



# SUSTAINABILITY REPORT 2022

HAV Group ASA



A SUSTAINABLE FUTURE AT SEA

The logo for H&M Group, featuring the letters 'H' and 'M' intertwined in a stylized, blocky font, followed by the word 'group' in a lowercase, sans-serif font.

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## ABOUT THIS REPORT

This is HAV Group's first sustainability report and applies to the reporting period 1 January to 31 December 2022. The report was published on 28th April 2023 and complements HAV Group's 2022 financial report. The company plans to publish sustainability reports on an annual basis.

The data and information in this report is provided on an aggregated level and include all HAV Group subsidiaries (Norwegian Electric Systems AS, HAV Design AS, Norwegian Greentech AS and HAV Hydrogen AS).

The report has been prepared with reference to the Global Reporting Initiative Standards (GRI) and the Euronext Guidelines for sustainability reporting. Our reported Greenhouse Gas (GHG) emissions data are prepared with reference to the GHG Protocol.

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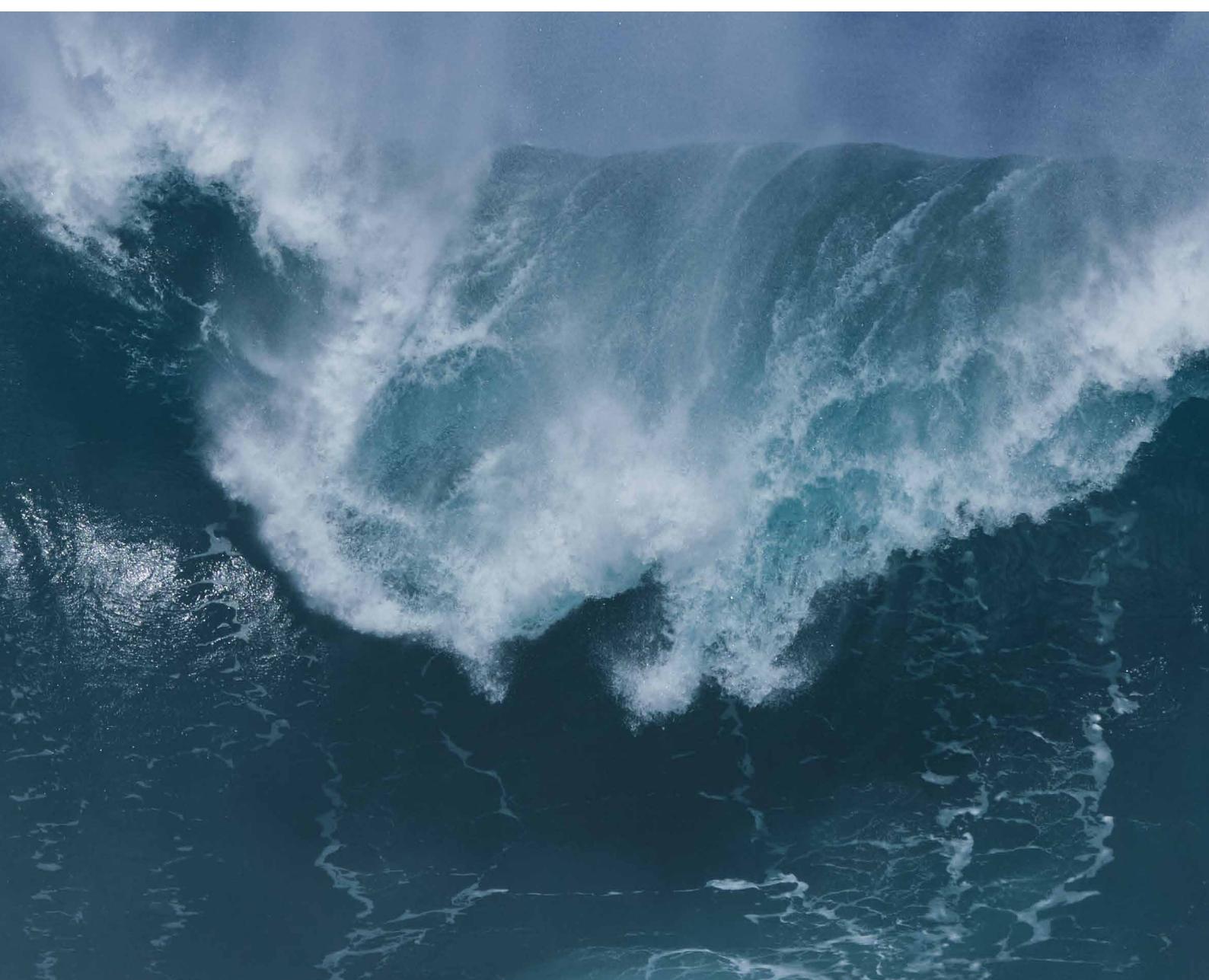
This report has been read and approved by HAV Group's Board of Directors. It has not been externally assured by a third party.

We welcome feedback. For questions or comments, please contact:

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## A sustainable future at sea



It is with a great deal of pride that I present HAV Group's first ever sustainability report. Through this report, we aim to inform stakeholders about our approach and performance on key environmental, social and governance (ESG) topics.

At HAV Group, sustainability and corporate development and performance go hand-in-hand. Our entire business is founded on providing shipowners with technologies, products, systems and services that allow them to realise both the financial and environmental benefits associated with low and zero emission shipping.

In short, we are an enabler of the green transition at sea. Our first annual sustainability report attempts to showcase how we, in practice, help the global marine and maritime industries in reaching their ambitious and highly necessary emission reduction targets. We do however, rely on shipyards and shipowners to make this happen, but this report details the part we play and the substantial benefits this could bring.

In addition, we take responsibility for the factors that we can manage and control on our own: Our business principles, strategic priorities and day-to-day operations.

In connection with this work, we have identified three main sustainability topics that we believe are central to managing the most important social, societal and environmental challenges that HAV Group face: Environmental protection, people, and ethics and transparency.

You can read more about them in this report, which is inspired by the Global Reporting Initiative (GRI) Standard. Over time, HAV Group aims to report fully in line with the GRI Standard. As such, we believe this first sustainability report is a small but very important step in the right direction.

I hope you will spare some time to get to know more about HAV Group's sustainability strategy, status and objectives. I also hope that you through this report will learn more about the core elements of HAV Group's business offering, and recognise the significant positive financial and environmental impacts this can have on shipowners' operations. Because sustainability is hardcore business for HAV Group, and the associated environmental benefits are necessary to ensure that future generations too can enjoy the vast opportunities the ocean presents.

This is why our vision is a sustainable future at sea. This report details our commitment to realising this vision. I hope you enjoy the read.

Gunnar Larsen  
CEO  
HAV Group



## THIS IS HAV GROUP:

# An enabler of the green transition at sea

*HAV Group is an international provider of technology and services for maritime and marine industries. Although the group was formally established as late as 2021, it comprises four subsidiaries – HAV Design, HAV Hydrogen, Norwegian Greentech and Norwegian Electric Systems – that have several decades of combined industry experience.*

The company possesses special expertise in guiding the marine and maritime industries towards zero emissions.

HAV Group's services and solutions include:

- **SHIP DESIGN:** Supplier of innovative ship design, pioneering the design and construction of zero and low-emission vessels
- **ENERGY DESIGN AND SMART CONTROL SYSTEMS:** Supplier of sustainable energy systems, electric propulsion, automation and NavCom systems for a wide range of vessels
- **HYDROGEN-BASED ENERGY SYSTEMS:** Supplier of zero-emission hydrogen-based energy systems for vessels
- **WATER TREATMENT SYSTEMS:** Supplier of ballast water treatment system and other water treatment systems for aquaculture and maritime use

Our experience and expertise, as well as the focus on efficiency, safety, and sustainability, lays the foundation for developing and delivering high-quality innovative solutions to our customers in the seafood, energy, and transport sectors.

Figure 1: HAV Group's supply chain (HAV Group is a system supplier whose deliveries are a combination of purchased components and own design and control systems)



HAV Group is a privately owned company listed on Euronext Growth (ticker: HAV).

The company is headquartered in Fosnavåg, Norway, with offices in Bergen, Ålesund and Egersund (Norway), Sopot (Poland), Matulji (Croatia) and Istanbul (Turkey).

HAV Group and the company's subsidiaries are members and play an active part in the following industry organisations:

- **ÅLESUND KUNNSKAPSPARK (ÅKP):** ÅKP is located on campus in Ålesund and the hub's core goal is to contribute to creating tomorrow's jobs and building a more attractive region to live and work in. ÅKP is a regional center for innovation and economic development, including one of the country's most complete incubator systems, the cluster programs BLUE Maritime – Global Centre of Expertise, Legasea and Norwegian Rooms and several other national and international projects.
- **MARITIMT FORUM (NORVEST):** Maritimt Forum is an interest organisation that brings together the entire Norwegian maritime industry. Its 700 members contributed to developing a world-leading and holistic maritime cluster. Maritimt Forum brings together both the employee and employer side of the industry, and represents common interests of the cluster.
- **NÆRINGSLIVETS HOVEDORGANISASJON (NHO):** The Confederation of Norwegian Enterprise (NHO) is Norway's largest organisation for employers. Its current membership of 32.000+ companies ranges from small family-owned businesses to multinational companies in most sectors. NHO is the leading spokesperson on behalf of business and industry in Norway. Having expert knowledge and an extensive business network, NHO plays an important and constructive role in Norwegian society.
- **GCE BLUE MARITIME CLUSTER:** The Norwegian maritime cluster is a world leader in design, construction, equipment and operation of advanced vessels for the global ocean industries. In 2014, due to its unique global market position and its important contribution to Norwegian value creation, the cluster was granted the status of a Global Centre of Expertise.
- **OCEAN HYWAY CLUSTER:** Ocean Hyway Cluster is Norway's leading network for hydrogen-based solutions for the maritime sector. The cluster work closely with the industry to exploit the commercial opportunities of new hydrogen technology solutions to make Norway a global leading hydrogen player.



## Sustainability approach

*Sustainability is an integral part of HAV Group's overall strategy. Our company is committed to preserving the environment as well as contributing to sustainable development in the communities we serve.*

In accordance with HAV Group's vision of a sustainable future at sea, our sustainability commitments include:

### Environmental protection

- Develop marine and maritime technologies and services to accelerate the green transition at sea for our customers.
- Adopt measures to eliminate our own environmental impact, including GHG emissions and our products' life cycles.

### People

- Ensure professional development, training, learning and give our employees the possibility to increase responsibilities and develop their careers
- Provide a good, diverse and inclusive workplace.
- Ensure the health and safety of all employees, and ensure employees' well-being.

### Ethics and transparency

- Operate in an ethical manner with integrity and responsibility throughout our value chain.
- Prevent any kind of misconduct, including fraud, conflict of interest, corruption, or anti-competitive behaviour.
- Prevent human rights violations and environmental impact in our supply chain.

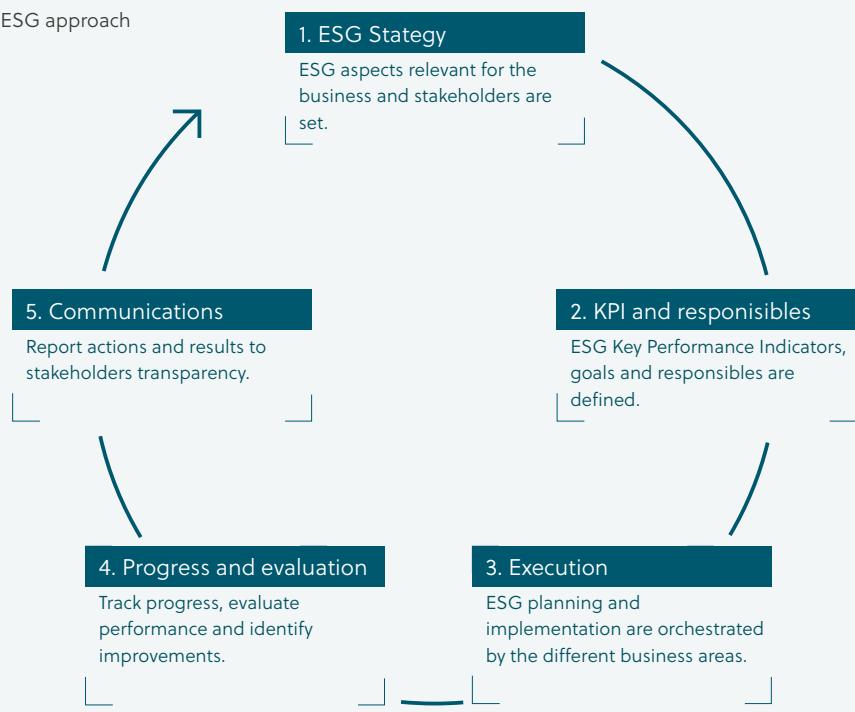


OUR VISION:

A sustainable future at sea

As illustrated in the model below, HAV Group's approach to ESG contains five formal steps: First, the company maps ESG aspects that are relevant for the business and the company's stakeholders. Secondly, we establish key performance indicators (KPIs) relating to ESG and define responsibilities. The third step is execution, before we track progress, evaluate performance and identify improvements. Finally, we communicate our actions and results to relevant stakeholders, for example through our sustainability report.

Figure 2: HAV Group's ESG approach



## UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

HAV Group continuously engages stakeholders and runs periodic materiality analyses to define our material topics. While we are mindful that we have shared responsibility to achieve all of the SDGs, our company has defined the current goals as the most significant for us:

**7** AFFORDABLE AND CLEAN ENERGY



**8** DECENT WORK AND ECONOMIC GROWTH



**14** LIFE BELOW WATER



## Corporate governance

HAV Group is a Norwegian public company limited by shares organised under Norwegian law. Consequently, the company will be obliged to comply with Norwegian legislation, including but not limited to corporate law, working environment, stock exchange and securities law, accounting and tax law, privacy, and environmental regulations.

Good corporate governance forms the basis for HAV Group's value creation. HAV Group's corporate culture is founded on good business practice, openness, honesty and respect for other people. This is the basis for carrying out responsible operations and making sound investments.

### **Governing structure and principles**

The annual general meeting (AGM) is HAV Group's supreme governing body. The Board of Directors is responsible for ensuring that the company is organised, managed, and controlled in an appropriate and satisfactory manner in full compliance with applicable laws and regulations. The executive management bears the ultimate responsibility for the company's strategy, development, and day-to-day work.

HAV Group's main governing documents are the company's Code of Conduct for Business, Ethics and Corporate Social Responsibility and the Articles of Association, in addition to the group's Anti-corruption Program and Supplier Code of Conduct. All documents are available on the group's [website](#).

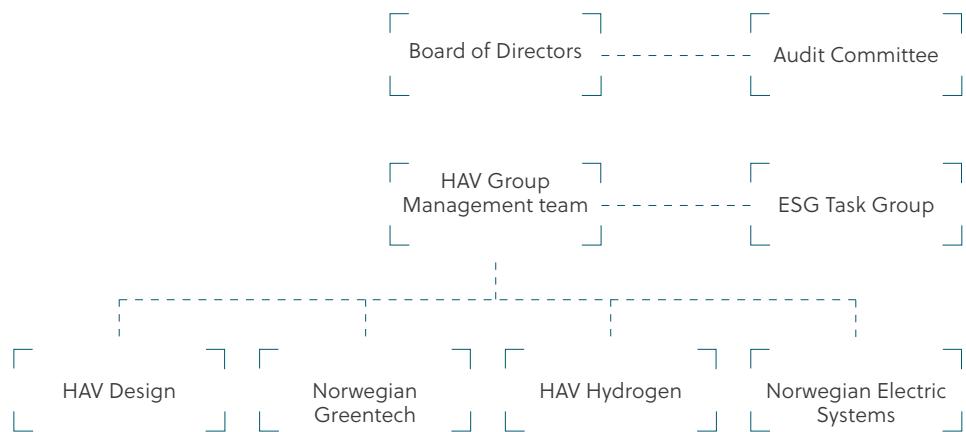
The Board of Directors in HAV Group considers compliance with generally accepted corporate governance guidelines as an important prerequisite for long-term value creation. The company strives to ensure that its internal control mechanisms, organisation and management structures comply with good corporate governance principles.

The Norwegian Code of Practice for Corporate Governance (the "Code") does not apply to companies listed on Euronext Growth Oslo. However, HAV Group will seek to comply with the Code over time.

## Management of impacts

The Board of Directors is the governing body that approves the overall strategy of the company. The sustainability strategy plan for 2023-2025 was approved by the board in August 2022. The board is informed about progress on implementation of the ESG strategy on a quarterly basis.

The board is supported by an ESG task group. This group defines and drives the implementation of the sustainability strategy. It is responsible for ensuring that there is clearly established accountability, as well as processes and systems in place to improve performance – including human rights-related impacts. For this purpose, the ESG task group meets minimum every quarter and reports to the board quarterly.



Each governance role is involved in sustainability through different functions, as shown below:

	Board of Directors	Executive Management	ESG Task Group	Audit Committee of the BoD
1. ESG Strategy	Reviews and approves the ESG strategy and business plans.	Develops ESG strategy and policies related.	Responsible to coordinate work regarding ESG strategy, regulations, human rights and communication.	
2. KPIs and responsibilities	Approves KPIs, new and existing policies. Ensures adequate goals are in place	Review KPIs, set targets and field responsibilities.	Proposes KPIs and supports field responsibilities. Enables frameworks and systems for accountability and processes.	
3. Execution	Monitors ESG goals and ambitions.	Leads implementation of sustainability strategy. Manages risks including climate change risks. Develops mitigation plans.		Monitors and oversees the risk management policy and framework.
4. Progress and evaluation	Discusses a quarterly review to identify risks, with focus on climate related risks. Guides business plans, action plans and major capital expenditures in accordance with ESG related issues.	Assesses performance based on KPIs defined and offers advice on emergent matters.	Discusses with management the quarterly risk review, including climate-related risks.	
5. Communications	Approves ESG report	Communication of ESG strategy and development	Responsible for sustainability reporting.	Together with management, plans and follow-up internal audits, including audit of environmental KPIs and other climate-related reporting.



## Stakeholder dialogue and materiality assessment

In 2022, HAV Group conducted a stakeholder mapping, which identified the following stakeholder groups and how HAV Group engages with them:

Stakeholder group	Definition	Engagement activities
Investors	Any person or other entity who have invested in HAV Group with the expectation of receiving financial returns.	<ul style="list-style-type: none"> <li>• Quarterly &amp; annual reports</li> <li>• Quarterly webcast presentations</li> <li>• Company presentations</li> </ul>
Board of Directors (BoD)	The governing body of HAV Group, elected by shareholders to set strategy and oversee management.	<ul style="list-style-type: none"> <li>• ESG Survey</li> <li>• Board meetings</li> </ul>
Employees, including management	A person with employment at HAV Group.	<ul style="list-style-type: none"> <li>• HAV Academy activities</li> <li>• Monthly dialogue meetings with employee representatives</li> <li>• Annual employee interview an Questionnaire</li> <li>• ESG Survey</li> <li>• Social events</li> </ul>
Suppliers and business partners	Vendors and businesses whom HAV Group procure goods or services from.	<ul style="list-style-type: none"> <li>• ESG Survey</li> <li>• Common R&amp;D projects</li> </ul>
Customers		<ul style="list-style-type: none"> <li>• Sales and design processes</li> <li>• Customer services.</li> <li>• ESG Survey.</li> </ul>
Industry associations	A person or company buying goods or services from HAV Group.	<ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Seminars and conferences</li> <li>• ESG survey</li> </ul>
Government & regulatory authorities	Organisations that support the industries in which HAV Group operates within.	<ul style="list-style-type: none"> <li>• NHO membership</li> <li>• Third party validation</li> <li>• Local political dialogue</li> <li>• Audits</li> </ul>
Local communities	People or communities who is licing within the area of HAV Group's operations.	<ul style="list-style-type: none"> <li>• Sponsoring activities</li> </ul>

In January 2022, an interdisciplinary group representing owners, employees, customers and suppliers carried out a systematic stakeholder dialogue with selected external and internal stakeholders. The group included investors, employees, board members, management, suppliers, clients and innovation clusters.

These groups were emailed an ESG survey, comprised of 18 questions relating to sustainability and HAV Group. The intention was to map respondents' perceptions of the company on different sustainability topics, the importance of each topic, and improvement points for HAV Group.

While the company did not undertake a systematic dialogue with local communities or government and regulatory authorities in 2022, the company engaged with these groups through other activities, such as quarterly presentations and participation at conferences.

The findings from the 2022 stakeholder dialogue were gathered for discussion by HAV Group, and the company's actual and potential impact on each topic was evaluated. The result of the 2022 materiality assessment can be seen in Figure 3 below:



These were then summarised in three overarching categories, which constitutes our material topics:

- Environmental protection, including products, solutions, and services for the green transition, energy efficiency, emissions to air, and responsible supply chain.
- People, including occupational health and safety, product and service-related health and safety, talent attraction and development.
- Ethics and transparency, including ethical business conduct and responsible supply chain.

HAV Group plans to build further on the stakeholder dialogue and update the materiality assessment in future reports.

# Material topics



# Environment

Ambitions	To contribute to a sustainable future at sea, supporting the marine and maritime industries towards the goal of zero emissions.
Priorities for 2023 and beyond	<ul style="list-style-type: none"> <li>• We will reduce our carbon emissions to achieve carbon neutrality by 2030 and net-zero emissions by 2050.</li> <li>• Monitor and measure the environmental impacts, CO2 abatement and water treatment of our products and services, and thereby increase transparency related to our products' environmental footprint.</li> <li>• Minimise waste by actively recycling all our waste from daily work and on-site operations. All offices shall have a recycling station.</li> <li>• Strengthening our carbon accounting, including Scope 3 emissions.</li> <li>• Include climate risk in our organization's risk management.</li> </ul>

## Background

Shipping is considered a hard-to-abate sector, meaning that it is more difficult to decarbonise this industry compared to others. The current greenhouse gas (GHG) emissions strategy of the International Maritime Organization (IMO) has a target of a 40% reduction in CO2 intensity by 2030, a reduction of 50% of total GHG by 2050, and zero emissions as soon as possible within this century. As regulations get stricter, we see higher potential to offer our technologies and designs, increasing the positive impact we can have on the environment.

In our materiality assessment, HAV Group identified environmental protection as an important topic, which includes products, solutions, and services for the green transition, energy efficiency, emissions to air, and responsible supply chain.

## Impact assessment

As a technology and service supplier for maritime and marine industries, HAV Group has the opportunity and responsibility to positively contribute to the global green energy transition and accelerate the shift towards zero-emission operations. Our work on vessel design, electrification, and hydrogen systems is part of the solution for the shipping sector. We are passionate about using our knowledge to solve these challenges by creating energy-efficient products and cutting emissions, while at the same time increasing our customers' profitability, competitiveness, and value creation by giving them a tool for the future.

Despite our positive contribution to GHG emission abatement, all our systems involve industrial manufacturing, which can also have a potential or actual negative environmental impact from the sourcing of materials to the disposal of the products. To counter these impacts, HAV Group values a circular approach to our business, which aims to reduce negative impact, reuse where we can, and recycle the rest. In general, we place sustainability high when we select suppliers and purchase system components, as well as in the crucial vessel design process.

HAV Group considers itself to be an enabler of the green transition at sea. This claim is backed up by the provision of numerous products and services that support the marine and maritime industries towards the goal of zero emission, including:

- *Ship design:* HAV Group advises customers regarding selection of vessel parameters and technologies that allow them to increase their competitiveness and enable the green transition at sea. The company provides pioneering innovations in the design and construction of low and zero-emission vessels and energy-optimised ship designs. This entails developing the most efficient vessels possible, covering every aspect of the vessel's functionality and performance, including environmental performance, through concept development, detail design, equipment selection, procurement, system engineering and integration. Further, innovative simulation-based ship design enables analysis and documentation of real-life performance of a vessel – before it has been built. In total, HAV Group possesses the competence and tools available to help shipowners design, develop and construct low and zero emission vessels, thereby supporting the global maritime industry in reaching its emission targets.
- *Energy design and smart control systems:* HAV Group supplies low and zero emission energy, propulsion and control systems for the global marine market. Detailed knowledge about vessel operations – from bridge to propeller – and specialist competence in integrating energy sources, including electric propulsion and charging systems, allow design of optimal power and propulsion systems that keep emissions to a minimum. Smart control systems and software platforms for navigation, automation and control ensure even more fuel-efficient operations. These products and systems are key enablers to achieve low and zero emissions, and can be applied to newbuilds or retrofitted on board existing vessels, making it easier for shipowners to reduce emissions from their fleets.

- *Hydrogen-based energy systems:* HAV Group is a supplier of complete and scalable zero-emission hydrogen-based energy systems for vessels. The systems are suitable for both vessel newbuilds and retrofits. The company has developed maritime-based energy systems with liquid hydrogen tank below deck and a container-based hydrogen system to be installed on deck. Adoption of hydrogen as ship fuel is considered a vital part of the transition to more sustainable shipping. HAV Group is one of the global frontrunners in offering approved hydrogen-based energy systems for ships. Installed effect can be used for the main propulsion systems, or for additional power supply on board the vessel to comply with green operation standards. Quayside, hydrogen systems can ensure sufficient green power supply to the vessel, which does not need to rely on onshore charging infrastructure to achieve zero emission status.
- *Water treatment systems:* HAV Group is a supplier of ballast water treatment systems for ships and other water treatment systems for the aquaculture industry. The spread of invasive species is recognised as one of the greatest threats to the ecological and the economic well being of the planet. Efficient treatment of ballast water prevents the unwanted spread of invasive species. The ballast water treatment system is available for retrofit. Process water treatment for aquaculture production is key to maintain fish health and avoid detrimental effect on local environment. Further, HAV Group's water treatment products has a chemical-free system that does not pollute the marine environment.

In total, the products, systems and services that HAV Group provide can have a substantial positive effect on the climate and the environment as they are enablers to achieve sustainable, low and zero emission transport at sea. Any negative environmental effects are associated with emissions from the manufacturing of the products, but these emissions are very limited compared to the massive emission reductions that can be realised through their use.

**Policy commitment** HAV Group is a responsible company that operates in accordance with relevant national and international environmental legislation. The Health, Environment, Safety and Quality (HSEQ) manager in each subsidiary and the HSEQ Director at Group level are responsible for following up our environmental policies.

Our HSEQ Policy outlines the company's approach to environmental topics. We shall strive to have the most energy efficiency products at any time, and the company's activities shall not expose persons, equipment, property or environment for risk or damage. The employees in HAV Group commit themselves to act with respect and attention to the environment. We shall assess our influence on the environment, minimise waste, discharge to water, soil and air and ensure an effective and responsible use of energy.

According to our Supplier Code of Conduct, we expect suppliers to comply with international and national environmental legislation, standards and discharge permits. The Group expects the supplier to minimise their environmental impact through continuous improvement. Chemicals and other hazardous substances are to be identified, managed and disposed of safely. The Group encourages the supplier to use environmentally friendly technologies, materials, products and services and to minimise harmful discharge, emissions and waste. When asked, the supplier should report on its environmental performance, with particular emphasis on evaluating the potential risks of present and future assets and operations.

#### **Actions**

HAV Group has committed to achieving CO2 neutrality by 2030 and net-zero by 2050. A plan to achieve carbon neutrality is expected to be completed by the end of 2024. Our effort towards becoming carbon neutral will be focused on mapping our electricity sources and considering certificates of origin to guarantee a renewable energy source. While we focus on the positive contribution of our products and services, we also need to consider the impact linked to manufacturing, transport, use and disposal. We aim to minimise waste by actively recycling waste from daily work and on site operations, and we are working to strengthen our Scope 3 accounting.

#### **Performance**

Scope 1 covers emissions from sources that an organisation owns or controls directly. As the nature of our business doesn't require us to burn fuels, this means that our Scope 1 emissions are low. HAV Group's Scope 1 emissions are mainly linked to the four company-owned cars.

Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling. HAV Group's Scope 2 emissions are linked to electricity consumption at our offices in Norway, Poland, Croatia, and Turkey.

We do not manufacture the systems we sell, so most the GHG emissions linked to our operations fall under Scope 3 (other indirect emissions). We currently do not report Scope 3 emissions, but plan to start our Scope 3 reporting in 2023.

GHG emissions summary tCO2e		2021	2022
Scope	Activity type		
Scope 1	Mobile combustion	22,86	25,03
	<b>Scope 1 – Total</b>	<b>22,86</b>	<b>25,03</b>
Scope 2 <sup>2</sup>	Purchased electricity – location based	17,3	17,3
	Purchased electricity – market based*	454,5	461,6

In our Scope 1 and Scope 2 calculations, we have included CO2. CH4 is considered in the electricity emission factors. We have not measured refrigerant injections in the offices we operate. We do not include any biogenic CO2 emissions, and have chosen 2021 as a base year as this is the year HAV Group was established. As a consolidation approach for emissions, we used an operational approach.

In our calculations, HAV Group has used the following sources of the emission factors:

- For diesel fuel cars: EPA, "Emission Factors for Greenhouse Gas Inventories", March 9, 2018; WRI, GHG Protocol - Emission Factors from Cross-Sector Tools, April 2014
- For electricity in Norway, Poland and Croacia: Association of issuing bodies 2021 (location based and market based)
- For electricity in Turkey: Climate Transparency (2021 Report) (only location based factor available)

As for standards, methodologies, assumptions, and/or calculation tools that have been used to calculate emissions, HAV Group has used the following:

- For passenger cars, we considered kilometres driven and factors suggested by the GHG emission calculation tool available on the GHG Protocol website
- For electricity, we have used the electricity consumed in each office and multiplied by location-based and market-based factors associated to each country

<sup>1</sup> This includes all subsidiaries. Market-based emissions from electricity in Turkey not included. Electricity consumption in Turkey was zero in 2021 and represented 0.13% of HAV Group consumption in 2022.

<sup>2</sup> Turkey uses location-based factor for market-based calculations. Heat is not included in calculations.

# People

Ambitions	To develop a safe, diverse, and engaging work environment.
Priorities for 2023 and beyond	<ul style="list-style-type: none"><li>• Include safety on agenda during department and management meetings</li><li>• Introduce employee health service and IA Agreement</li><li>• Further develop HAV Academy</li><li>• Zero injuries to personnel</li><li>• Keep sick leave below the industry average and preferably below 3%</li><li>• Improve gender balance across the organisation</li><li>• Maintain high job satisfaction (employee survey score: at least 4/5)</li></ul>

## Background

An employment relationship is a legal relationship between a worker and an organisation that confers rights and obligations to both parties. This relationship is usually the means for determining whether employment or labor law is applicable or whether commercial law is applicable. Another aspect of this topic, is health and safety. Prevention of harm and promotion of health require an organisation to demonstrate commitment to workers' health and safety. It also require the organisation to engage workers in the development, implementation, and performance evaluation of an occupational health and safety policy, management system and programs that are appropriate to the organisation's size and activities including occupational health and safety, product and service-related health and safety, talent attraction and development.

Through HAV Group's materiality assessment, the company determined that several topics in the people category were relevant to report on, including occupational health and safety, product and service-related health and safety, as well as talent attraction and development.

## Impact assessment

HAV Group and its subsidiaries are rooted in cutting-edge expertise and industries where Norway has special prerequisites and opportunities. This gives HAV Group and our subsidiaries a unique position in terms of attracting and recruiting competent and skilled employees.

Our recruitment policy shall ensure that our companies employ qualified and motivated personell who are dedicated to fulfill the company's goals. We are a relatively small organisation in a very competitive

environment that relies strongly on a highly skilled workforce.

It is important for HAV Group to take care of individuals and to be seen as an attractive employer for current and future employees. It is the company's ambition to maintain a good working environment with competent and motivated employees. Our overall goal is to create a common HAV Group culture. Our aim is to organise the work in such a manner that all our employees feel motivated to go to work and are energised when leaving the workplace, and in that way have a potential or actual positive impact in this area.

#### **Policy commitment**

HAV Group aims for a working environment that is perceived as fair and inclusive, with equal opportunities for all employees. We are concerned with fundamental worker's rights, and refer to standards regarding Health and Safety (HSE), working hours and employment conditions.

We have a zero accident approach and seek to limit occupational illnesses. Having a goal of zero accidents means to limit and reduce occupational illnesses by creating safe conditions for everyone working for or on behalf of HAV Group. To achieve this goal, we work to ensure a strong health and safety culture, with trained and disciplined employees who have a daily focus on safety routines.

Our efforts relating to the working environment is focused on engagement and communication, constant learning, career development and wellbeing. The management and employee representatives for white-collar workers and union representatives in the subsidiaries are responsible for the ongoing follow-up. It is a precondition for our work culture that each of us are seen, heard and included, and are given the possibility to influence decisions. HAV Group's CEO and group management team have an open and direct dialogue with the companies' employee representatives.

#### **Actions**

We have implemented a personell policy that clearly states our expectations for the working environment. The policy is first and foremost aimed at conditions in the work place, but also take into consideration factors like family, recreational time and other lifestyle-related factors. This policy has three main goals:

- To remain an attractive employer for people in different life phases
- To retain existing employees
- To motivate employees and give them a feeling of achievement

Our management has a central role in executing this policy, for instance by considering tasks and

possibilities of employees based on their individual situation. Employees can also use flexible work hours or reduced working hours to meet other, important obligations in their daily lives, in order to better cope with work tasks.

Our personnel policy specifically focuses on retaining and motivating workers who are in the later stages of their careers. Our goal is to keep valuable competence and experience within the firm, to motivate workers to stay in the workforce beyond 62 years of age, and to avoid that employees face any unnecessary physical wear and tear as a result of the job.

To ensure a varied workforce, we offer a variety of jobs in areas such as engineering, logistics, project management, finance, communication and law. The purpose of our student program is to recruit candidates for real positions in the future. Several students that have completed internships with us have been offered permanent positions after they have graduated from their studies.

To monitor progress, we conduct an employment survey every year. In 2022, we increased the rate of employees who completed the survey, and lifted the average score. In the reporting period, 84% of our employees completed this survey, with an average score of 3.78.

In addition to competitive salary conditions, we offer comprehensive benefits to all employees, including a HAV insurance package with personal insurance that goes far beyond the statutory occupational injury insurance, in addition to recreational accident, group life, illness/disability and travel insurance. As well as health and insurance plans, HAV offers treatment insurance, preventive health checks and individual follow-up, if necessary.

#### **Training and development**

We value our employees, and will facilitate professional and personal development for everyone working in HAV Group. In addition to conducting individual development meetings with every employee, we have established two different training programmes for employees:

Through our *basic training programme*, we offer all employees an arena for learning, inspiration, and motivation, and create a common understanding of where we are and where we are going as a company. Through the training programme we establish expectations for learning, share experiences across business areas and different roles, gain knowledge about the different companies in the group, organisation, and competence, look at business systems, structures, and procedures.

Through our *leadership training programme*, we seek to increase insight into one's own and others' influence, power, and authority. We hope that employees wish to strengthen relational competence and become more confident in leadership roles. The participants' own goals for growth and development in correspondence with the company's goals, constitute a central platform in the programme. We look at vision, values, culture, leadership, and business model, self-insight and build self-knowledge, use coaching as a tool for leadership and strategy and get basic understanding of accounting and economy.

#### **Health and safety**

HAV Group organises our workspace in order to comply with all relevant rules and regulations regarding health and safety (HSE). Managers in HAV Group must always actively attend to maintain and improve our HSE standard, and ensure that procedures and routines in the HSE systems are followed on a daily basis. Every employee in the organisation is required to comply with all relevant rules and regulations in HSE matters.

To achieve our HSE goals, HAV Group has integrated standards and regulations in the company's Management System to comply with ISO 9001 (Quality Management Systems), ISO 14001 (Environmental Management System), OHSAS 18001 (Occupational Health and Safety Assessment System), in addition to other relevant laws and regulations. This is our internal control documents which in turn defines the conditions for effective use, implementation and improvement of the system. We continuously work to identify work-related hazards and assess risks on a routine basis, and we aim to continually develop our Management System based on findings from these risk assessments.

We expect that our employees have good knowledge about HSE requirements and that they always comply with our HSE standard. We encourage staff to actively contribute with suggestions improving the security of the organisation, and to stop work which may cause accidents, damage, or unsafe situations.

We expect our suppliers to ensure a safe and healthy working environment, as outlined in our Supplier Code of Conduct. Procedures and systems shall be in place to prevent, manage, track and report occupational injury and illness. Moreover, suppliers should minimise workers' exposure to potential safety hazards through design, preventative maintenance, safe work procedures, safety training and the use of protective gear.

### **Non-discrimination**

HAV Group does not tolerate any form of discrimination, harassment or degrading treatment of employees. We respect and support basic human rights and labor rights, including the UN's Declaration of Human Rights, the OECD's guidelines for multinational enterprises and the ILO's declaration on fundamental principles and rights in the workplace.

When recruiting new employees, every candidate will be evaluated based on their qualifications and skills only. There will be no form of discrimination based on sex, race, language or other circumstances in HAV Group.

Together with its subsidiaries, HAV Group must also use its influence to ensure that the company's supply chain comply with the same principles.

### **Reporting concerns**

We expect employees and others to report unwanted and undesirable incidents and employees would never face reprisals for reporting concerns. Reports can be made to [HAV Group's Integrity Channel](#), managed by the Head of Legal Affairs and the Senior Vice President Human Resources, and relevant personnel are required to determine corrective actions or improvements needed in the occupational health and safety management system.

# Performance

	2021 total	% Men	% Women	2022 total	% Men	% Women
Full-time employees	138	91.3%	8.7%	151	78%	22%
Part-time employees	4	100%	0%	6	83.3%	16.7%
Temporary employees	3	66.7%	33.3%	13	70%	30%
New hires	13	100%	0%	18	62%	38%
Employee turnover	6.5 (9 people)	100%	0%	5.3 (8 people)	75%	25%

Employees	2021	2022
Total number of employees	138	160
Diversity	2021	2022
Total employees, share of women	8,7	22
Management women share	10	7
Nationality diversity	21	18
Paternity leave (avg. # weeks)	Men	Women
	12	0

Employee well being	2021	2022
# of incidents with absence	1	0
# of incidents without absence	0	2
# of Near Accident reports	1	0
Lost time incident rate (LTIR)	2021	2022
Sickness absence	2.1	4
Employee survey coverage %	67	84
Employee survey rating	3.71	3.78

Employee survey	2021	2022
Employee survey coverage (>85%)	67%	84%
Employee survey rating (>4/5)	3.7	3.78

Employee development	2021	2022
Appraisal conversation coverage (100%)	27%	92%

Health and safety	2021	2022
# of incidents with absence	0	0
Lost time incident rate (LTIR) (<5)	0	0
The number of hours worked	33338	36941

# Ethics and transparency

Ambitions	To be a preferred choice for suppliers, clients, and commercial and financial partners.
Priorities for 2023 and beyond	<ul style="list-style-type: none"><li>• Publish the first sustainability report</li><li>• Design and implement a supplier sustainability program, including the development of supplier code of conduct and ESQ questionair</li><li>• Publish the first Human Rights due diligence report</li><li>• Publish an annual corporate governance statement that addresses NUES recommendations</li></ul>

## Background

Corruption is broadly linked to negative impacts, such as poverty in transition economies, damage to the environment, abuse of human rights and so on. It is vital for HAV Group to maintain an invaluable reputation for corporate trustworthiness around the world, based on consistently conducting business with integrity and in compliance with the laws and regulations governing its activities.

Directors and employees must practice fair dealing, honesty and integrity in every aspect in dealing with other employees, business relations and customers, the public, the business community, shareholders, suppliers, competitors and government authorities. The company's corporate values and commitment to sustainable development shall be reflected, promoted and implemented in policies, decisions and actions.

In our materiality assessment, HAV Group identified ethical business conduct and responsible supply chain as two main topics to include in our sustainability reporting.

## Impact Assessment

HAV Group delivers products and services worldwide within ship design and equipment. Thus, there are several risks linked to corruption that the company needs to be aware of and monitor.

Since HAV Group wishes to sell its products worldwide, it is occasionally expedient or necessary to use intermediaries or agents to open doors to new markets and establish relations with new customers. Such intermediaries are normally only paid if their endeavors are successful (signature of a contract), and they therefore have a strong closing incentive. The Group will usually have limited knowledge of and control

over the intermediary's operations, and it is therefore a risk that corruption can occur in connection with such contracts. Intermediaries who operate on their own are deemed to entail a greater risk than intermediaries or agents that are employed by recognised brokerages.

Some countries or parts of the world are also deemed to entail a greater risk of corruption than others. Since the HAV companies have international presence, a concrete assessment must be conducted to determine if more detailed investigations or measures are necessary.

Persons with decision-making powers in relation to third parties may be exposed to corruption risk. Within the Group, this applies to the management, procurement personnel, sales personnel, and the Board.

#### Policy commitment

HAV Group shall adhere to integrity, governance, and responsible business practices in all our operations. The Group is committed to conduct its businesses with integrity, in accordance with internationally proclaimed human rights and with the aim of furthering sustainable development. In this respect, the Group recognises the importance of its suppliers, contractors, subcontractors, distributors, agents, consultants and joint venture partners in achieving this pursuit.

HAV Group expects that members of the Board and employees act in a fair and honest manner and demonstrate integrity in all their dealings with other employees, business associates and clients, the general public, the business community, shareholders, suppliers, competitors and public authorities. The Group's core values and commitment to sustainable development shall be reflected, promoted and implemented through the guidelines, decisions and actions. As such, HAV Group believes that it has a positive impact in the area of anti-corruption.

HAV Group follows Norwegian anti-corruption laws. In addition to the company Code of Conduct and Supplier Code of Conduct, HAV Groups has established an [Anti-Corruption Policy<sup>4</sup>](#) for the Group and its companies. All of these documents are available on the Group's website and are included as a contractual document in all employment contracts.

#### Actions

Risk of sanctions and corruption shall always be examined and assessed in relation to new markets, customers and partners. Risk assessments are conducted by the use of online indicators or indexes, to measure corruption risk. For sanctions matters, external advisors perform integrity due diligence when found necessary.

The Head of Legal Affairs in HAV Group has the overall responsibility to develop and maintain appropriate guidelines in this area. All employees, partners and other stakeholders shall be informed about the Group's policies regarding business ethics and anti-corruption. Updates to the policies are communicated in internal messages in the company. All suppliers are requested to comply with the Supplier Code of Conduct and warrant that it conducts and will continue to conduct its business in a responsible and ethical manner and in accordance with the provisions of the Code.

Intermediaries or agents and suppliers must include adequate anti-corruption provisions. These provisions must ensure that the contract can be terminated should corruption be found to exist with the in the counter part, and must include an obligation to cover any financial loss suffered by the relevant company in connection with termination of the contract. The relevant company Board shall be informed about the use of agents or intermediaries in connection with the approval of contracts.

HAV Group believes that openness and good communication throughout the organisation promotes a better work culture. HAV Group acknowledges the risk of violations of the Code of Conduct and depends on the willingness of employees and external parties to raise concerns in order to uphold high ethical standards. Reporting of concerns (whistleblowing) is to report possible illegal, or suspected illegal, actions and violations of HAV Group's Code of Conduct. Examples of violations include, but are not limited to, fraud and corruption, harassment and discrimination, and violations of environmental and human rights laws.

The Group has made arrangements to facilitate internal notifications should circumstances be found to exist that are subject to penal sanctions (including corruption), or that are in violation of statutory obligations or prohibitions, or in breach of the company's Code of Conduct or generally accepted ethical standards.

Employees are encouraged to use their right and responsibility to report concerns. This also applies to external parties, including employees of associated companies. The whistleblower decides what information is to be provided. There is no requirement that the whistleblower can prove the event, act or omission. However, to allow HAV Group to perform adequate follow-up actions, the report should include as much detail as possible and, if available, supporting evidence.

Reports of concerns can be made to HAV Group's Integrity Channel, managed by the Head of Legal Affairs and the Senior Vice President Human Resources. The Integrity Channel offers the whistleblower the possibility to report anonymously. It is of utmost importance for HAV Group to ensure predictability

and confidence for all those who raise a concern. HAV Group's core principles for handling reports of concerns are:

- Fair and objective process
- Protection of the whistleblower against retaliation
- Protection of the legal rights of the individual who is the subject of the report
- Confidentiality
- Protection of sources
- Protection of personal data

### Performance

KPI	2022
Total number of significant instances of non-compliance with laws and regulations during the reporting period	0
Total number of fines for instances of noncompliance with laws and regulations that were paid during the reporting period	0
Confirmed incidents of corruption in the reporting period	0
No. of ongoing investigations or legal actions pending	0

# Human rights and decent working conditions – 2022 report

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

According to the Transparency Act, businesses shall:

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

In 2022, HAV group ran an initial assessment of the potential adverse impact on human rights in the supply chain and identified the highest risk among suppliers. The highest risks were linked to:

- Terms of employment
- Wages and workhours
- Workplace discrimination
- Health and safety
- Privacy
- Sexual harassment

In order to mitigate these and other risks in our supply chain, HAV group has:

- Implemented a human rights policy
- Conducted due diligence concerning human rights and decent working conditions
- Implemented a Supplier Code of Conduct with reference to human rights
- Established a third-party whistleblowing system
- Approved guidelines to deal with a potential or actual violation of human rights
- Implemented a supplier human rights risk assessment
- Established risk profiles based on industry and country of supplier,
- Having suppliers sign the Supplier Code of Conduct
- Fill out the human rights questionnaire
- Conducted audits (based on OECD Human rights due diligence report)

There have been zero complaints linked to real or potential adverse impacts on human rights in 2022, hence, no remedy actions are needed.



# HAV Group's subsidiaries





*“Energy-efficient ships with low environmental impact and high competitiveness.”*

HAV Design is a global leader within energy efficient and competitive ship designs with zero emission ambitions. The company helps guide the shipping industry towards a sustainable future at sea. With a proven track-record of more than 100 ship designs, state-of-the-art know-how, and virtual design tools, HAV Design accommodate low and zero-emission solutions and is positioned to meet the environmental requirements of the future. Our experience and expertise, as well as our focus on efficiency, safety, and sustainability, lays the foundation for developing and delivering high-quality innovative solutions to customers in the seafood, energy, and transport sectors. From 2021, HAV Design is part of the HAV Group, where four companies with special expertise in leading the maritime industry through the green shift, have been merged into one group. In addition, at HAV Ocean Lab we offer our customers a virtual test tank with digital twins of ships and ocean areas, which is unique in a commercial context. The goal is to minimise the environmental impact and increase our customers' competitiveness.

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## Sustainability highlights

Employees	2021	2022
Total number of employees	61 <sup>1</sup>	61 <sup>1</sup>
Retention rate %	94.2	98.6
Turnover rate %	5.8	1.4
Diversity	2021	2022
Total employees <30	11	11
Total employees <30-50	33	33
Total employees >50	17	17
Total employees women share %	15	15
Management women share %	0	0
Nationality diversity %	37.6	37.6

Employee well being	2021	2022
# of incidents with absence	0	0
# of incidents without absence	0	0
# of Near Accident reports	0	0
Lost time incident rate (LTIR)	NA	NA
Sickness absence	2.1	4.5
Employee survey coverage %	75	76
Employee survey rating (1-5)	3.64	3.71
Appraisal coverage %	NA	100
Training hours per employee	NA	26

<sup>1</sup> 24 employees work at our offices in Poland (13) and Croatia (11).



*"Enabling maritime zero emission"*

HAV Hydrogen delivers complete and scalable hydrogen systems for use on both large and small vessels, new vessels and retrofit vessels, which are designed for operation in heavy seas. HAV Hydrogen is a complete supplier of retrofit modules for hydrogen energy systems, hydrogen energy systems for integration in vessels, pre-studies and cooperation with the policy instrument system. Hydrogen is fuel in its purest form, and after several years of research and development, we are eager to demonstrate that hydrogen can be used efficiently and safely to enable zero emissions in the maritime industry. The development of battery-fuelled electric ferries has proved that, although employing new technology can be challenging, the new solutions can be so impressive that you will never look back. Over time, HAV Group has used advanced computer technology to create energy-efficient ships with a lower environmental impact. Combined with HAV Hydrogen's development work in hydrogen for ships, HAV's cross-cutting expertise makes us a powerhouse for the green transition in shipping. The company was established in 2021, and the headquarter is located in Fosnavåg, on the northwest coast of Norway.

## Sustainability highlights

Employees	2021	2022	Employee well being	2021	2022
Total number of employees	3	5	# of incidents with absence	0	0
Retention rate %	67	80	# of incidents without absence	0	0
Turnover rate %	33	20	# of Near Accident reports	0	0
Diversity	2021	2022	Lost time incident rate (LTIR)	NA	NA
Total employees <30	0	1	Sickness absence	0	1,4
Total employees <30-50	2	3	Employee survey coverage %	NA	100
Total employees >50	0	1	Employee survey rating (1-5)	NA	4,52
Total employees women share %	33	20	Appraisal coverage %	NA	100
Management women share %	33	20	Training hours per employee	NA	50
Nationality diversity %	0	20			



*“Your expert in energy design and smart control”*

Norwegian Electric Systems (NES) is a world leading total supplier of low and zero emission propulsion and control systems for a wide range of vessels for the global marine market:

- Energy Design - knowledge about vessel operations and the competence of using the newest technology and latest available energy sources. This gives us the opportunity to design optimal propulsion systems for different vessel types and operations. Norwegian Electric Systems designs efficient solutions that have low impact on the environment, the lowest investment and operational cost for the customer and by this, creating the best overall value for the customers.
- Smart Control - new requirements and demand for more efficient and safe operations, calls for smarter vessels. Flexible software platforms and new solutions for navigation, automation, and control – ensures safety by smart and easy operation.

NES is a committed partner for safe shipping, lower emissions and added value for our customers, and our focus is to be a collaborator and a systems supplier, designing optimal propulsion systems for vessels and control systems to ensure safety by smart and easy operation. Norwegian Electric Systems was established in 2009 as a supplier of advanced diesel electric, hybrid electric-, and 100% electric propulsion systems, for the global marine market. In 2019, NES merged with Norwegian Control System, completing the product range with IAS/PMS and Navigation/Bridge system.

## Sustainability highlights

Employees	2021	2022
Total number of employees	52	52
Retention rate %	96,2	92,3
Turnover rate %	3,8	7,7
Diversity	2021	2022
Total employees <30	5	5
Total employees <30-50	37	37
Total employees >50	10	10
Total employees women share %	5,7	10
Management women share %	22	22
Nationality diversity %	0	4

Employee well being	2021	2022
# of incidents with absence	1	0
# of incidents without absence	0	1
# of Near Accident reports	0	1
Lost time incident rate (LTIR)	NA	0
Sickness absence	1,4	4,4
Employee survey coverage %	70	86
Employee survey rating (1-5)	3,6	3,65
Appraisal coverage %	44	17
Training hours per employee	NA	14,5



*“Norwegian Greentech is a supplier of highly innovative water treatment systems.”*

#### Norwegian Greentech

Norwegian Greentech (NGT) is the leading provider of compact highly energy-efficient ballast water treatment systems (BWTS) for small and medium-sized vessels, were innovative solutions, space efficiency and reliably meets the international discharge standards. Based on Norwegian heritage, experience, quality focus and innovative solutions, our insights provide customers with a head start, increases their competitiveness, and enables them to realize the green shift towards a sustainable future at sea. NGT was established in 2010 in Fosnavåg, focusing on water treatment systems for the maritime industry. The main products are ballast water treatment systems and process water treatment systems for live fish carriers and land-based aquaculture. NGT BWMS make use of the latest UV-technology commercially available today, based on medium pressure UV-radiation, which is the most efficient UV-technology for Ballast Water Treatment. The company has sold more than 700 treatment systems so far, and the market is growing rapidly due to international requirements.

#### Sustainability highlights

Employees	2021	2022
Total number of employees	15	22
Retention rate %	93,3	100
Turnover rate %	6,7	0
Diversity	2021	2022
Total employees <30	3	8
Total employees <30-50	9	12
Total employees >50	3	2
Total employees women share %	29	28
Management women share %	0	0
Nationality diversity %	6	4,5

Employee well being	2021	2022
# of incidents with absence	0	0
# of incidents without absence	0	1
# of Near Accident reports	0	0
Lost time incident rate (LTIR)	NA	0
Sickness absence	2,1	5,3
Employee survey coverage %	71	86
Employee survey rating (1-5)	3,75	4,01
Appraisal coverage %	NA	100
Training hours per employee		7

# HAV Group enables Havila Kystruten's first zero emission cruise through the Geirangerfjord

Havila Kystruten's newest ship, Havila Castor, made history in the Geirangerfjord on 2 June 2022 – operating the first zero emission cruise through the world heritage fjord.

The ship is packed with sustainable solutions from HAV Group's subsidiaries HAV Design, HAV Hydrogen, Norwegian Electric Systems and

Norwegian Greentech:

"We have been involved in developing and delivering a number of solutions that together enable Havila Castor to sail a very low-impact voyage along the Norwegian coast. The ship is significantly more energy-efficient than the requirements in the contract with the Norwegian Government to sail the coastal route from Bergen to Kirkenes," says Gunnar Larsen, CEO at HAV Group ASA.

Havila Castor contains several technological innovations to ensure the lowest possible operating costs and emissions. Highly efficient hull design, developed and tested with data simulator-based design which, among other things, considers actual weather, wind and wave conditions.

"We have a fantastic ship that behaves like a dream at sea. This is a state-of-the-art ship that is easy to handle and manoeuvre", says Truls Bruland, captain of Havila Castor.

## One of the largest battery systems

Norwegian Electric Systems (NES) is the system

integrator of Havila Castor and has delivered everything from energy design to smart controls. Specifically, this means the integrated navigation system Raven INS, generators, complete switchboard system, transformers, frequency converters for thrusters, energy management system and one of the world's largest battery systems for the ship.

"We are proud that the delivery from NES has enabled Havila Kystruten to sail fully electric and entirely without emissions in and out of the fjord", says Rune Holmedal, Product Manager Energy Motion at NES.

Norwegian Greentech (NGT) is a supplier of sustainable systems for clean water, and they have delivered their highly innovative ballast water treatment system to Havila Castor. This system combines the smallest footprint with low power consumption, installation flexibility and intuitive operation.

## Future technology

The electrical system is also prepared for future hydrogen fuel cells to add green and clean power to the ship. The hydrogen-based energy system developed in the FreeCO2ast project can make Havila Castor, which is already one of the most environmentally friendly coastal cruise ships, even more environmentally friendly in the future. Havila Castor is just at the beginning of a sustainable future at sea.







# Zero-emission ferries

## Energy-efficient and low-cost operations

HAV Design aims to minimize the environmental impact and increase our customers' competitiveness with energy-efficient ferry design for low-cost operations. At HAV Ocean Lab, we offer our customers a virtual test tank with digital twins of ships and ocean areas, which is unique in a commercial context.

Large quantities of data on the ferry design and the individual route are used to create a virtual model of the area and a digital twin of the ferries.

"With our digital models, we put the ferry in operation on a virtual route. Then we optimize the hull form to where the ferry is heading and how it will be used. We calculate hull lines, weight, equipment, currents, waves and wind. This way we can deliver ferries with extremely low energy consumption and enable low-cost operations, says Stig Espeseth", Managing Director of HAV Design.

HAV Design looks at the overall ship design from a sustainability perspective to reduce all input factors. The battery is an important factor, and the low energy consumption is a major focus, which is more important than ever, although the ferries use renewable energy.

"We thus design tailored and energy-efficient ferry designs that are competitive and increase value creation for the owners while also providing a solution that benefits the environment and climate", says Jan Magne Goksøyr, Vice President Sales of HAV Design.

## Reducing CO2 emissions by 7 000 tonnes

The transition from diesel-driven ferries to all-electric ferries on the Hareid-Sulesund crossing in Norway ensures an annual reduction in CO2 emissions of as much as 7 000 tonnes. That equals 3 800 car equivalents.

The three battery-powered ferries, MF Hadarøy, Giskøy and Suløy, are all designed to transport 120 cars and work towards a sustainable future at sea.

These fully electric ferries charge 350 kWh of power in as little as 6 minutes.

"We deliver designs with electrical systems that ensure that the ferries are operated as economically as possible regarding energy consumption. The systems help the crew by suggesting how they can optimise consumption."

## Appendix I: GRI content index

*HAV Group ASA has reported the information cited in this GRI content index for the period 1<sup>st</sup> January 2022 to 31<sup>st</sup> December 2022 with reference to the GRI Standards.*

	Disclosure	Reference	Omission
GRI 2: General Disclosures 2021	2-1 Organizational details	This is HAV Group	
	2-2 Entities included in the organization's sustainability reporting	About this report	
	2-3 Reporting period, frequency and contact point	About this report	
	2-4 Restatements of information	N/A	Not applicable: As this is HAV Group's first sustainability report, we have not provided any restatements of information.
	2-5 External assurance	About this report	
	2-6 Activities, value chain and other business relationships	This is HAV Group	
	2-7 Employees	People, Performance	Not applicable: The reporting requirement is met with one single exception: HAV Group does not have any non-guaranteed hour employees, and have not reported numbers in this category.
	2-8 Workers who are not employees	People, Performance	Information incomplete: HAV Group does from time to time contract work from workers who are not employees of the company. However, we do not have complete information about this group of workers. In next year's report, we will look to compile the data.
	2-9 Governance structure and composition	Corporate governance + website	Information incomplete: HAV Group has not included detailed information on the role of the highest governance body in overseeing the organisation's impact on the economy, environment and people.
	2-10 Nomination and selection of the highest governance body	Corporate governance + website	
	2-11 Chair of the highest governance body	Corporate governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate governance	
	2-13 Delegation of responsibility for managing impacts	Corporate governance	
	2-14 Role of the highest governance body in sustainability reporting	Corporate governance	
	2-15 Conflicts of interest	Corporate governance	Information incomplete: HAV Group has not yet developed procedures to deal with conflicts of interest in relation to this disclosure. Once this is in place, we will add the information on these practices in our sustainability report.
	2-16 Communication of critical concerns	Ethics and transparency, Actions	
	2-17 Collective knowledge of the highest governance body		Information incomplete: HAV Group has currently not implemented specific measures to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development. In coming reporting, we will add this information if initiatives are implemented.
	2-18 Evaluation of the performance of the highest governance body		Information incomplete: HAV Group does not yet have processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on ESG. In the coming time, we will seek to add such measures and include them in reporting.

	2-19 Remuneration policies		Information incomplete: HAV Group has not yet instituted remuneration policies for members of the highest governance body and senior executives, which relate to their objectives and performance in relation to the management of the organisation's impacts on the economy, environment, and people. Information on general remuneration policies for the board are found in the annual report.
	2-20 Process to determine remuneration		Information incomplete: the company has not established remuneration policies and a process for determining remuneration.
	2-21 Annual total compensation ratio		Information incomplete: HAV Group has not calculated the ratio and the percentage increase of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees in the company, but plans to do this in future reporting.
	2-22 Statement on sustainable development strategy	CEO letter	
	2-23 Policy commitments	UN Sustainable Development Goals; Ethics and transparency; Non-discrimination	
	2-24 Embedding policy commitments	Environment Actions; People Actions; Ethics and transparency Actions	
	2-25 Processes to remediate negative impacts	Human rights and decent working conditions	
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and transparency, Actions	
	2-27 Compliance with laws and regulations	Ethics and transparency, Performance	
	2-28 Membership associations	This is HAV Group	
	2-29 Approach to stakeholder engagement	Stakeholder dialogue and materiality assessment	
	2-30 Collective bargaining agreements		Information incomplete: Many of our employees are organised in unions, but HAV Group has not collected information about the percentage of total employees covered by collective bargaining agreements. In the next report, we will add this information.

	Disclosure	Reference	Omission
GRI 3: Material topics 2021	3-1 Process to determine material topics	Stakeholder dialogue and materiality assessment	
	3-2 List of material topics	Stakeholder dialogue and materiality assessment	
ENVIRONMENT			
GRI 3-3 Management Approach 2021	3-3 Management of material topics	Environment, Background	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment, Performance	
	305-2 Energy indirect (Scope 2) GHG emissions	Environment, Performance	
PEOPLE			
GRI 3-3 Management Approach 2021	3-3 Management of material topics	People, Background + Non-discrimination	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People, Health and safety	
	403-2 Hazard identification, risk assessment, and incident investigation	People, Health and safety	
	403-3 Occupational health services	People, Actions	
	403-4 Worker participation, consultation, and communication on occupational health and safety	People, Policy commitment	
	403-5 Worker training on occupational health and safety	People, Training and development	
	403-6 Promotion of worker health	People, Policy commitment	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People, Health and safety	
	403-8 Workers covered by an occupational health and safety management system	People, Health and safety	Information incomplete: HAV Groups has not calculated the number and percentage of all employees and workers who are not employees but whose work and/or workplace is controlled by the organisation, who are covered by Occupational Health and Safety System. As such, we cannot report for certain if any workers have been excluded from this disclosure. In next year's report, HAV Group will seek to add these numbers to our reporting.
	403-9 Work-related injuries	People, Performance	Information incomplete: For the purpose of this year's reporting, HAV Group has not gathered the exact number of hours worked, by our employees. As we have not recorded any injuries and this is our first report, we have not included a list of main types of work-related injuries. We will add this to next year's reports.
	403-10 Work-related ill health	People, Performance	

GRI 401: Employment	401-1 New employee hires and employee turnover	People, Performance	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People, Actions	Information incomplete: Hav Group does not have a full overview of which benefits are provided to full time employees that are not provided to temporary employees or part-time employees, at all of our sites across the different geographic regions. We will add this to next year's report.
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	People, Performance	Information incomplete: In this year's report, HAV Group has included percentage of employees per employee category, by gender. In next year's reporting, we will add age categories to this disclosure.
GRI 406: Non- Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	People, Non-discrimination	
<b>ETHICS AND TRANSPARENCY</b>			
GRI 3-3 Management Approach 2021	3-3 Management of material topics	Ethics and transparency, Background	
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Ethics and transparency, Performance	

