





# Caring for the coast



The Norwegian coast is our home. For 130 years, we have carried local passengers, goods, and tourists to communities all along the coast. Our visits have supported and created value for local communities generation after generation.

The spectacular nature that blesses the Norwegian coast draws travellers from around the globe and we are proud to show them our beautiful home.

Now, our climate is changing right before our eyes. In 2021, we saw alarming new records in greenhouse gas concentrations, sea levels, ocean heat, and ocean acidification<sup>1</sup>. The Arctic is warming three times as fast as the global average. Along with plastic waste and unsustainable mass tourism, the health and well-being of both humans and ecosystems are at risk as never before.

We see these warning signs as a call to action. For years, we have led the way on sustainability, protecting the environment, caring for our coast, and pushing for new industry standards. But now more than ever, we want to

strive to do even better and to be the most sustainable travel operator on the coast.

For us, being sustainable is simply the right thing to do. As one of the largest maritime employers in Norway, we are an integral part of the coastal community here. That is why caring for our people and communities is at the core of our mission.

We therefore take a holistic approach to ESG, meaning all our operations must focus on having a positive impact on the three related factors of environment, social, and governance.

Through continued and strengthened work on our own operations - our ships, the guest experience - and cooperation with suppliers, we take responsibility throughout the entire value chain.

Through innovation and product development, we work to ensure a responsible and sustainable form of tourism and transport.

By integrating sustainability across our operations, not only can we protect our coast and the communities we serve, but we are also able to improve our own operational efficiency, strengthen the brand, increase sales, and attract and retain talent.

Over the next years, we will continuously work to make our environmental footprint smaller and smaller, while leaving a lasting positive impact where we sail. This is what our motto of 'caring for the coast' means to us, not just in words, but in actions.

Yours sincerely, Hedda





# About Hurtigruten Norway

Hurtigruten Norway operates The Hurtigruten Norwegian Coastal Express, a historic and iconic voyage that offers a unique combination of local travelers, goods, and international tourists since our very first sailing in 1893.

Our fleet of ships stop at 34 Norwegian ports between Bergen in the south and Kirkenes in the north, connecting communities, delivering cargo, and showcasing nature and everday life along the rugged Norwegian coast on what is referred to as the most beautiful voyage in world.

From 2023, Hurtigruten Norway will start two new routes: The North Cape Express from capital city Oslo to North Cape at the top of the European continent, and The Svalbard Express from Bergen to the Svalbard archipelago high in the Arctic.



vessels



ports of call



60 000 tonnes of goods



vessels in the **Original Coastal** Express route

7 of 11



600.000 nautical miles travelled

each year



135 000 local passengers



800 000 passenger cruise nights per year



# Where we are

# **Hurtigruten Norway 2021 ESG performance**

Environmental performance	Unit	2021
Scope 1 (Direct CO2 Emissions)	Metric tonnes	107 145
Scope 1 (Direct CO2 Emissions) per guest	Metric tonnes	0.12
Scope 2 (Indirect CO2 Emissions)	Metric tonnes	286
Sum of Scope 1 & 2 Emissions	Metric tonnes	107 431
Energy Consumption fleet (Scope 1&2)	Gigajoules	1 625 890
Energy Consumption fleet biofuels	%	12
Spills to the environment	#	4
Food waste per guest	Kilo	0.110
Social performance		
Total number of employees	#	951
Working on ships	#	893
Working at our landbased offices	#	58
Women in Hurtigruten Norway	%	36
Women working on ships	%	37
Maritime apprentices	#	110
Women in Management team	%	36
Female Captains	%	6
Female senior officers / leadership onboard	%	6
LTIF (Lost Time Incident Frequency)	#	1.74
Marine casualities	#	0
Nr local vendors Hurtigruten Norway	#	230
Governance performance		
Board diversity (% females)	%	33
% spending from local suppliers (F&B)	%	35

#### **ESG Work 2010-2022** Hurtigruten Norway has led the way on sustainability, taking several initiatives to push ourselves and the entire cruise industry in a greener direction. 2021 2022 Phasing in use of Green excursions, sustainable 2010 including biofuels electric buses Discontinued in collaboration use of Heavy **Targeted** with Tide fuel oil efforts to reduce food waste 2019 2017 One ship installed with 2022/23 Local food on all ships, ensuring **SCR** (Selective **Environmental** upgrades: a lower carbon Catalytic footprint, as well as Hybrid upgrade Reduction) positive ripple effects **SCR** systems in local communities **Hull modifications** Wastewater 2018 Banned single used plastic Shore power all ships



# **ESG** Roadmap

## **Our material topics**

#### **Environmental (E)**

**Emissions** Impact on Nature

#### Social (S)

Great Place to Work **Diversity & Inclusion** Health & Safety Community Impact

#### Governance (G)

Responsible Business Data Privacy and Security

Our material topics, which are a key part of defining the framework for our ESG work, are based on Hurtigruten Groups materiality assessment and material topics, as these are relevant group wide. In autumn of 2021 the first materiality assessment for Hurtigruten Group was performed, based on the GRI guidelines.

Our materiality assessment has identified eight material topics, split into environmental, social, and governance categories. These topics represent the most material topics for Hurtigruten Group's business and should reflect what is of highest importance both to our stakeholders and to us as a business. The material assessment will form the basis for our strategic work and prioritisation for the future.

More info on the materiality assessment can be found in Hurtigruten Group's ESG report.

# **Targets and ambitions**

We see targets as a necessary tool to guide us and ensure that we have the right focus moving forward. These targets are set at the group level and are subject to continuous improvement and development, but they are a core part of how we make decisions and prioritise.

In 2022, Hurtigruten Group is committing to Science Based Targets (SBTi), as outlined in the Paris Agreement, which seeks to limit global warming to 1.5 degrees Celsius compared to pre-industrial levels.

	Material topic	What we are working towards (targets and ambitions)
Environmental	Emissions	Zero emissions by 2050 (SBTi) Carbon Neutral (scope 1) by 2040 First emission free ship on the Norwegian coast by 2030
	Impact on Nature	100% reuse and recycling of waste by 2030
Social	Great Place to Work	eNPS above 30 by 2025
	Diversity & Inclusion	40% women in Senior Leadership by 2026 35% female officers by 2035
	Health & Safety	0 marine causalities LTIF below 0.5 by 2030
	Community Impact	Maximise the number of people positively impacted, and endangered species supported
Governance	Responsible Business	Lead by example: Be a transparent player in the industry, that shows accountability for our impacts
	Data Privacy	Have zero major breaches requiring reporting to data protection authorities

## **Our Sustainable Development Goals**



Achieve gender equality and empower all women and girls



Make cities and human settlements inclusive, safe, resilient and sustainable



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts



Conserve and sustainably use the oceans, seas and marine resources for sustainable development





# Our way forward

# Our sustainability mission

We strive to contribute to sustainable development and create positive change through our existence.

Our ESG work is rooted in the fact that we operate in close connection with people and local communities, as well as in a spectacular but vulnerable environment.

We were created to care for our coast. That has not and will not change. We want to do whatever

we can to protect and preserve our home for the next 130 years and beyond. Reinventing sustainable travel experiences means operating in a more sustainable manner in all aspects of our business, positively impacting both nature, local communities, and the guests who sail with us.

That is why our sustainability mission is:

#### Caring for the coast

Small footprint, lasting impact



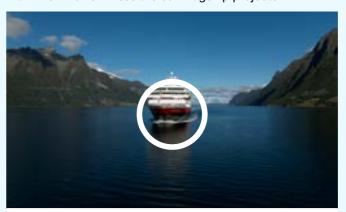
## Our main objectives

Hurtigruten Norway takes a holistic approach to our ESG management. We have set clear objectives and identified main projects which cover the whole range of our operations:

- Create a viable pathway to zero emissions
- Increase our positive footprint in **local communities**
- Make sustainability a key part of our guests'
- Increase diversity, equity and inclusion in HRN
- Ensure employee health and well-being

# **Flagships**

To follow up on our main objectives, we have prioritized four main workflows. These are our Flagship projects:



Sea zero

Develop solutions for zero emission ships



#### **Build local communities**

Enhance our positive footprint through increased value creation and reduced environmental impact



#### **Green Guest experience**

Inspire and educate our guests about climate, oceans and coastal history. Provide tools to act sustainably.



#### Our people

Improve diversity, equity and inclusion and ensure employee health and well-being.



# Sea zero Our journey to zero emissions

Zero emissions to air

Zero emissions to sea

ISO Certification

Green Upgrades

Quality standards and ESGreporting

Waste and water

Raising industry standards



# Sea Zero



### **Gerry Larsson-Fedde SVP Marine Operations**

Our company is all about creating lasting impressions for our travelers and value for the coastal communities, while reducing our environmental footprint.

We acknowledge that heavily polluting ships does not fit into that vision. Shipping and tourism accounts for significant emissions and can be challenging to decarbonize. Throughout my career within the maritime industry and many years in the cruise ship segment, I always admired Hurtigruten for being first in the industry with many sustainability initiatives. This was one of the main reasons I joined Hurtigruten, as I wanted to take part in the journey towards zero emissions.

The Coastal Express has sailed the Norwegian coast for 130 years. For us to operate for 130 years more, we need to completely change the way we sail. We are well on our way towards a fleet with more environmentally friendly vessels. By March 2024 all our ships will have completed green upgrades that reduces CO2 emissions by 25%, and NOx emissions by 80%.

However, our goal is zero emissions. With our Sea Zero flagship, we aim to cut emissions and lead the way in sustainable travel.

The way the cruise industry operates today is not sustainable. Facilitating high quality year-round tourism is key to creating sustainable destinations and local value. We want political authorities to set higher standards for the cruise industry, by introducing stricter environmental regulations and demanding increased ripple-effects.

#### Developing

#### **Zero Emission ships**

In 2022, we launched our most ambitious sustainability initiative to date; creating zero emission passenger ships, using the Norwegian coast as the ideal case. Our ambition is to sail an emission-free Hurtigruten Norwegian Coastal Express ship by 2030.

To reach zero, we are collaborating with the science institute SINTEF and 12 other partners to explore state-of-the-art solutions in energy efficiency and carbon neutral technologies. In the first phase a feasibility study was conducted by SINTEF, mapping various technologies that can bring Hurtigruten to zero emissions.

The next phase of the project will look at all aspects of a new ship build program, from energy efficiency, energy production, ship design, propulsion, hotel operations and digital solutions. The goal is that the new ships will be emissionfree to both air and sea, and sustainable from a circular economy perspective.

I believe this will be a huge step in the right direction for Hurtigruten and the industry as a whole, that hopefully inspires others to push for zero emissions as well.





# Captain Raymond Jenssen, MS Richard With

MS Richard With is now a modern hybrid vessel with 25% less CO2 emissions and an 80% NOx reduction. What kind of improvements do you see?

It is exciting to be on the first of a total of three ships to receive this upgrade. It is a learning process, and we gain a lot of experience that we take with us as the upgrades continue on our other ships. Already after the first month, we saw a significant reduction in fuel consumption. Also, the ship is much quieter, with less vibration. So this is a major step forward for us.

#### How do you notice the difference as a captain?

Navigating a hybrid ship versus a conventional dieselpowered ship is not that different. But we have much greater flexibility than before. We use the batteries for peak-shaving, or go completely electric for smaller periods. The new low-emission engine reduce fuel consumption and CO2 emissions.

#### What do you think this means for our travelers, and for local communities?

We have received several inquiries from the media and passengers, so this is something that engages both our travelers and the communities along the route.

#### Hurtigruten has clear goals to reduce emissions in the coming years. Why is this so important?

When MS Kong Harald and MS Nordlys are fully upgraded, we will have three hybrid ships on the coast. This makes our fleet much more sustainable, and shows that we are serious about our commitments to cutting emissions.

#### Other initiatives:

- · Initiate a technology development project in spring 2023, in line with our target of delivering the first zero emission ship by 2030
- Green upgrades of our coastal fleet completed by March 2024
- Install new, advanced wastewater treatment systems on all ships by March 2024
- Secure certification in accordance with ISO 9001 and ISO 14001 in 2023
- · Implement improved systems to manage garbage and waste tracking











# Build local communities

Leaving a positive footprint

Sustainable supply chain Rippleeffect

The Green **Islands** 

More cargo by sea

Local support policy

Strategic partnerships

Local stakeholders

# **Build local communities**



### Martin Henriksen **Head of Sustainability and Public Affairs**

The local communities we visit are the very reason for Hurtigruten's existence. We aim to leave a positive footprint wherever we go.

Our fleet carries local passengers, cargo, and international guests 365 days of the year to 34 ports, working with local suppliers all along the coast. By doing so, Hurtigruten creates value and ripple-effects for local communities. Also, as an international brand, we actively promote the Norwegian coast as an attractive, high quality destination.

As an integral part of the coastal economy, social and environmental responsibility is at the core of Hurtigruten Norway's mission. We are aware that we need to work actively to reduce the environmental impact of our operations. For instance, we place great focus on working with our suppliers to ensure transparency and sustainability.

Over the coming years we will strengthen our dialogue and cooperation with local businesses, ports, political stakeholders, and civil society.







This way, Hurtigruten Norway will be a key partner in growing an important future industry in Norway; High quality tourism, not mass-tourism with low ripple effects.

#### The green islands (De Grønne Øyene)

The Lofoten region is one of our most important destinations. It makes perfect sense for us to take an active part in making Lofoten a sustainable destination by contributing to the regional project "De Grønne Øyene ("The Green Islands"). Moving forward, we will start a fully Green Excursion in Lofoten, with electric buses and low impact sailings with electric catamarans.

In our experience, a growing number of guests care for the environment. That is good news for both Hurtigruten and the places we visit, because that makes investments in local projects in places like Lofoten a natural extension of our business model.

# Did you know

A Hurtigruten ship with 500 guests creates just the same employment effects as a large cruise ship with 1,750 passengers. In other words, one Hurtigruten passenger has as much of a positive economic impact as 3.5 passengers on a large, international cruise ship.



#### Interview with

## **Andreas Thorvadarson, CEO Lofotpils**

#### Why is Hurtigruten important to you at Lofotpils?

Hurtigruten is one of the most important links we have to the outside world. They showcase our products to guests from around the globe. Also, Hurtigruten transports most of the products we deliver across the country. Under the covid-19 pandemic it became increasingly clear how fundamental Hurtigruten is for us and for bringing our products out to stores and customers.

The fact that we can deliver to Hurtigruten, in the winter, to someone that buys our products every season, and with tours at our factory at wintertime when it's usually a down time, provides us with an extra revenue to keep us in business the whole year through.

That's why I'm glad to have Hurtigruten as one of our most trusted partners.

"Hurtigruten is one of the most important links we have to the outside world. They showcase our products to guests from around the globe. Also, Hurtigruten transports most of the products we deliver across the country. "

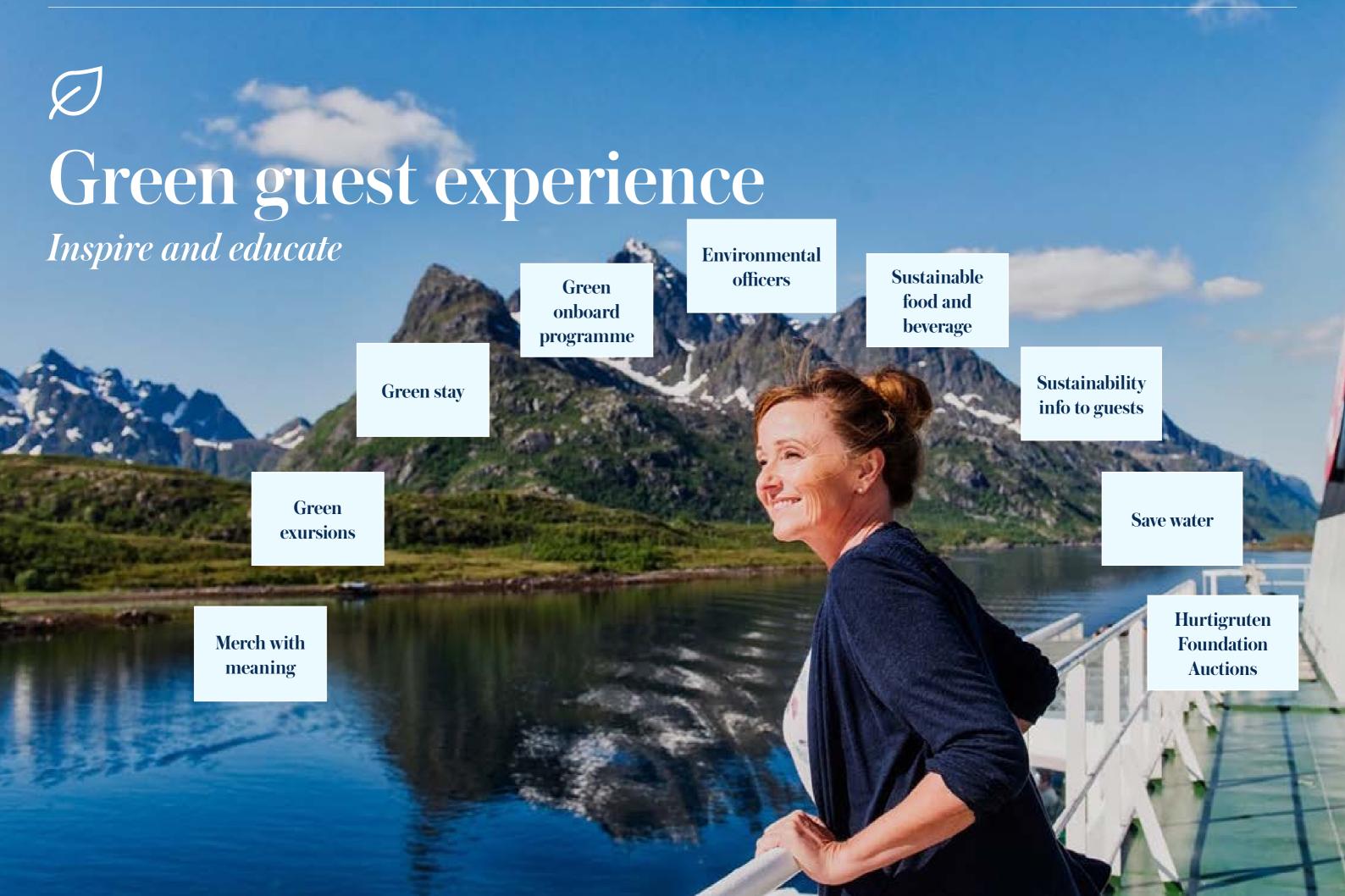
#### Other initiatives:

- Establish and maintain lasting relationships with key local and national stakeholders, to ensure we receive relevant feedback, and consult on ESG issues
- Reduce our climate footprint by making sustainability performance a key factor in our supply chain, through our procurement strategy and supplier dialogue
- Showcase the importance of environmentally friendly transport by sea to political authorities, and increase the volume of cargo in our ships
- Develop and implement a strategy for supporting local projects along the coast









# Green guest experience

### Caroline Grønvold

**Head of Brand & Guest Experience** and Concepts

As head of Guest Experience, it is inspiring to see that more and more of our guests care for the environment. At Hurtigruten Norway, we aim to inspire and educate our guests about climate, oceans, and coastal history, as well as provide tools to act sustainably.

"We aim to be the first in the industry to push and encourage greener guest journeys, like green excursions and beach clean ups.

The Green Guest Experience flagship focuses on making the guest journey green from start to finish. We aim to be the first in the industry to implement a holistic concept for greener guest journeys. To make sure we minimize impact we will also work to develop systems for tracking the environmental footprint of our guest.

This in turn can be an inspiration to choose our expanding offering of green options, such as green excursions, vegan menus, blue food, beach clean-ups or our Green Stayconcept. Green Stay give our guests the choice of reusing their towels and bedsheets, using less energy, water, and detergents. Every single green stay night also contributes to the Hurtigruten Foundation, which invests in sustainable projects.



#### Green onboard programs with Environmental officers onboard

As a part of our ESG strategy we are developing activities onboard that can give our guests insight on to climate, oceans, ecosystems, and local culture. To build knowledge and inspire sustainability in action, we will expand our program of in-depth lectures on ESG and environmental

To make sure our own operations are in line with our ESG targets, we will appoint designated environmental officers on each of our Hurtigruten Norway ships by mid 2023. They will ensure sustainable practices and be a source of information to guests about sustainability.



#### Hyperlocal, sustainable food

Our food concept, Norway's Coastal Kitchen, is on the forefront on quality, sustainability, and use of local produce. We will keep innovating our menus by increased use of new and sustainable food sources and local suppliers, and reduce food waste, all while delivering unrivalled quality.

Looking ahead, we will gradually transition to even more low carbon menus by increasing our offering of sustainable, local food tailored to the coast, increase vegan options, and expand our menu to include more blue food like seaweed and sea urchins.

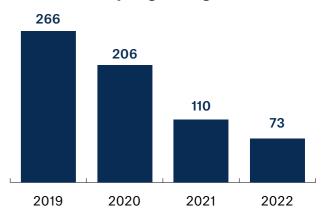
#### Reducing our impact

Reducing food waste means less waste and emissions. Since 2019 we have cut food waste from 266 grams per guest / day to 77 grams. Our target is to reduce this further, to 70 grams in 2023.

Another initiative we will implement is our «Save Water»scheme on all ships, to reduce water usage from guests and in all parts of our operations.

By offering more vegan and vegetarian options, we make it easy to go green. For instance, our menus offer 3 vegan dishes for both lunch and dinner. These are all marked with a vegan symbol so that our guest can easily choose a more plant-based diet.

#### Food waste per quest (gram)



#### Other initiatives:

- Continuously increase the number of green
- Inspire at least 20% of our guests to choose a Green Stay in 2023, totaling over 140,000 nights
- Reduce food waste to 70 grams per person in 2023
- Increase sustainable green merchandise in our onboard stores, with 100% sustainable merchandise by 2025









# Hurtigruten foundation



### Henrik A. Lund

**Managing Director at Hurtigruten Foundation** 

#### Henrik, to those of us that are not too familiar with the Hurtigruten Foundation, could you tell us what it is?

The Hurtigruten Foundation is a cooperation between Hurtigruten Group, our guests, and our partners, where we aim to give back to these beautiful communities that we are so fortunate to visit and sail to on the Hurtigruten Norway ships. It provides us with an opportunity to invest in, and engage with, the local communities, which welcomes us as guests and as family when we arrive.

#### What is the main goal of the foundation?

The Hurtigruten Foundation has three focus areas: preservation of endangered wildlife and species, battling plastic waste and marine litter, and supporting the local communities in the areas where we operate. The purpose is to make sure that all the places where we operate are a little bit better off because we are there.

#### Since 2015 the Hurtigruten Foundation has supported a lot of projects, with a total of more than 5,8 million NOK donated. Are there any projects that stand out to you?

We have supported more than 60 projects since 2015, so there are many valuable projects. Two of the most recent ones are the North Cape steps in Honningsvåg, and the Sea Kelp Guardians (Tarevokterne) in Tromsø. Both protect the fragile nature and sea life that we see as we sail along the Norwegian coast.

I would also like to mention a few of the projects we have supported on Svalbard, like the Norwegian Rescue Dogs and their volunteer owners that provide a crucial Searchand-Rescue function in this remote archipelago. Another is our support to the beach clean-ups on their remote beaches. Svalbard is as far north you can get before you reach the north pole, and it is such an incredibly special



and beautiful place both in summer and winter. But unfortunately, the reality is that a lot of litter also ends up there, brought there by the strong sea currents. Marine litter and plastic waste is a focus of the Foundation. It is important for us to support the local community in Svalbard in the removal of this litter that has come there by no-fault-of-their own.

### What does the Hurtigruten Foundation mean to

I feel incredibly lucky, because I get to go to work every day and focus on how we can give back to these beautiful places. Not many people have that as their daily job. I also feel fortunate to work in a Group and with colleagues that focuses so much on giving back. Hurtigruten Group is covering all the costs of running the foundation, so that we can invest all the donations in worthwhile causes and projects. This is allowing us to give back as much as possible, with a clear strategy and vision on creating as much of a difference and impact as possible.

#### What do you make of the fact that more and more guests choose the Green Stay option when travelling with Hurtigruten?

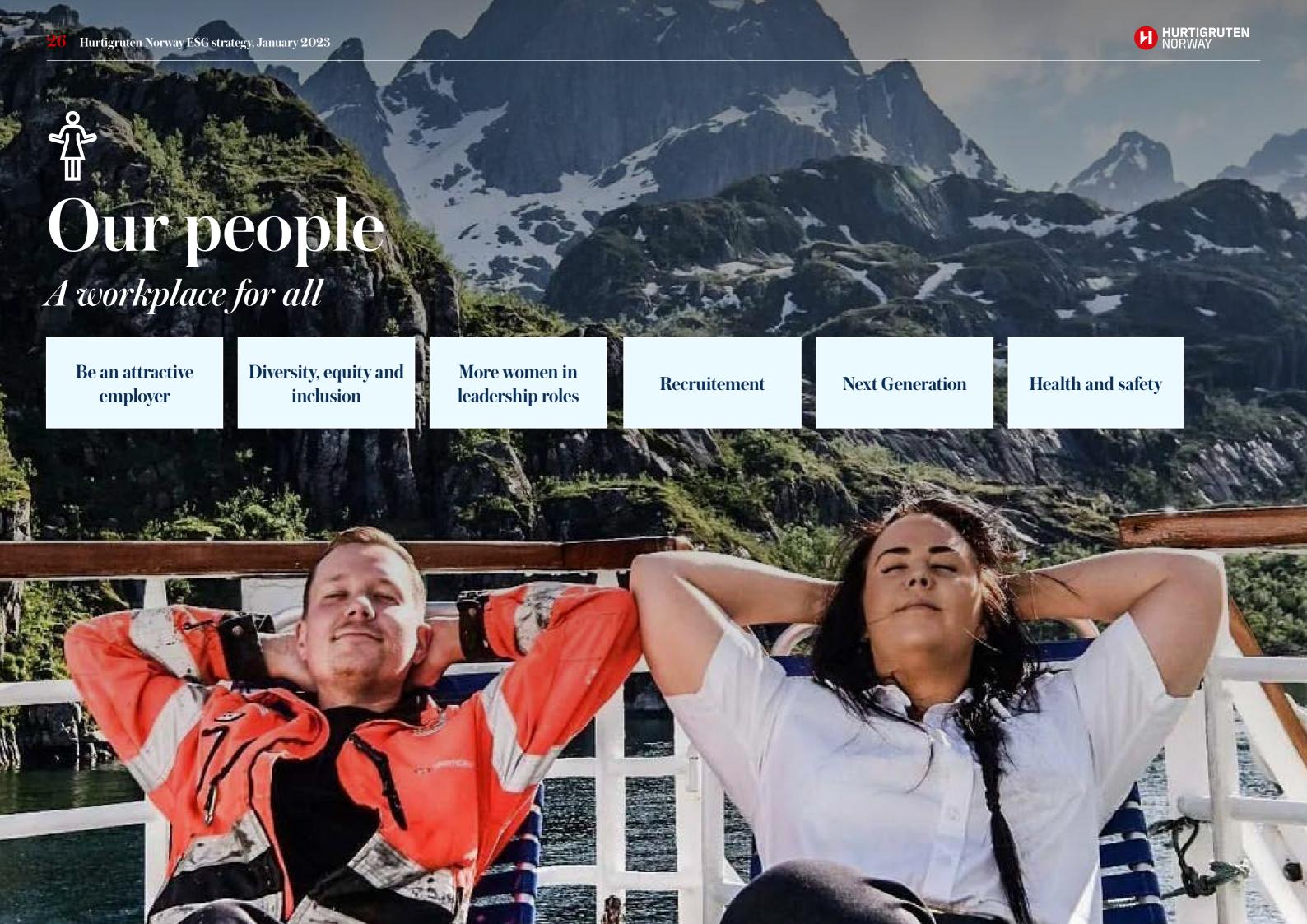
It makes me happy and grateful to see the positive trend on Green Stay.

Green Stay and the work of the foundation is a great way for our guests to give back to the places they are visiting in an easy and positive way. It creates donations to the foundation, but it also saves energy, water use, and use of detergents. So, it's truly a win-win situation. And that's why it is so inspiring for me and many of the employees of Hurtigruten to see how the guests are embracing it. They understand the importance of it, and the fact that 20 % (and on some ships even much more) of our guests chooses to stay green really underlines that.

#### The foundation donations go to projects that focuses on sustainability and that helps fight climate change. Why is this so important to the foundation?

Well, first I would like to say that the focus on sustainability is not unique for the Hurtigruten Foundation. It is at the core of everything we do, throughout the Hurtigruten Group. The foundation is not the part of the group where we focus on sustainability, it's rather a part of a larger sustainability effort throughout the Hurtigruten Group.

Sustainability is part of what Hurtigruten Group is, what we are as a group, where we come from, our history and our legacy. It's the very reason people work for us and sail with us. It's ingrained in every single person that's onboard our ships.





# Our people



### **Tone Næss**

#### **Head of People & Culture**

Hurtigruten is one of Norway's largest maritime employers and apprenticeship companies. As head of Human Resources, it fills me with so much pride to know how important Hurtigruten is in creating jobs, careers, and maritime competence for the future both on sea and on

Being an attractive employer is at the core of Hurtigruten Norway's' strategic plans. We aim to increase diversity, equity and inclusion (DEI), and ensure the health and wellbeing for all our employees.

To attract, develop and retain talent, we will implement several initiatives to foster a workplace culture that ensures Hurtigruten Norway is a good place to work, where you are seen, acknowledged, and supported.

#### Diversity and inclusion

Increased diversity and inclusion are important in ensuring a good work environment, knowledge of the markets and guests, and the reputation of our company. We will conduct DEI leadership training to increase awareness and implement change in all departments and teams.

#### Increase female leadership

Traditionally, the industry has been male dominated. At Hurtigruten Norway we wish to encourage a new generation of women in senior positions. We are working systematically to reach our target to achieve 40% women in Senior Leadership by 2026, and 35% female officers by 2035.

#### Health and Safety (HSEQ)

To ensure a operational risk as low as reasonably possible (ALARP), we need a strong safety culture with training and procedures for safe and reliable operations. Moving forward, we will have regular audits of our ships and company, review bridge procedures, and continue BRM training for navigators.

#### Recruitment to the maritime sector

The maritime and travel industry are experiencing difficulties in recruitment. As one of Norway's largest maritime employers, we can play a part in pushing for better framework and incentives for maritime education.

#### **Next Generation**

Hurtigruten Norway has sailed the coast for nearly 130 years. If we are to do that for the next 130 years, we need to build the next generation of seafarers.

Our focus is to implement a program to develop the next generation of HRN crew through active recruitment and talent management, with special emphasis on recruiting female crew.

### Weronika Emilia Babiak

#### **Deck apprentice at MS Polarlys**

#### You were named Hurtigruten Apprentice of the Year for 2022. Congratulations! What are your best tips for succeeding as an apprentice in the maritime sector?

I believe that in order to succeed, it is important to have an interest in the subject, take initiative and be willing to learn. Be patient with yourself and take the time to understand the importance of what you do.

### "I value good colleagues who take care of each other and share their knowledge."

#### What does Hurtigruten mean to you?

Hurtigruten to me is good colleagues who take care of each other and share their knowledge. The important thing is to have a safe workplace and enjoy the days on board. To me, the varied working days and the rotation shift life is absolutely fantastic!

#### What can we do to get more young, talented people interested in a maritime career?

Advertising and using different platforms to reach out to more young people will be important. And perhaps apprentices who are on board our ships could visit schools and tell them what it is like to be an apprentice on Hurtigruten? I also believe that it's very important to focus on sustainability, both for ourselves and for the next generations. Hurtigruten has had a great focus on



sustainability in recent years, which I think is very good! My father has worked in waste management for many years, and he has been a great inspiration to learn and show me how important sustainability is.

#### Other initiatives:

- Improve and highlight our apprenticeship programme, and make sure our apprentices receive close follow-up mentoring
- Develop world class EVP (Employee Value Proposition) to attract and retain talent
- Develop targeted leadership training for leadership and management
- Strengthen safety delegates on board



