

Environmental, Social, and Governance (ESG) Policy

Havila Holding

Havila Holding is a family-owned investment company and parent company for several companies within various segments including offshore, fishing, tourism, ship technology, transport, and real estate among others. Havila Holding was founded in 1997.

Introduction

Havila Holding believes that Environmental, Social, and Governance (ESG) principles are essential to developing resilient companies and assets that deliver long-term value. We are committed to integrating ESG into our investment process and operations.

This ESG Policy outlines our holding-wide approach to integrating ESG in our business and investment activities. Certain businesses within the Holding can have their own individual ESG policies, which are aligned with this policy and reflect the unique factors applicable to their respective strategies.

ESG at Havila Holding

Havila Holding is committed to integrating ESG factors throughout its operations and we focus on matters that are meaningful to our stakeholders. Through active ownership, we seek to drive change across our holding by:

- Measuring and reducing Green House Gas (GHG) emissions resulting from our business operations
- Supporting community-building social initiatives
- Protecting the health and safety of our people and customers
- Recruiting and fostering diverse talent
- Avoiding adverse impacts on human rights
- Avoiding adverse impacts on the environment
- Developing a responsible supply chain
- Conducting business with integrity with appropriate governance requirements, practices, and processes in place

ESG in the Investment Process

The integration of material ESG factors¹ into our investment decisions and ownership is an important part of fulfilling our mission to create strong returns.

We think that consideration of ESG factors helps us identify opportunities for transformation and value creation. We believe that ESG factors can strengthen companies, drive value, enhance returns, and help to create better outcomes for people and communities.

▪ For the purposes of this ESG Policy, “material” ESG factors are defined as those factors that the Holding determines have—or have the potential to have—a material impact on an investment’s going-forward ability to create, preserve or erode economic value, including as related to environmental and social value, for that organization and its stakeholders.

The ESG factors that may be incorporated into our investment evaluation and monitoring processes include, but are not limited to, the following:

Environmental Considerations	Social Considerations	Governance Considerations
<ul style="list-style-type: none"> Greenhouse gas emissions Air pollution Waste management (including land and water impact) Energy management and efficiency Climate risk 	<ul style="list-style-type: none"> Diversity, equity, and inclusion (including anti-discrimination) Human rights and modern slavery Employee health and safety Labor relations and practices Customer privacy and security Product quality and safety 	<ul style="list-style-type: none"> Corporate governance and oversight Risk management Conflicts of interest Transparency (including financial and operational reporting) Fraud, anti-bribery and anti-corruption controls

Pre-investment

We consider ESG factors a key part of evaluating new companies, investments, and businesses. By considering applicable ESG factors in the investment process, we aim to identify and address material investment risks and drive value.

For majority and minority investments, as the Holding deems appropriate, we engage external counsel or other advisors to assist in conducting ESG due diligence.

ESG Monitoring and Engagement

Companies in Havila Holding

We generally use the data collection process to monitor certain companies in Havila Holding. Participation in our data collection is expected for companies where we hold significant influence. In addition, Havila Holding companies are expected to calculate annual greenhouse gas (GHG) emissions, allowing us to measure progress and focus our efforts on the largest opportunities for achieving reductions within our portfolio.

We also expect Havila Holding companies to report to their respective boards regarding ESG on a regular basis, with respect to priority ESG topics that they deem to be material to their business.

Engagement with companies in Havila Holding

We expect Havila Holding Companies under our control to use the services provided by Havila Service AS. We help them to implement best practices by offering tools, training, and expertise; manage material ESG factors; implement Havila Holding-specific initiatives, and measure progress. These services are also available for Havila Holding Companies not in our control.

We define Holding-wide goals in which in-scope Havila Holding Companies are expected to participate, including:

- Our target to reduce Green House Gas (GHG) emissions of companies where we control energy usage and reach net-zero by 2050;

Havila Holding will review this policy on a regular basis and will consider further goals as well as the potential to deliver them faster.

As owners, we seek to encourage and implement appropriate governance structures, policies, controls, and processes at our Holding Companies to strengthen them and thereby enhance returns.

For Havila Holding Companies that are not controlled or otherwise not in scope, we seek to encourage participation in our holding-wide ESG goals, offering resources and expertise to support implementation and improvements.

■ ESG due diligence will vary based on (i) the nature of Havila Holding's investment, (ii) the transaction process and timeline, (iii) the level of access to information, specifically as it pertains to ESG factors, and (iv) the target investment's sector or business model.

Focus Areas

Across our activities, we have identified priority ESG topics that we believe can most affect our ability to build strong companies of enduring value.

Climate Change Mitigation, Resiliency, and Adaptation

We recognize that climate change is a systemic issue, affecting all sectors and geographies. Our goal is to help Havila Holding Companies reduce GHG emissions. We also see the energy transition as an important investment theme. Finally, over time we intend to assess physical and transition risks to Havila Holding Companies from climate change, and develop resiliency responses to these risks, where applicable, as part of our investment process.

Health & Safety and support to local communities

Health and safety are at the top of our priorities and are expected to be for all Havila Holding Companies.

Havila Holding must be of use and benefit. It is part of the founding family' DNA to support social initiatives that help build values and strengthen communities, in particular peace and tolerance.

Good Governance

We believe that good corporate governance is essential for financially sound companies. We support our companies at various stages of their life cycles to implement good governance spanning from board governance to controls.

Specifically, we prioritize an experienced, active and engaged board of directors with the skill to properly oversee and direct management and encourage protocols to enhance transparency and good governance. Further, we recommend Havila Holding companies provide regular board reporting on their ESG program.

Reporting

We are committed to being transparent with our investors, shareholders, and other stakeholders about Havila Holding companies' ESG initiatives, and goals. Our ESG report provides updates regarding our ESG goals holding-wide on an annual basis. We value regular, frequent engagement with our stakeholders on ESG matters.

Roles and Responsibilities

Havila Holding companies' CEOs have ultimate responsibility for overseeing each company's ESG Policy and practice. Havila Holding, through Havila Service AS's ESG team and active ownership, aims to coordinate initiatives across Havila Holding to maintain consistency in approach. The compliance and ESG teams of Havila Holding companies are responsible for supporting and ensuring compliance with additional ESG policies and related standards and overseeing their annual review. The ESG team also monitors changes or updates to industry trends, policies, and regulations and provides specialized expertise to the business units as needed.

Scope

This ESG Policy applies to Havila Holding investments and is reviewed annually to reflect changes to the business. We can have separate ESG policies for certain of our Holding companies, as well as specific ESG frameworks and approaches, which consider the material ESG factors according to each industry, geography, asset class and investment horizon. Havila Holding's ability to influence and exercise control over ESG matters with respect to the companies in which it invests will vary depending on the asset class, investment structure, and contractual rights. In cases where Havila Holding determines it has limited ability to conduct diligence or to influence and control the consideration of ESG issues in connection with an investment, Havila Holding will only apply those elements of this ESG Policy and the foregoing approaches that it determines to be practicable considering the underlying facts and circumstances. Examples of such cases may include where Havila Holding is a minority shareholder and has limited governance rights or other circumstances where Havila Holding is a minority shareholder and has limited ability to assess, set or monitor ESG-related performance.

This ESG Policy was last updated in November 2022 and is subject to change as the Holding considers necessary or advisable. This policy is intended to be reviewed annually.