as follows:



The Board

The Board sets the overall direction and has ultimate responsibility for the company's sustainability-related efforts. The Board receives quarterly reports on key KPIs, such as those relating to health and safety. These help the Board to monitor risks and opportunities, as well as the progress being made with respect to the targets set.

Chief Executive Officer

Chief Executive Officer (CEO) Dagfinn Neteland has operational responsibility for sustainability and follows up strategies and action plans.

Chief Operational Officer

Chief Operational Officer (COO) André Høyset is responsible for ensuring that strategies and ambitions result in tangible procedures and actions aboard our vessels.

Chief Financial Officer

Chief Financial Officer (CFO) Anne-Mari Sundal Bøe is responsible for following up financial risks related to sustainability, in addition to providing financial stakeholders with information on sustainability indicators. The CFO also has a

responsibility with respect to employees, since this role monitors the HR functions.

Chief Technical Officer

The company's strategy emphasises the implementation of innovative solutions, and Chief Technical Officer (CTO) Nils Kristian Berge plays a vital role in ensuring that we make progress towards our goals.

Director of Security

Our ambitions and targets in the area of occupational health, safety and environment (HSE) are followed up by Director of Security Eilert Nøttingnes, who is responsible for assessing risk and implementing procedures and actions relating to our workforce. The Director of Security also has responsibility for sustainability-related activities within the company.

Vessel captains

The captain of each vessel is responsible for following up the company's ambitions relating to HSE and energy consumption, based on procedures drawn up by the COO and Director of Security.



Our primary stakeholders

Our primary stakeholders affect our sustainability-related efforts in various ways:

Owners

Our owners influence the company's strategic direction by communicating their expectations about how the company should be run. Their requirements relating to sustainability have increased in recent years.



Portfolio companies

For the purposes of this report, Fjord1 AS includes the co-owned portfolio companies The Fjords and Fjord Tours Group, which both focus on sustainable tourism and offer sightseeing trips on the fjords with zero- or low-emission vessels. However, since the new owners' formal takeover of Fjord1 in 2024, these portfolio companies are no longer part of the enterprise.



Government authorities

Norway has ambitious targets in the climate area and sets strict standards with regard to HSE, including safety measures and regulations relating to waste management. We aim to meet or exceed these standards and do what we can to help meet national climate targets.



Customers

Our customers are primarily county councils and the Norwegian Public Roads Administration, in addition to the Norwegian Ministry of Transport. Competitive tenders, with their increasing requirements for low- and zero-emission transport, are important factors in determining our ambitions.



Local communities

We offer day-to-day transport and job opportunities in the local communities in which we operate. We also engage in these communities through sponsorship agreements and other events to ensure good relations.



Financial institutions

Our financial stakeholders include bond holders and creditors, as well as the Nordic Investment Bank and the Norwegian Export Credit Guarantee Agency (GIEK). We are seeing a growing focus on sustainability and expect that the EU Taxonomy will lead to even more stringent requirements.



Passengers

Our passengers are crucial for our business and we are always open to suggestions and potential improvements. Passengers can contact us through customer service or our online complaints form at www.fjord1.no.



Employees

Fjord1's goal is to be an attractive workplace. We perform an annual employee satisfaction survey and strive to offer a safe and secure working environment to all employees, as well as opportunities for personal and professional development. This is important if we are to recruit the best people. Read more about our own workforce and our stakeholder dialogue with them in Chapter 5 on social factors.



Suppliers

Fjord1 has a wide range of suppliers. We require them to sign a Supplier Code of Conduct and we regularly visit selected suppliers to follow up working conditions there. Fjord1 is also a member of Incentra, which assesses suppliers for the shipping industry.



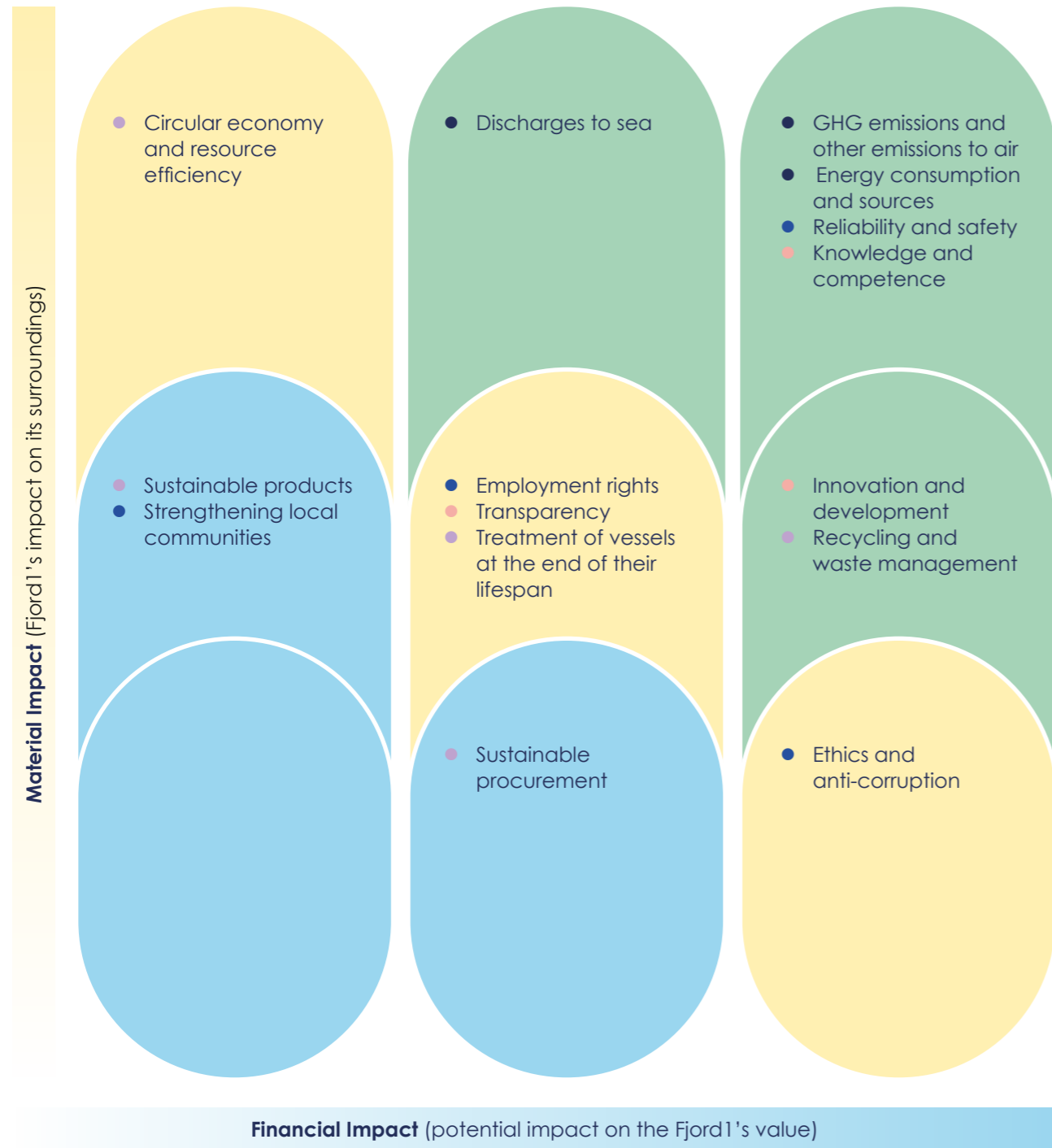
Business sector

Fjord1 cannot drive developments on its own. Efforts by the entire business sector will be necessary to make transport more sustainable. We aim to be at the forefront of the energy transition, to serve as an example of what is possible and to engage with others to innovate and optimise our operations.



Material sustainability aspects

In 2021, Fjord1 performed an in-depth analysis to identify important drivers in the effort to boost sustainability. The analysis was based on interviews with internal and external resources, as well as a qualitative assessment by an internal project group. Following an adjustment in 2023, our sustainability drivers can be summarised as follows:



Focus areas

- Taking responsibility for our climate and our fjords
- Driving innovation and development
- Taking care of people and local communities
- Acting sustainably throughout the value chain

Materiality level

- Material
- Important
- Watch closely

To structure and concentrate our endeavours, the results of the analysis have been grouped into four focus areas. These focus areas represent the consolidated outcome of the materiality analysis.

Taking responsibility for our climate and our fjords

Because we live and work around the fjords, we will continue to engage in this endeavour for a long time to come. It is therefore important for us to do what we can to limit emissions to the air and sea. Within this focus area, we find:

- **Greenhouse gas emissions and other emissions to air:** Our primary impact on greenhouse gases comes from the combustion of fuel aboard our ferries. We are targeting zero emissions and are proud that almost half of our fleet already comprises zero-emission ferries. This means that emissions of NOx and SOx have been substantially reduced.
- **Energy consumption and energy sources:** The most important factor in reducing emissions to air is to focus on energy consumption and energy sources in our fleet. Energy consumption decreases in line with the switch away from fossil fuels, since electrical power is more energy efficient.
- **Emissions to sea:** As the operator of seagoing vessels, we have a great responsibility to protect marine life. An important aspect of this is to minimise the amount of pollution produced by our vessels.

Driving innovation and development

To reach our sustainability targets, we aim for continuous improvement through innovation and development. Our goal is to be the leading player in our business sector. Within this focus area, we find:

- **Innovation and development:** Fjord1 has been at the forefront of the electrification of the ferry fleet, and has developed skills and expertise that can be exploited to achieve a competitive advantage.
- **Transparency and candour:** we wish to report candidly about our actions and performance in order to show that we are serious about realising our ambitions and to further incorporate sustainability in our day-to-day operations.
- **Knowledge and competence:** Fjord1 depends on the knowledge and competence of its workforce to operate sustainably and ensure its passengers have a safe journey.



Taking care of people and local communities

It is important to ensure the safety of both employees and passengers aboard our vessels. In this way, we can continue to bring people together and be of benefit to local communities. Within this focus area, we find:

- **Operational security:** The safety of our passengers and crews is our highest priority.
- **Labour rights:** All employees are treated equally, irrespective of gender, ethnicity, age, sexual orientation or religion.
- **Ethical business practices and anti-corruption:** Fjord1 has a well-established Employee Code of Conduct, in addition to clear whistle-blowing procedures.
- **Strengthen local communities:** It is important for all concerned that we work actively, systematically and preventively with respect to the working environment. We operate in many local communities and it is our responsibility to make a positive contribution by taking care of both people and the environment.

Acting sustainably throughout the value chain

Fjord1 has a responsibility to its owners, employees and passengers to operate responsibly. This includes interacting with and holding our partners accountable for what happens before and after our portion of the value chain. Within this focus area, we find:

- **Recycling and waste management:** Fjord1 has implemented waste management plans for all ferry crossings and all our administrative departments.
- **Circular economy and efficient use of resources:** Fjord1 has a responsibility to make use of resources that can be recycled or are recycled.
- **Sustainable products:** Fjord1 wishes to offer and use a wide range of sustainable products to reduce our own carbon footprint.
- **Sustainable procurement:** Fjord1 maintains a strong focus on ethics and human rights in its procurement processes.
- **Treatment of decommissioned vessels:** Fjord1 has developed guidelines to ensure the sustainable treatment of vessels that have reached the end of their useful lives.



Our guidelines

We have various processes to ensure responsible business practice. These include risk analysis, communication, oversight and a conscious approach to ethical business conduct. Our guidelines and procedures are intended to operationalise the targets in our sustainability strategy. Some of our most important governing documents are:

- Employee Code of Conduct.
- Self-certifications for suppliers relating to HSE and CSR.
- Energy system certified in accordance with ISO 5001 (Energy Management) and Ship Energy Efficiency Management Plans (SEEMP) for each vessel.
- Guidelines and procedures relating to our employees, including recruitment, working hours, pay and benefits, training and competence etc.
- Strategic HSE plan.
- Waste management plans for all vessels and departments.
- Whistleblowing policy and complaints-handling procedures.



Environment and climate

- Energy and climate
- Energy consumption
- Greenhouse gas emissions (environmental impact)
- Pollution
- Emissions to air
- Discharges to the sea
- Use of resources and the circular economy
- Procurement
- Waste and recycling

Environment and climate

Our social mission gives us a particular responsibility to leave as small a footprint as possible, in terms of both emissions to the air and discharges to the sea.

In recent years, we have invested heavily in measures to improve the energy efficiency of our vessels and in technology that primarily uses electricity as its energy source. For the company, this has been crucial for our work to reduce greenhouse gas emissions and other emissions to the air. The development of new technology is demanding both financially and with respect to the resources needed to resolve the challenges that arise. Nevertheless, seeing that this work delivers valuable impacts in the form of reduced greenhouse gas emissions is extremely motivating.

Fjord1 also bears a heavy responsibility to protect marine life, and we wish to do our part to keep Norway's fjords clean. Our ambition is to have zero emissions to the sea and to reduce the amount of blackwater and greywater (wastewater and sewage) we discharge. Intensifying the company's efforts in this area, while increasing the scope of its reporting, therefore constitutes an important objective.

Ensuring responsible use of resources is also an important aspect of our efforts to boost sustainability. We can influence the use of resources both through our choice of purchases and by facilitating the use of resources that have been previously discarded or that can subsequently be recycled.

Energy and climate

Fjord1 aims to be the most reliable and attractive supplier of energy-efficient and eco-friendly ferry and high-speed passenger boat services for our passengers, customers and business partners. The electrification of vessels reduces both our energy consumption and our impact on the environment. Our objective is to reduce our carbon footprint by 75 per cent by 2030, and achieve zero emissions from our own operations (Scope 1) by 2035. We will achieve this through innovation and new technology, and by investing in our employees, to develop their knowledge and expertise.

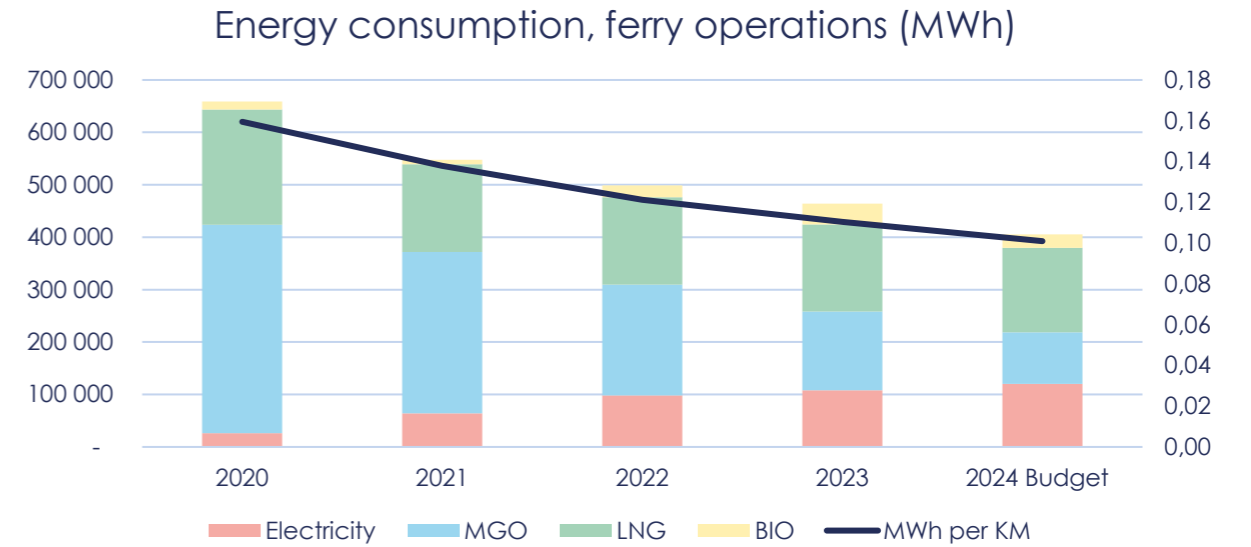
Climate reporting is an opportunity to measure and evaluate the effect of the company's climate-related efforts, and enables us to set clear targets. It should nevertheless be noted that this work is under development, and the report must be seen in this light. The *operational control approach*, as described in the GHG Protocol, underpins this report.

This approach defines which of an organisation's operating assets are included in the climate accounts. Fjord1's climate accounts for 2023 are nevertheless restricted to Scope 1 (direct emissions) and Scope 2 (emissions from externally sourced energy). In 2024, we plan to estimate our Scope 3 emissions (emissions deriving from our value chain). These are expected to include emissions from the construction of new ferries and purchased transport services.

These elements are also important aspects of the standards we set for our suppliers. In a tender competition, for example, we may assess energy optimisation or energy efficiency measures, such as the consumption of fuel and electricity, waste management and/or other quantifiable issues. Fjord1 is keen for its suppliers to have a third party certified environment management system or have obtained certification in accordance with a recognised environmental standard, such as ISO 14001.

Energy consumption

Changes in energy consumption are illustrated in the graph below. The graph shows that we continued to reduce both total energy consumption and energy consumption per kilometre by switching from fossil fuel to electrical power. The transition from marine gas oil (MGO) to electricity results in a sharp decrease in energy consumption. This is reinforced by a reduction in the consumption of both MGO and liquid natural gas (LNG).



In addition to the sweeping changes we have made to our ferry operations, we are also implementing smaller initiatives. For example, Fjord1 makes use of a steadily increasing number of coffee makers that drip straight into a Thermos jug, thereby saving electricity aboard the ferries.



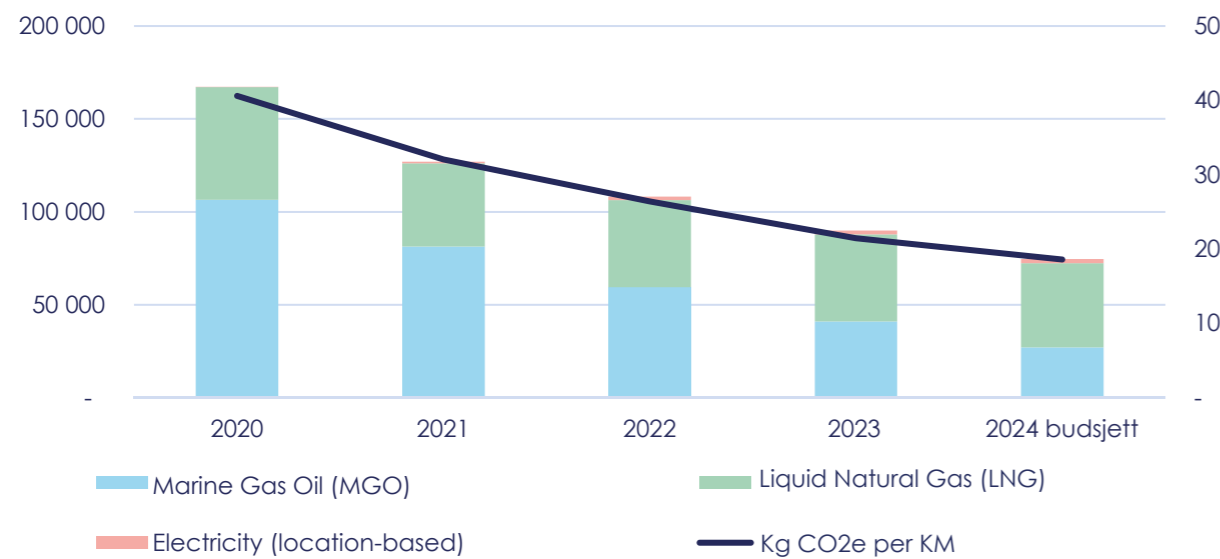
Greenhouse gas emissions (environmental impact)

As we have gradually switched to electric ferries, the impact of our ferry operations on the climate (both overall and per kilometre) has fallen significantly. Between 2019 and 2023, considerable progress has been made. This positive trend is expected to continue in 2024. Emissions relate primarily to the use of marine gas oil (MGO) and liquid natural gas (LNG). An increased level of electrification will contribute to a substantial reduction in CO2 emissions. The company is also working with its customers to examine the possibility of changing the terms of existing contracts based on fossil fuels.

Reporting covers all activities performed under contracts over which Fjord1 AS has operational control. Scope 2 also includes electricity consumption relating to leased premises. The reporting period follows the calendar year. The GHG Protocol defines six different greenhouse gases that must be included in the climate accounts. Fjord1's climate accounts include emissions from these sources converted into tonnes of CO2 equivalents (CO2e), based on their impact. The table shows that Fjord1 has achieved a substantial reduction in greenhouse gas (GHG) emissions.

GHG emissions are reported in total figures (tCO2e) and in tCO2e per km, based on an operational control approach: Scope 1 (direct emissions) is calculated on the basis of fuel consumed by our ferry operations and our own vehicles. Scope 2 emissions (indirect emissions from purchased energy) are based on consumption in our electric ferries and our (owned and leased) buildings, and are calculated using both the location-based and the market-based methods. Biogen emissions from biofuels are reported separately outside Scope 1 and Scope 2, in accordance with the GHG Protocol. Some contracts also require us to report to our customers on emissions on specific services.

Emissions of CO2e from ferry operations



Climate accounts in accordance with the GHG Protocol

Scope 1 - Direct emissions				
Emissions in tonnes of CO2-equivalents				
Emission source	2020	2021	2022	2023
Marine Gas Oil, Liquid Natural Gas, Biodiesel	167 144	126 226	106 432	88 011
Diesel	17	6	5	4
Petrol	18	29	32	20
Gas refrigerants	272	340	279	192
Sum Scope 1 - Direct emissions	167 450	126 600	106 747	88 227

Scope 2 - Indirect emissions					
Emissions in tonnes of CO2 equivalents (CO2e)					
Emission source	Consumption 2023 (kWh)	2020	2021	2022	2023
Electricity (location-based)	107 861 884	216	719	1 885	2 061
Electricity (market-based)	107 861 884	10 838	26 274	49 791	54 456
Total Scope 2 - Indirect emissions (location-based)		216	719	1 885	2 061
Total Scope 2 - Indirect emissions (market-based)		10 838	26 274	49 791	54 456

Outside scope					
Emissions in tonnes of CO2 equivalents (CO2e)					
Emission source	Consumption 2023 (litres)	2020	2021	2022	2023
Biodiesel (Biogen)	4 196 322	3 838	2 264	5 793	10 197
Total outside scope		3 838	2 264	5 793	10 197

* The CO2e emissions for LNG presented in previous Fjord1 sustainability reports were calculated incorrectly. This has been corrected in this year's report, and figures back to 2019 have been updated correspondingly.

We also have 14 vehicles in our operations. Of these, 43 per cent are hybrid-electric. The company plans to gradually switch to zero-emission vehicles as the technology and charging infrastructure in our area becomes more mature.

Pollution

Emissions to air

In addition to CO2, we produce emissions of NOx and SOx. However, emissions of NOx and SOx have been reduced in line with the electrification of the fleet, in the same way as carbon emissions.

Fjord1 have implemented measures to reduce NOx emissions from vessels. This has been achieved by upgrading engines and onboard scrubber systems. This has been accomplished in cooperation with the NOx Fund.

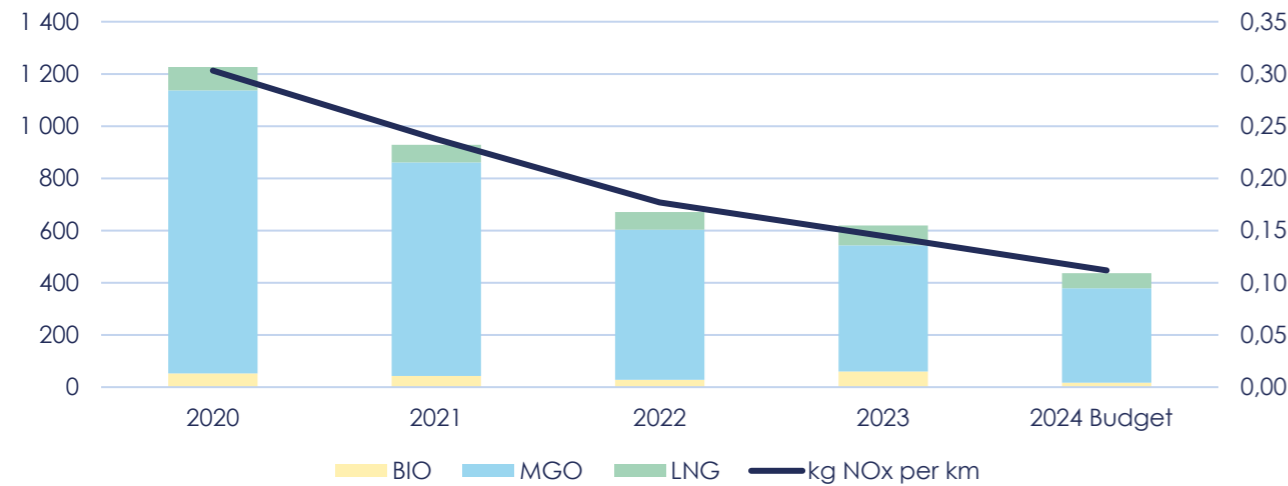
All vessels with installed batteries rechargeable from on shore also have an engine on board that ensures stable operations in the event recharging from land is not possible. These measures have resulted in a reduction in NOx emissions in recent years. This is expected to continue in 2024.

Changes in Fjord1's emissions of NOx and SOx are illustrated in the graphs below. These emissions have fallen since 2020, and we expect this trend to continue as the company implements its fleet electrification strategy.

	Electricity	BIO	MGO	LNG	Kg NOx per km	Reduction in NOx emissions per km*
2019	0	53	1 087	96	0,339	-
2020	0	42	1 084	90	0,303	10,7 %
2021	0	28	818	68	0,238	21,6 %
2022	0	60	575	68	0,177	25,5 %
2023	0	17	483	77	0,145	18,2 %
2024 Budget	0	13	362	76	0,117	19,4 %

The unit of measurement for BIO, MGO and LNG is tonnes.

Tonnes of NOx emissions and kg per km



Tonnes of SOx emissions and kg per km



Discharges to the sea

Fjord1 bears a heavy responsibility to protect marine life, and we wish to do our part to keep the fjords clean. For this reason, our ambition is to have zero unintentional emissions to the sea, and reduce discharges of blackwater and greywater (wastewater and sewage) to zero by 2030.

In the event of a discharge or suspected discharge, an investigation is conducted to uncover the cause in order to prevent further leaks. All emissions are reported to the appropriate authorities, irrespective of their size. We have procedures for the routine maintenance of equipment with a high risk of emissions. We work proactively to reduce leak-related emissions and are constantly exploring ways to reduce this risk.

Unintentional emissions

Fjord1's operations involve the use of chemical substances and fuels that can harm the fjords and animal life. We implement strict procedures to prevent emissions. We report figures (in litres) for any unintentional emissions to the sea.



Use of resources and the circular economy

Ensuring responsible use of resources is an important part of Fjord1's sustainability efforts. We can influence the use of resources through the products we purchase and how we take care of resources that are thrown away or may be recycled.

In the Catering segment, we work closely with suppliers and focus on reducing food waste, as well as the use of recyclable or biodegradable packaging materials.

In the Ferry segment, this means that we extend the lifespans of our vessels as long as possible in order to reduce the need for new materials. Good waste management on board is important. By enabling passengers to discard their rubbish in a responsible manner, we reduce the risk of plastic ending up in the fjords and causing serious harm to the environment. By sorting our own and our passengers' rubbish, materials are recycled.



Procurement

In 2023, Fjord1 has focused particularly on products whose suppliers make sustainable choices and where Catering (Ferdamat) can choose products with certifications and benefits that give added value to our customers.

- Organic and Fairtrade-certified coffee is used in espresso makers on the Boknafjord crossing.
- UTZ-certified coffee is used in some of our self-service kiosks.
- Some confectionery and snack products have UTZ and/or Rainforest Alliance certification.

PEFC
PEFC: The Programme for the Endorsement of Forest Certification Schemes (PEFC) is an international labelling scheme for wood and paper products, whose aim is to ensure sustainable forestry. The label guarantees that the product has been manufactured in a way that protects forest resources and the social and economic wellbeing of the people concerned.

RAINFORREST ALLIANCE
Rainforest alliance: Rainforest Alliance is an international, non-profit organisation that works to change the way the world produces and consumes timber for the benefit of people and nature.

UTZ Certified
UTZ Certified: UTZ is a fair-trade labelling scheme. In order for coffee, for example, to be UTZ-certified, producers must meet standards for social conditions, environmental, agricultural and business practices. It must be possible to trace the product back to the producer.

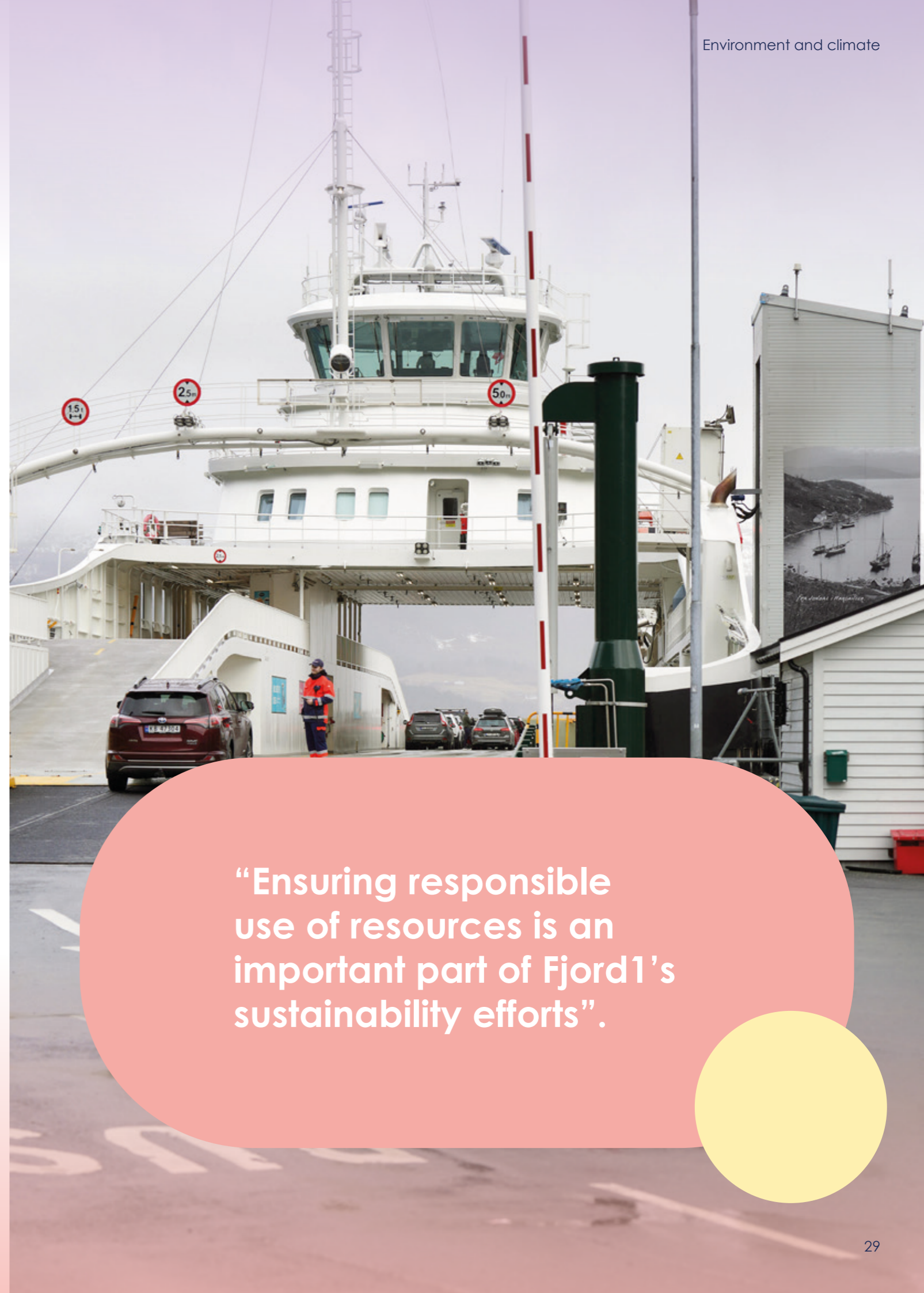
ØKOLOGISK Debio ØKOLOGISK
Debio: Debio is a Norwegian labelling scheme for organic produce, and a guarantor that the product is both organic and sustainable.

FAIRTRADE
Fairtrade: Fairtrade is a labelling scheme for fair trade and is the world's most widely recognised certification scheme. It sets standards for raw materials payment, safer working conditions and environmental protection. It is an important contributor to more sustainable farming practices and a better life for farmers and labourers in Africa, Asia and Latin America.

Grønt Punkt Norge
Grønt Punkt Norge: Green dot Norway operates return schemes for plastic packaging, cardboard and beverage cartons. As a member of the scheme, Fjord1 take responsibility for all types of packaging through this return system, which has been approved by the Norwegian Environment Agency.

Fjord1 strives to make conscious and sustainable choices with respect to product packaging, which must be PEFC-approved, recyclable or biodegradable. In this area, Fjord1 has made great strides in recent years, and now offers coffee cups, napkins, wraps packaging, plates and bags made of such materials.

In 2023, Fjord1 signed an agreement with the supplier MER ENN with respect to the purchase of pizza buns, which has further contributed to the company's efforts to reduce food waste.



“Ensuring responsible use of resources is an important part of Fjord1’s sustainability efforts”.

Article

Sustainability goals and the fight against food waste

With a focus on sustainability at all levels, Fjord1 and its food supplier "MER ENN" have achieved good results in several sustainability goals.

"Fjord1's goal is to have a larger selection of healthy, green ingredients in our kiosks. "We see that more and more people are interested in making healthy food choices, and we naturally want to offer healthy alternatives to our travellers," says catering manager Olav Strømstad, adding:

"In addition, we are happy to support local suppliers with locally sourced food wherever possible. We are committed to sustainability at all levels, and have been focusing on this for many years now".



MER ENN's pizza buns are not like other pizza buns. They contain 44 per cent carrot. They are also produced locally using vegetables the supermarkets cannot sell or that would otherwise be thrown away.

MER ENN is a Norwegian growth company that delivers food, health and responsible production. In 2023, Fjord1 was one of the first to enter into a co-operation agreement to sell the pizza bowl in several of the kiosks on board.

- MER ENN reduces food waste by utilising surplus vegetables, fruit and berries from producers - at the first level of the value chain.
- The raw materials are mashed raw and added to baked goods, resulting in more flavourful and healthier products.
- MER ENN's goal is to maximise the proportion of healthy, green ingredients in its baked goods.

Working with the UN's Sustainable Development Goals

In this collaboration, Fjord1, in co-operation with the supplier, can point to particularly good results within UN Sustainable Development Goal number 12: *Responsible consumption and production* by;

- reducing food waste by using fresh vegetables, fruit and berries that would otherwise be thrown away
- sourcing ingredients in a responsible and sustainable way
- continuously developing and using more sustainable packaging

Reducing food waste also contributes to the UN's Sustainable Development Goal 13 - *Stop climate change*. Offering a healthier choice to people also contributes to SDG 3 - *Good health and well-being*.

Will develop the collaboration

Catering manager Olav Strømstad (pictured) is very pleased with the collaboration:

"This is all very positive, and we see great potential for greater reduction of food waste and avoided CO2 emissions in the future by further developing the collaboration and bringing a higher volume of healthy MER ENN products to our customers. We believe and hope that the innovation we have just launched with chicken focaccia will meet the market well!"



Waste and recycling

Sorting waste at source means separating different types of waste in accordance with their different properties in order to ensure they are correctly recycled or processed.

This practice not only reduces the volume of waste that ends up in landfill but also helps to preserve natural resources by reducing the environmental strain caused by the production of new materials. For example, recycling paper reduces the need to cut down more trees, while recycling plastic can reduce the consumption of petroleum-based materials.

Waste management on board

Our seagoing operations are subject to the International Convention for the Prevention of Pollution from Ships, also known as MARPOL. MARPOL has been included in the Norwegian regulations relating to environmental safety for ships and mobile offshore units. MARPOL includes rules regarding waste management and the registration of waste. For example, all ships must have a waste management plan, with which crews have a duty to comply.

At Fjord1, the waste management plan for each vessel involves all plastic waste, food waste and residual waste being sorted at source and registered on board. The Catering segment also

sorts at source food waste from the production of food for sale in staffed kiosks. This waste is sorted on board independently of onshore receiving arrangements, which are normally municipal waste collection schemes.

All waste that is classified as hazardous, such as oil residues, oily rags, oil filters, fluorescent light bulbs, batteries, paint residues etc., are sorted on board and placed in appropriate containers on shore. Oil residues may also be stored on board in barrels or tanks. Fjord1 has agreements with suppliers for the handling of hazardous waste.

Furthermore, all hazardous waste is declared on the website www.avfallsdeklaring.no, operated by the Norwegian Environment Agency and other bodies. The objective of making such declarations is to provide the authorities with an overview of how much hazardous waste exists, where it arose and who is dealing with it. Waste management aboard ship is also subject to monitoring by the Norwegian Maritime Authority.

Water from pressure washing that may contain environmentally harmful substances must be dealt with as hazardous waste.

Sorting office waste at source

Paper, plastic, metal, glass and organic waste is also sorted at source at our offices. We also have a scheme for the collection of used batteries.

Phasing out older vessels

The Norwegian ferry fleet has been renewed and modernised in recent years. This has been driven by technology and capacity requirements specified in new "green" contracts. Since 2017, Fjord1 has built 28 new ferries and converted 11 from diesel and LNG to hybrid-battery and zero-emission operation. These converted vessels have thereby been given a new lease of life and will continue to operate for many years to come.

Many of the older ferries from the 1970s are not suitable for use under new contracts and have created a market surplus of older ferry assets. Norwegian ferries are generally well maintained and still have a usable life in markets that do not have the same requirements. Several of our ferries have been sold to Norwegian and international operators for further use.

In connection with the sale of vessels for further use, clauses are inserted in sales contracts whereby the buyer undertakes to abide by applicable national and international laws for shipbreaking, if they decide to scrap the vessels at a later stage.

Vessels deemed unsuitable for further use are sent for recycling. Contracts are entered into directly between Fjord1 and the breaker's yard. The company's own guidelines require that ships be broken up at yards that are approved in accordance with Regulation (EU) No. 1257/2013. Fjord1 has used Norwegian yards for shipbreaking. In 2023, no vessels were sold for recycling. However, the company is in the process of disposing of two vessels for recycling in 2024.

List of ships sold to new operators or sent for recycling

Year	New operator	For recycling	Total
2019	3	0	3
2020	3	0	3
2021	1	2	3
2022	2	0	2
2023	0	0	0
Sum	9	2	11



Social factors

- Own employees
- Employees in the supply chain
- Local communities
- Passengers

Social factors

Own employees

Strategy and guidelines for own employees

Our employees form the very backbone of Fjord1. It is here that our competitive advantage and potential to differentiate ourselves from our competitors lie. If we are to continue being Norway's leading ferry company, we must invest in our employees.

A good working environment has a positive impact on health, motivation, sickness absence and productivity. It can also influence staff turnover, recruitment and customer satisfaction. Preventive activities with respect to the working environment must be based on initiatives that are documented to be effective.

The working environment is created on the basis of the interactions between all parts of the organisation. It is vital to ensure that everyone is cooperating well if we are to achieve the best results. Through dialogue, good routines, procedures and ethical guidelines, we ensure good quality and effective internal controls.

Fjord1 has decided to focus particularly on employee attendance. This means that we will

examine factors that influence attendance, and make greater use of whatever residual capacity for work employees may have through a period of illness. This work is managed through a dedicated attendance action plan.

Co-determination and communication with employees

Fjord1 is a large and, to some extent, decentralised organisation. We have offices at three different locations, and operate ferry services from Tysfjord in the north of Norway to Stavanger in the south. Clear lines of communication and arenas for cooperation and collaboration are important in a decentralised organisation.

On the seagoing side, there is an established meeting structure in all three regions. In addition, a template has been drawn up for meeting structures on board our vessels. Over the past two years, considerable resources have been devoted to bringing together groups of employees from aboard ship for physical meetings. So far, this has been done for ship masters, chief engineers, deck hands/catering staff and apprentices.



On the shore side, the various departments have a fixed meeting structure. To ensure good cooperation across the company, three large networks have been established, in which different professional groups work together. These are the HR network, the Safety network and the Technical network.

Our employees also have other channels through which they can make their voices heard. These include employee appraisal meetings and employee satisfaction surveys. Every employee should have an appraisal meeting with their immediate manager at least once a year. In addition, many have professional performance reviews. The annual appraisal is an important tool for the development of the company's workforce. The aim of such appraisals is to clarify expectations, harmonise the employee's efforts with the company's goals, develop confidence and trust, and facilitate the individual's professional and personal development.

An employee satisfaction survey should also be conducted every second year. The company works actively to implement initiatives that reflect the results of the survey at both the overarching organisational level and the local level.

The last employee satisfaction survey was carried out in 2023, with the next one scheduled for 2025.

The company has both internal and external whistleblowing channels. In addition, concerns may be reported through a system of specially designated individuals. Together, this ensures employees have the opportunity to report unfortunate circumstances in their working conditions. The company has an active Safety and Environment Committee (VMU) on the seagoing side. The VMU holds six scheduled meetings annually. On the shore side, a new Working Environment Committee (AMU) was established in 2023. The AMU also has a fixed meeting structure.

Furthermore, the company also holds regular meetings with representatives of all the trade unions with members in the company. On the seagoing side, this includes the Norwegian Seafarers' Union, the Norwegian Maritime Officers' Union and the Norwegian Union of Marine Engineers. On the shore side, it includes Negotia (private-sector employees), Handel og Kontor (commercial and office workers) and NITO (engineers and technologists).





Employee-related goals and how we work to realise them

Measures to prevent personal injuries

Fjord1 works systematically to avoid personal injuries due to unwanted incidents in the work-place. Because working conditions on shore and at sea are very different, we design our initiatives specifically to address the individual's day-to-day working situation. We have a clear occupational health, safety and environment (HSE) plan, which has the full support of senior management.

Employee satisfaction and motivation

Employee satisfaction and motivation are crucial for Fjord1. We work in a systematic and structured way to create a good working environment, with positive and regular follow-up being a key focus area. As part of our effort to safeguard a good working environment, we devoted a great deal of time and resources in 2023 to clarifying roles, systematising and simplifying working methods and collaboration. Fjord1 wishes its employees to experience a clearly framed and foreseeable working day, with opportunities to influence how they work. We consider these to be important factors in a good working environment.

As an extension of this, Fjord1 also contributed to the development of two working environment tools for the Norwegian Maritime Authority in 2023. These were called "A good day at work" and "The working environment guide". These tools

have been developed by the National Institute of Occupational Health in Norway (STAMI) and the Norwegian Labour Inspection Authority. The tools are sector-specific and available to everyone in Norway. The objective is to create a better working environment, which we consider sustainable for the industry.

Fjord1 is working in a systematic and structured way to boost attendance throughout the company. Uniform initiatives address absence from work due to psychosocial factors in the workplace. Fjord1 focuses on following up its employees in a structured and continuous fashion. We conduct employee appraisals and employee satisfaction surveys, which are good tools to ensure that employees can influence their own working lives.

Fjord1's managers are trained and helped to systematically provide good employee follow-up. This also includes follow-up during any sickness absences. We believe it is important for employees to be followed up by their immediate supervisor. Different initiatives apply to employees on shore and at sea, since their workplaces are different. We perform risk assessments to ensure that we implement the correct initiatives for the specific unit.

Record number of apprentices in 2023!

As an important player in the market, we must help to ensure the industry has access to qualified staff – also in the years ahead. This is a responsibility that Fjord1 takes extremely seriously. In 2023, we employed a record number of apprentices, with 90 on the payroll during the year and 85 at its close.

As a company, we can help to mould young people into tomorrow's skilled workers. When apprentices join the company and see how we operate with new eyes, it gives Fjord1 a unique opportunity to reflect on its existing practices.

If we are to meet future demands for expertise, contribute to sustainable development and continue our endeavours in the field of technical

innovation, we will need a great deal more maritime competence. Every year, we hold a two-day conference for first-year apprentices. The objective is to provide information and an opportunity to get to know each other better.

170-year-old meets today's youth.

CEO Dagfinn Neteland welcomed the apprentices and held an opening address, in which he spoke about how a "170-year-old" was meeting the youth of today. Although Fjord1 is a company with a long and proud history, it has also proven to be an innovative and modern enterprise, which lies far out ahead when it comes to investing in environmental protection and technological development.

CEO Dagfinn Neteland at the 2023 Apprentices' Conference:

"At Fjord1, you are not merely an apprentice, you are a valuable resource both now and in the future".



Social factors

Here are some of the first-year apprentices gathered in Bergen in 2023.

From apprentice to captain – career opportunities at Fjord1

Morten Parelus (image below), who is master of the vessel *Tustna* (in addition to being ISM internal auditor, HSE instructor, chief investigator, VMU representative and assessor), spoke about the path from apprentice to captain, as well as other career opportunities at Fjord1. He spoke about his own experience of being an apprentice and that being enthusiastic and daring to ask questions led to learning and new opportunities.

Boosting attendance and difficult situations

HR consultant Malin Steinset then spoke about attendance, the follow-up of sickness absence, workplace conflicts, substance abuse and addiction. She noted that for many people, an apprenticeship is their first encounter with the world of work. During this period, you are

expected to learn, maybe make a few mistakes, cope with not knowing everything, ask lots of questions and gain experience.

HSE and the ISM code

HSE-inspector Øyvind Bakke from the Safety department spoke about Fjord1's systems and policies in the field of occupational health, safety and environment (HSE), and described the foundation for the International Safety Management (ISM) code established by the International Maritime Organization (IMO).

Fjord1's safety philosophy is based on barrier thinking, in which a combination of people, procedures and technology acts to prevent technical or human errors having unintended consequences.



Morten Parelus

- Skipsfører M/F *Tustna* – Seivika – Tømmervåg
- ISM Internrevisor
- Instruktør i HMS-trening
- Granskingsleder
- Assessor omborbedømmelse og simu lator
- Lang erfaring fra fergefart, Fjord 1
- Rederirepresentant i VMU
- Undervisnings erfaring fra fagskole og skolearbeidssenter.

Year:	No. of apprentices:	No. of cadets:
2021	79	18
2022	80	13
2023	85	8

Scholarship scheme launched in 2023

Some of our deck and marine engineer apprentices would like to study further to take their able seafarer deck (AB-D) or able seafarer engine (ABE) certificates. Fjord1 aims to support its former apprentices in achieving ongoing professional and personal growth, which they can then bring back to Fjord1. By means of the company's scholarship scheme, apprentices can apply for financial support from Fjord1 for up to three years, in return for a lock-in period once they have completed their training.

On-the-job vocational training (YFF)

Each year, Fjord1 accepts cadets from maritime academies for periods of professional practice. Through this scheme, Fjord1 not only invests in its own future workforce, but also encourages and strengthens maritime training in general. This initiative promotes cooperation between training establishments and the maritime sector, and helps build bridges between theory and on-the-job practice. This is an important investment for the sustainable growth and development of the company, and the sector as a whole.

Careers fairs, school visits and cooperation

For Fjord1, it is important to have a visible presence at careers fairs and in schools. In 2023, we were constantly on the road. This is a good way to meet future employees and apprentices. We have the opportunity to talk about the company, who we are and what we offer our employees.

Through school visits, we also build relationships with schools and educational establishments, and can help to highlight the maritime sector's needs both now and in the future. By informing young people about career opportunities, we can also help them make well-considered career choices, and provide insight into the industry we are part of.

In 2023, the company drew up structured plans for which school visits and recruitment fairs we wanted to take part in, with our own apprentices being used as credible ambassadors who can talk about the apprenticeship period and our working environment.

Staff turnover

Fjord1 has set a target for what we consider to be a healthy staff turnover at the company. A high turnover not only involves additional recruitment costs, but often also leads to reduced productivity. Staff turnover can also have a direct impact on team performance. This is therefore an area that the company monitors and must have both insight into and knowledge of.

Onboarding

We know that a thorough and effective onboarding process can help new employees to more quickly integrate into the company's corporate culture. It is important that employees feel they belong and that they see how they are helping to influence the company's values and objectives. That is why we have established clear procedures for the follow-up of new employees. Some of the training is company-specific and applies to all employees. At the same time, tailored training plans are drawn up for every new hire. In 2024, we will focus particularly on improving our onboarding process for seagoing staff.

In 2023, efforts were made to develop a conference especially for those who are new to the company, irrespective of whether they work on shore or at sea. This conference is due to be launched in 2024.

Building competence and career opportunities

Professional and personal development are important if we are to prevent unwanted staff turnover. Fjord1 has therefore established schemes to enable employees to build on their existing competence through further education and training. This is of value to both the individual and the company. We want to make it possible for employees to develop *in-house*, and it is important to highlight potential career paths.

Building managers' competence in areas relating to personnel follow-up, such as sickness absence, conflict management, annual appraisal processes, as well as substance abuse and dependence. The primary purpose of Akan, a tripartite collaboration between trade union and employer organisations and the Norwegian state, is to prevent drug-related issues in the workplace. It is a measure intended to help counteract staff turnover in the company.





In August 2022, Lars Thomas embarked on a part-time course of study at the vocational college in Rørvik, a course that would take him from sailor to first officer.

"It's been a challenge, particularly with study days in Trøndelag, work requirements and written assignments to be handed in," admits Lars Thomas. "We work very long days on board, so I can't get much done when I'm on duty. I've therefore had to study intensively on my days off. It's actually been more demanding than I anticipated, but a good curriculum, excellent teachers and support from Fjord1 has got me through!"

Lars Thomas passed his exam in May. Now all that remains is an Assessor Evaluation before his D3 certificate is issued.

"This is just a formality, so if everything goes to plan, I should have the certificate in my hands in August," he explains.

At that point, a new job as chief mate aboard MS Fjordglytt will be waiting for him.

"I'm looking forward to being able to handle the boat in bad weather, in narrow sounds and into harbour. It takes a while to learn everything, but I'm looking forward to what lies ahead".

Article

From sailor to first officer with part-time study and support from Fjord1

Only formalities remain to be completed before Lars Thomas Ulriksen aboard MS Fjordglytt gains his first officer's certificate and can take up the new position that awaits him.

A maritime career path was not the self-evident choice for Lars Thomas Ulriksen, and when he finally decided to turn in this direction at the age of 29, his footsteps took him into the fishing industry.

Without any previous maritime training or experience, part-time courses were the solution to acquiring the competence he lacked. At that time, his goal was a D5 deck officer certificate. Time passed, and over the 12 years Lars Thomas spent in the fishing industry, he worked his way up to positions as both an able-rated deck hand and

master's mate. Then he got a job with The Fjords and the sightseeing boat Bolsøy. After a year there, he got a job with Fjord1 as a deck hand aboard the MS Fjordglytt in 2018. He then wanted to upgrade to a D3 certificate.

"When the offer of an upgrade course came right after the Covid-19 pandemic, I jumped at the chance and was part of the first cohort. It's certainly not been easy, but with financial support from Fjord1, it's been much more doable. Without that support, I would have struggled," he acknowledges.



Operations Manager Andreas Johnsen Flæte congratulates Lars Thomas on his upskilling, which brings benefits for both employer and employee alike:

"Looking at the employee satisfaction survey, we can see that the experience of professional and personal development is not where we want it to be at Fjord1. That's why it's particularly pleasing to highlight cases that show it is possible to develop, both professionally and personally, and that, as an employer, we are facilitating this. The work that Lars Thomas has put in is value-adding for both him personally and Fjord1 as his employer. I would like to congratulate Lars Thomas on his educational achievement," he says.

On the horizon for Lars Thomas is the goal of one day becoming captain.

"If a new opportunity for part-time study to upgrade to D1 comes along, I'm going to take it," he confesses. "Only time will tell. In the meantime, I will be working to accumulate the necessary seagoing service time".





Employee follow-up

In 2023, the company devoted additional attention to employee follow-up throughout the organisation. It is one of the overarching ambitions that Fjord1 will continue to focus on in 2024.

Exit interviews

Interviews are held with all administrative employees who leave the company. Seagoing staff are sent a questionnaire where we ask for feedback on what is good – or less good – about Fjord1, and what prompted them to leave the company. Obtaining such information enables us to take steps to prevent unwanted staff turnover.



Our employees

Employees at the close of 2023:

Type of employment	Total	Women	Men
Employed at Fjord1	1,643	212	1,431
Permanent	1,092	142	950
Permanent seagoing	969	92	877
Permanent onshore	123	50	73
Temporary	551	481	551
Temporary seagoing	506	55	451
Temporary onshore	45	15	30

Fjord1 makes very little use of temporary contract staff to perform day-to-day tasks. An exception to this are third-party staff associated with service agreements, for example, those relating to

onshore charging facilities. From time to time, the company makes use of external consultants, but not to any extensive degree overall.

Management positions:

	Women:	Men:
Seagoing – ship masters	4	241
Onshore – managers	7	23
Onshore – managers at director level	1	4

Gender balance

Efforts are constantly being made to achieve greater diversity among the workforce. This includes a better gender balance. Women accounted for 41 per cent of Fjord1's administrative staff at the close of 2023 (37 per cent at the close of 2022). Women accounted for 9.5 per cent of permanently employed seagoing staff in 2023 (10.6 per cent at the close of 2022). The low percentage of women is linked to the fact that fewer women choose a maritime career.

Fjord1 appreciates diversity, and inclusion is one of the company's fundamental principles. We wish to create a working environment that reflects the general population, which includes a balanced distribution with respect to gender. We are not satisfied with the company's current gender balance, and must work systematically to increase the number of women in the workforce in the years to come.

Maritime professions have traditionally been male dominated and remain so today. However, we believe that equality at all levels in the organisation makes it richer and contributes to innovation, value creation and a better working environment.

We must strive to increase the number of female employees, particularly at sea. We will make it possible to achieve a good work-life balance. Our personnel policy is therefore designed to take account of different phases of life.

Women at sea

Every year, the Federation of Norwegian Coastal Shipping (NHO Sjøfart) and the Norwegian Society for Sea Rescue (Redningssekskapet) arrange a conference for women in the maritime sector, to discuss relevant topics and offer opportunities for networking. This conference is one of the sector's responses to the challenge of recruiting and retaining women in the maritime sector. Fjord1 makes it possible for as many of its seagoing female employees as possible to attend these gatherings.

By sharing experiences with other ship-owning companies, we can all learn more about the barriers women face in the maritime sector, and work in an informed manner to counteract these in our own workplaces.

Work clothes tailored specifically to fit women

In 2023, we launched a new collection of work clothes for our seagoing employees. The aim was, in part, that the garments should be tailored to fit women. The company wished to recognise and take account of different needs, irrespective of gender.

This move also has a safety aspect, in that ill-fitting garments can impair the flow of work or constitute a safety hazard by preventing free movement or potentially becoming caught in machinery. It must be just as natural for work clothes to fit our female employees as our male employees.

Article

Updated collection of work clothes for seagoing employees

A modern style, better quality and designed to fit women are some of the keywords for the new collection.

In 2023, Fjord1 chose to switch to a standard range of work clothes, which provides benefits in the form of continuous development, improvement and adjustment of the garments.

In 2023, Fjord1 participated in several campaigns in newspapers and online and aimed at schools and other educational establishments, to turn the spotlight on the jobs of tomorrow. One such campaign was "Kvinner i yrkesfag" (Women in

vocational trades), where we highlighted women in Fjord1's workforce who had chosen a maritime career.

The company's aim is to ensure there is no discrimination in terms of recruitment, pay and promotion, and that Fjord1 is an inclusive workplace. Fjord1 has zero tolerance for bullying, harassment or discrimination at work.



The new collection offers:

- Better quality
- Lighter-weight garments
- Modern styles
- Female-friendly fit
- New colours
- Better access to items that are always in stock

Workforce by age

Category:	No. of employees, seagoing and onshore:
Under 30 year	387
30-50 year	593
Over 50 year	663

Fjord1 needs employees with a range of ages to ensure the effective sharing of knowledge and experience, as well as promote innovation.

The company's workforce has a relatively high average age. Combined with the need for more people in the maritime sector and the fact that the highest staff turnover is in the 31–45 age group, this represents a challenge.

Interest in a maritime career is increasing, if the number of applications for maritime-related studies at both upper secondary school and in

higher education are anything to go by. This gives grounds for optimism, and Fjord1 is working closely with educational establishments and vocational training offices. We will need more staff going forward, and it is important that training and educational courses meet the maritime sector's requirements.

In 2023, Fjord1 continued to set records for the number of apprentices employed, and established a bursary scheme to encourage apprentices to remain with the company after they have completed their training.

Staff turnover

Category:	Staff turn-over i 2023:
Seagoing	9.7 per cent
Onshore	8.9 per cent

Follow-up, learning and building competence

All our employees should have at least one appraisal meeting with their immediate manager every year. Time has also been set aside to keep updated on relevant areas within our EQS system. Time is allocated for training courses and meetings, both physically and digitally.

In 2023, considerable financial resources were devoted to ensuring that all employees received individual login access to the company's various systems, such as EQS. This means that everyone can now access systems from various digital platforms, which has made it significantly easier for the company to arrange joint training courses and meetings.

Ship masters have held digital meetings via Teams in 2023, with HR providing training in the procedures to be used in the event of sickness absence. During the autumn, a new round of Teams meetings was held on the subject of employee follow-up. These digital meetings focused particularly on the

methodology for employee appraisals, and how the results of the employee satisfaction survey should be systematically followed up.

Our onshore employees receive professional updates through a variety of subject-specific networks, as well as external and internal courses aimed at the employee's individual field of work. The company offers generous financial support to employees who, on their own initiative, wish to further their education and skills. Specific application guidelines and criteria have been drawn up for the award of such funds.

Managers on shore undertake dedicated leadership training programmes. The company is also in the process of launching a leadership development programme that all new leaders, both at sea and on shore, must undertake. The training is provided via four mandatory sessions that the leaders must complete during the first 18 months in a position of leadership with the company.





Occupational HSE

The company has drawn up an HSE strategy plan, whose aim is to improve its safety culture to a "proactive level" by 2026. The strategy plan addresses five main areas that affect the safety culture. These are:

- safety culture and management system
- risk management and improvement
- leadership
- learning and development
- working environment, health and wellbeing

HSE procedures apply to all Fjord1 employees, and we make use of the safety management system to highlight both processes and tasks. Employees also record any unwanted incidents, breaches of procedure or improvement suggestions in the system. These reports are categorised and dealt with in accordance with established procedures. In this way, the entire company works systematically with HSE. In 2023, the company made considerable efforts to simplify and improve the efficiency of the system, and its use for all employees.

Personal injuries are dealt with systematically and confidentially, and we have good insurance cover. For example, employees are offered

physiotherapy and psychosocial follow-up as required.

The Safety and Environment Committee (VMU) for seagoing staff and the Working Environment Committee (AMU) for onshore employees meet regularly through the year to ensure a safe and good working environment throughout the company. The committees review all the reported personal injuries to help ensure they are properly addressed and to prevent similar incidents from happening in future.

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HSE performance in 2023

No.	Target	Definition	Target 2023	2023	2022	2021	Trend 22-23
1	Lost-time injury frequency rate	Lost-time injuries per million hours worked.	≤ 4,9	8,6	11,3	5,9	↘
2	All injury frequency rate	Total no. of personal injuries per million hours worked.	≤ 10,0	24,7	31,2	--	↘
3	Passenger injuries	No. of injuries to passengers.	0	14	7	1	↗
4	Pollution	No. of emissions of oil, chemicals or other toxic substance to sea or land.	0	19	11	10	↗
5	Serious contact injuries	No. of serious contact injuries.	0	1	1	0	→
6	Near misses	No. of near misses.	> 200	115	96	91	↗
7	Safety observations	No. of safety observations.	> 500	607	--	--	↗
8	Non-conformances in ISM audits	No. of non-conformances per audit.	≤ 1,0	2,2	1,6	1,8	↗
9	Sickness absence – onshore employees	Sickness absence in per cent.	≤ 3,5	2,2	2,5	4,3	↘
10	Sickness absence – seagoing employees	Sickness absence in per cent.	≤ 5,4	7,1	6,9	6,5	↗
11	Staff turnover – onshore employees	% who leave the company.	≤ 10	8,9	14,1	--	↘
12	Staff turnover – seagoing employees	% who leave the company.	≤ 13,0	9,7	9,2	--	↗



Social welfare schemes and job facilitation

Fjord1's employees have an extended entitlement to self-certify sickness absence, which means they can take up to 24 days off sick within a 12-month period without a formal medical certificate. The intention for sickness absence is for it to be of as short as possible, and that the employee should return to work as soon as they are well enough to do so, without having to involve a doctor. The extended right to self-certification shows that the company has considerable confidence in its employees, since this is a trust-based system between the employer and the employee.

Fjord1 has good processes for handling sickness absence, which must be complied with whether the absence is self-certified or doctor-ordered. In the event of sickness absence, employees are paid directly by the company during the employer's statutory period of responsibility (the first 16 days). They are then ensured sick pay

through the Norwegian Labour and Welfare Administration (NAV), as provided in the Norwegian National Insurance Act, for up to one year. If an employee is still sick after one year, and is unable to return to work, they will continue to have rights via NAV and can, for example, receive a work assessment allowance while they undergo treatment and engage in a gradual escalation of activity and preparation for a return to work.

In Norway, both men and women are entitled to take paid leave of absence in connection with the birth of a child. The state pays parental benefits for up to one year. Employees who become parents are entitled to parental leave and parental benefits from the Norwegian Labour and Welfare Administration (NAV). However, the company makes up the difference between the benefits paid by NAV and the individual's ordinary salary.

Pay and negotiations

All Fjord1 employees are assured of receiving a salary in excess of the minimum rates specified in the various collective agreements to which we are a party, and we can therefore provide assurances that employees receive a salary that meets their basic needs. Annual wage negotiations ensure salaries are adjusted each year.

All our employees are encompassed by collective agreements, irrespective of whether or not they personally are members of a trade union. In total, 598 seagoing employees are members of a trade union, while 51 onshore employees are trade union members. The company conducts wage negotiations with three unions on behalf of its seagoing employees (the Norwegian Seafarers' Union, the Norwegian Maritime Officers' Union and the Norwegian Union of Marine Engineers). On shore, wage negotiations are conducted with the trade unions Negotia, Handel og Kontor and NITO. The company provides all employees with the negotiated pay rises, irrespective of whether or not they are union members.

The majority of the company's employees work at sea, where pay is governed by objective criteria, such as position, length of service and certificates held. There is no room for discretion in the determination of salary, which provides an objectively correct rate of pay for everyone, irrespective of gender.

The company has a salary policy document as the basis for our onshore employees, based on responsibility, authority, job duties, education level, and relevant external and/or internal experience.

Women working on shore earn, on average, just 75 per cent of the average salary paid to men. This is due to several factors. Of the 32 managers concerned, 24 are men. We also note that there are far more men in technical positions, which often require engineering qualifications. For our seagoing employees, there are also some differences in the average salaries of men and women. Here, women earn, on average, 79 per cent of the average male salary. This is primarily due to the fact that more men are employed in senior positions (ship's master).



On the shore side, there are schemes to facilitate a better work-life balance. In addition, Fjord1 enables mothers who have returned to work to take leaves of absence to nurse their infants until the child is one year old.

Fjord1 operates various shift arrangements, many of which enable employees to go home and participate in the family's day-to-day activities. We will also strive to further improve our shift arrangements in 2024, to make it more attractive for employees with small children, irrespective of gender, to choose to stay in the maritime sector after they have had a family.

On the shore side, we offer flexible working hours to facilitate a better work-life balance. All Fjord1 employees are entitled to paid welfare leave. We note that both women and men make regular use of this entitlement through the year in connection with the care and follow-up of family members who are sick or need supervision/assistance. Employees are also entitled to paid leave of absence in connection with their children's first days at nursery or school.

The company also offers physiotherapy to ensure that its employees can obtain treatment to avoid

injuries and reduce the impact of injuries. This arrangement is intended to maintain employee attendance in the workplace, regardless of the reason for the risk of sickness absence. In 2023, 72 employees were offered treatment under this scheme, compared with 34 in 2022.

Our seagoing employees must, by law, meet stringent medical fitness requirements in order to be part of a safety crew on board. The company complies with these requirements, although it naturally makes it challenging to employ people with explicit disabilities in seagoing positions. That is not to say that they are totally excluded, but they must meet the statutory requirements in order to be part of a safety crew. An approved seafarer's doctor determines whether an individual passes the medical fitness requirements. The onshore organisation has greater opportunities to facilitate employment for people with special needs and/or disabilities. Although the company currently has no employees with disabilities, it has previously employed individuals with a severe hearing impairment. As a company, we are keen to promote diversity and have specific policies to ensure workplace facilitation for current and future employees.



Bullying and harassment

People are by far Fjord1's most important asset. We therefore have zero tolerance for bullying, discrimination or harassment. We will ensure that all our employees enjoy a safe and good working environment.

We regularly carry out anonymous employee satisfaction surveys to obtain an insight into our employees' level of job satisfaction and experience of their own place of work. These surveys enable us to identify and implement initiatives that can enhance and improve our employees' satisfaction.

The Norwegian Maritime Authority has conducted an inquiry into maritime safety, which found that 27 per cent of seagoing employees in the sector have experienced bullying and/or harassment in the past 12 months.

Fjord1's 2023 employee satisfaction survey also provided information about how many of our employees have experienced bullying, discrimination or harassment.

We note that, compared with the year before, there has been an increase in the number of employees who feel that it is safe to report censurable conditions. In 2023, we had no cases

that were dealt with in a court of law, or that resulted in the payment of compensation or fines.

If our employee satisfaction surveys are to have any value, it is essential that measures be implemented both at the overarching level and locally in the organisation. At the departmental level, efforts involve feedback meetings and the development of initiatives to be implemented in the period leading up to the next survey. Findings at the overarching level are also investigated and measures included in the HSE strategy plan.

Our managers must make it clear that bullying, discrimination and harassment are unacceptable. They are expected to respond firmly and consistently to any violations of this rule, which could also result in disciplinary action.

Through training in dispute resolution, managers gain the skills required to deal with workplace conflicts and create a culture in which disagreement about specific matters is accepted, but personal attacks and mockery are not. We aim to have good information procedures and good cooperation between management and union/safety representatives, and to work systematically with respect to the working environment.

Employees in the supply chain

Fjord1 has many suppliers. The majority are Norwegian, while some are based abroad. As a major purchaser of goods and services, the company has considerable influence. In 2016, Fjord1 established a self-certification scheme to influence suppliers and to follow up matters relating to health, safety and the environment (HSE), as well as corporate social responsibility (CSR). This self-certification is updated regularly, most recently in 2023, to meet the requirements set out in the Norwegian Transparency Act.

Requirements for suppliers with respect to HSE and CSR

All our contracted suppliers must sign self-certificates before the contract enters into force. In this way, we focus on CSR and highlight the standards we set for our suppliers and their subcontractors with respect to CSR. In this context CSR means that companies voluntarily integrate environmental and social considerations along their entire supply chain.

All the suppliers with which Fjord1 has contracts undertake to work systematically to comply with HSE-related legislation, and to meet the requirements set out in the Norwegian Regulations relating to Systematic Health, Environment and Safety Activities in Enterprises (Internal Control Regulations). In addition, suppliers must provide assurances that their operations comply with the Norwegian Transparency Act.

In its contracts, Fjord1 stipulates that *"The supplier undertakes to comply with all statutory requirements in the area of health, safety and the environment (HSE). The supplier must take account of the environment during the preparations for and execution of the Assignment"*. In addition, contracts permit us to carry out inspections and physical checks at suppliers' locations.

Fjord1 makes purchases by means of call-offs under established contracts or through requests in the market. Contractual counterparties and those participating in competitive tenders must submit signed self-certificates regarding HSE and CSR.

Risk analysis of working conditions in the supply chain

Fjord1 has performed an overarching risk analysis, assessed on a sectoral basis, to identify potential human rights abuses and violations of the right to decent working conditions. The assessment was performed at the overarching level, on the basis of the business's procurement categories.

The assessment placed four categories in a yellow risk band with respect to the probability of non-conformance relating to pollution or accidents. In 2023, we elected to investigate the categories of shipyards and cleaning services in further detail, because these involve different risk elements and both constitute major procurement categories for Fjord1.

As a result of this assessment, Fjord1 contacted all the suppliers in the above-mentioned categories to follow up with a dedicated Integrity Due Diligence (IDD) questionnaire. The suppliers' completed IDD questionnaires were evaluated and if they were found to be inadequate, a physical check was performed at the supplier's location. The company therefore considers that it is well equipped to uncover undesirable conditions.

Suppliers and other partnerships in the Catering segment

On several of its ferry services, Fjord1 partners with local producers of both svele pancakes and sandwiches. The objective is to offer locally produced and prepared food items.

Fjord1 partners with several companies that accommodate people with a reduced capacity for work, as well as offering products and services supplied by people in need of adapted work and pre-employment training.



Local communities

Keeping the local community connected

Fjord1 is an important part of the country's transport infrastructure and ensures that coastal and island communities remain connected. Ferries are often the only means of transport connecting islands and coastal villages to the main road network.

These connections are crucial for safeguarding access to services such as healthcare and education, as well as jobs. By acting as a reliable extension of the road network, Fjord1 helps to maintain welfare and social development in remote areas. The provision of a reliable infrastructure is essential to connect people together, facilitate trade and support economic growth.

Local jobs

Fjord1 often constitutes an important local employer, providing work either on board, on the quayside, in workshops or other associated services, such as food deliveries or service agreements. These employment opportunities are extremely important for many local suppliers and communities.

The ferries also facilitate the transport of goods and supply chains from the mainland, as they represent a cost-effective and reliable way to transport goods. This helps to uphold rural competitiveness.

Tourism and economic development

In addition to providing an important transport service for local inhabitants, Fjord1 is a key player with respect to rural tourism. By offering an efficient and practical way for travellers to explore coastal destinations, Fjord1 helps boost the tourist industry. This generates more income and jobs, and stimulates the local economy in rural areas.

Fjord1 as a sponsor

Through its sponsorship activities, Fjord1 wishes to promote diversity and enjoyment in the fields of sport and culture in districts where it operates ferry and passenger boat services.

The company wishes to engage in the local community and supports clubs, organisations and good causes through long-term projects and in connection with individual events. In addition, the company supports a number of individuals and entities through advertising material.

Fjord1's largest sponsorship agreements are in the area of sport, with children and young people an important target group. Through its sponsorships, Fjord1 builds relationships with customers, employees and business partners in sport, culture and the voluntary sector.

Fjord1 has long-term sponsorship agreements with Sogn og Fjordane Ski Club, Florø Football Club and Hødd Football Club.

Article

Focus on sustainable initiatives

In 2023, Fjord1 and the Bergen-based football club Sportsklubben Brann signed a partnership agreement that marks the start of a sustainable sponsorship collaboration. The agreement was announced at the beginning of 2024.

The three-year agreement emphasises the parties' commitment to strengthening and contributing to the local community, with the focus on sustainable values. Together, Fjord1 and Brann will work to create meaningful initiatives that promote both environmental protection, social responsibility and sporting development.

Heidi Skorpen, who heads Fjord1's service centre, says she is extremely pleased about the partnership, as well as the parties' shared vision and value-based leadership:

"This collaboration represents a unique opportunity for Fjord1 and Brann to join forces in support of the social projects that the club runs. Our partnership targets meaningful tasks through the club's initiatives for physical activity, engagement, health and welfare. We are looking forward to exploring new opportunities and contributing to positive developments as a supporter of important social projects, while actively promoting talent development and engagement in sport among the local community's young people".

Therese Andvik Rygg, who is Director of Marketing, Communication and CSR at Sportsklubben Brann, is pleased to have Fjord1 on board:

"It's really good to have Fjord1 on the team. Fjord1 is a familiar brand in the west of Norway, transporting our supporters to and from away matches. In our view Fjord1's desire to support the club's sustainability projects is valuable for the club in particular and Norway's west-coast region in general".

Social projects

Fjord1 will have a presence at Brann's home matches, but the emphasis is on collaboration on the club's sustainability projects. Listed below are some earmarked initiatives that the company will participate in.

Street team

Fjord1 will contribute to the running of Brann's Street Team concept, through which women and men struggling with substance abuse and addiction are offered the chance to practise football twice a week, with meals, training kit and follow-up included. Training takes place 365 days a year, without exception. In addition to regular practice sessions, the team takes part in the company league and in other tournaments, both locally and regionally. The main purpose of the Street Team is to create as many narcotic-free hours as possible.



The Street team of Brann.



Participants in Brannsjansen

Brann Chance

The Brann Chance scheme is a work training programme for young adults aged 18 to 30, whose objective is to get them into paid employment or education. As a partner, Fjord1 is included as a company that can accept relevant participants from the club for work training with the aim of transferring to permanent employment.

Heart Partner

Fjord1 is one of Brann's ten heart partners. Together with the other parties, the VIP box at Brann Stadium is opened up for vulnerable/disadvantaged people (generally children), with the aim of providing them with a memorable experience. Sportsklubb Brann organises the event and selects participants. Fjord1 gains exposure for its logo in the VIP box.

MOT – Corner Partner

Fjord1 contributes to and operates the MOT corner at the stadium, and is visible through the use of its logo. At home matches, this area and associated facilities are used by school classes and youth sports clubs. Here guests have the chance to meet the players, hear talks from the organisation MOT (Courage) and mingle before the match begins. The idea is to:

- Boost youngsters' courage (MOT) to make their own conscious decisions.
- Help to give youngsters confidence and fulfil their dreams.
- Create an opportunity for youngsters who need and deserve a boost in their lives.
- Provide an area at Brann Stadium that is tailor-made for young people.
- Reinforce MOT by making MOT both visible and important to youngsters.

A wide range of partnerships

In addition to the partnerships mentioned in the previous article (pages 62 and 63), we have also supported a number of other clubs, events and initiatives in 2023 (see some of them below). For further details of Fjord1's sponsorship activities, see the company's website: www.fjord1.no/sponsorat

Sula idrettslag (sports club)

An inclusive and safe training environment, providing as many as possible with the chance to train in their local area. The club is run on a voluntary basis, with all income going directly back to the members. The club is also aiming to keep membership fees low in order to include as many as possible.

After the school and kindergarten in Sæbø were co-located, they needed new outdoor play equipment for use during breaktimes and before/after school, to encourage physical activity and social interaction.

Sæbu skule & barnehage (school/kinder- garten)

FloraU40

The Flora U40 network promotes enjoyment and the desire to live in the region, as well as including everyone in the target group. The aim is to enrich the lives of young adults, and make the region a more attractive place to live.

"Stikk UT! Bedrift" contributes to physical activity, cohesion and good walking and hiking habits among company workforces. This benefits both the individual employee's own health and the overall working environment.

StikkUT!



Passengers

In 2023, Fjord1 transported around 17 million passengers. The vessels traffic crossings ranging from main national highways to local byways and locations entirely without road links. Our services are provided under contracts entered into with county councils or the central government.

Operational reliability and punctuality

	2021	2022	2023	Target
Operational reliability	99.7 %	99.6 %	99.3 %	99.9 %
Punctuality	96.3 %	97.2 %	96.7 %	97.1 %

Operational reliability refers to the number of crossings performed in accordance with the planned service level. In 2023, we executed 99.3 per cent of planned services. Adjusted for force majeure – situations caused by circumstances beyond our control, such as strikes and interruptions caused by faults or defects at ferry quays – operational reliability came to 99.4 per cent. Technical issues are, however, the most common reason for cancelled crossings.

The target for operational reliability is 99.9 per cent.

Fjord1 strives systematically to maintain both its vessels and charging facilities to avoid operational interruptions and cancelled crossings. The company's maintenance philosophy is based on the performance of preventive maintenance on all critical equipment. For equipment not defined as critical, status-based or planned corrective maintenance is performed. Recommendations issued by suppliers, and potentially also the supervisory authorities, form the basis for the equipment maintenance schedule. On the basis of safety inspections, we have drawn up clear guidelines for halting operations if we find indications of faults or failures in, for example, propulsion or steering systems.

In 2023, 96.7 per cent of all crossings arrived at the scheduled time. Punctuality refers to the contractually stipulated percentage of arrivals that are not delayed. Adjusted for delays due to navigational inspections (also based on safety requirements, safety regulations etc.), Fjord1 has a punctuality rate of 97.1 per cent of all crossings, which equals the company's target.



Passenger injuries

More than half of the injuries to passengers in 2023 were due to falls on deck, in the lounge or on the vehicle ramp. In most cases, Fjord1 could not have prevented the outcome. We have had no serious passenger injuries that have led to disability or permanent incapacity for work.

Fjord1 works proactively to avoid injuries. As far as possible, therefore, we strive to prevent slippery surfaces to avoid fall injuries. Passenger safety is also included in regular on-board safety inspections. Our HSE guidelines are posted up on all our vessels and are intended to safeguard everyone on board.



Our HSE poster

HSE – This is what we do

USE OF PERSONAL PROTECTIVE EQUIPMENT (PPE)



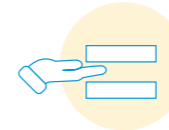
- I always use the necessary PPE.
- I use the information in the management system and safety data sheets when choosing which PPE to use.
- I never perform work if the necessary PPE is not available.

AVOID FALL ACCIDENTS



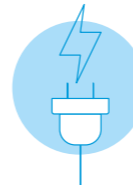
- I always hold onto the railings when I use the stairs.
- I keep in mind that surfaces may be slippery.
- I always check that there are no hazardous openings on the seaward side.

AVOID CRUSH INJURIES



- I always consider the risk of crush injuries when opening and closing doors, hatches and gates.
- I always use the correct lifting technique when handling objects manually.
- I always secure loose objects.

AVOID ELECTROCUTION



- I have the necessary training and qualifications.
- I work only on disconnected facilities where two barriers have been erected.
- I always abide by the job description and procedures specified in the risk assessment for work on electrical installations.

AVOID BEING RUN OVER



- I never stand between vehicles while the vessel is being loaded and unloaded.
- I am aware of the blind spots of large vehicles.
- I always stop loading and unloading if a hazardous situation arises.

RESPECT BARRIERS



- I always perform my work in accordance with procedures, governing documents and the job description.
- I always perform a risk assessment if the work is not covered by the management system.
- I keep up to date on changes in the system.

Fjord1
HMS-mitt ansvar!



Ethical business practice and governance

- Code of Conduct
- Suppliers
- Anti-corruption and anti-money laundering (AML)
- Reporting of censurable conditions (whistleblowing)

Ethical business practice and governance

Our culture is rooted on good business practice, open and honest behaviour, and respect for others. Ethics and integrity are important for how we operate.

Code of Conduct

Fjord1 has an updated and extensive Code of Conduct that all employees have an obligation to read, understand and sign. Fjord1's corporate culture is based on ethical business practices, open and honest behaviour, and respect for others.

Ethics and integrity are important elements in the interface between Fjord1 and its passengers, competitors, suppliers and customers. Mutual trust is an important prerequisite for a well-functioning business. It is Fjord1's ambition to be perceived as reliable, open and honest. Dealings with suppliers must be impartial and fair.

Suppliers

Suppliers that compete for contracts with Fjord1 must always have confidence in the integrity of the company's procurement process. When choosing suppliers, the company must comply with its own internal guidelines and procedures.

Anti-corruption and anti-money laundering (AML)

Fjord1's employees must behave impartially in all business-related situations, and not give other organisations or private individuals unfair benefits. Employees must not be involved in relationships that could lead to an actual or perceived conflict with Fjord1's interests or that in any way would adversely impact the individual's freedom of action or judgement.

Employees must not work on or deal with matters in which they themselves, their spouse, partner, close relatives or other people to whom they are closely related may have a direct or indirect financial interest.

Employees must not use the company's property or information that they have obtained through their position at Fjord1 for personal gain or for the purpose of competing with the company. Any suspected conflict of interest must be reported to the individual's immediate superior.

Fjord1's employees must not accept or give personal benefits or gifts that may influence the actions or decisions to be made.

Fjord1 rejects all forms of corruption. Employees must never offer or accept illegal or inappropriate gifts of money or other remuneration to obtain commercial or personal benefits for themselves or others.

Fjord1 rejects all forms of money laundering, and we've implemented measures to prevent transactions with the company being used by third parties for the purpose of money laundering.

Reporting of censurable conditions (whistleblowing)

Whistleblowing involves reporting unacceptable conditions to individuals who have the authority to rectify them or facilitate their resolution. The law mandates that such reports be handled appropriately and that whistleblowers be safeguarded against any retaliatory actions. Fjord1 aims for the prompt investigation and resolution of unacceptable conditions, preferably at the lowest organizational level.

Such reports should, on the whole, be made to the manager one level above the person about whom the report concerns. If, for whatever reason, this is not appropriate, the employee should report the matter to a manager at a higher level or to HR, a trade union representative or safety representative.

This may, for example, be prompted by an assessment of legal competency in the event of circumstances giving rise to diminished trust, such as the person not being impartial or being perceived to have a personal interest in the matter, whereby the ordinary procedure will not reach a successful outcome. It may also be necessary when the seriousness of the matter indicates it should be dealt with at a higher level in the company.

If HR, a union representative or safety representative receives a whistleblowing report, they must take it immediately to the responsible manager at the correct level, who will follow the matter up. Should it be necessary to blow the whistle externally, an attempt must always have been made to report the matter internally first.

The company has three formal channels that may be used for whistleblowing purposes. The first is an internal whistleblowing channel via email. The second is through a "designated person" within the company (who receives reports relating to violations of safe operations aboard ship), and the third is linked to a law firm.

Fjord1 must ensure that reports may be submitted openly or anonymously. Both the contents of the report and the reporter's identity must be treated as confidential information.

[Notification of objectionable circumstances - Fjord1](#)





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