

# Sustainability report

## 2020





# Contents.

The CEO's report	2
This is ForSea	4
Our organisation	5
Our guidelines	6
Guiding objectives	8
Materiality analysis	10
Our strategies for tackling the most important aspects of sustainability	12
Risks and opportunities	14
Our strategies for managing significant risks/opportunities	15
Safety	16
Developments in 2020	17
Our employees	18
Developments in 2020	20
Environment – reduced environmental impact	22
Developments in 2020	23
Sustainable in all that we do	24
Developments in 2020	25
Food and sustainability	26
Developments in 2020	27
Corporate social responsibility	28

Responsibility for producing ForSea's Sustainability Report lies with the Board of Directors. This report has been produced in accordance with the provisions in Chapter 6 of the Annual Accounts Act.

## The CEO's report

# Even greater focus on environmental issues.

**Although 2020 has, to put it mildly, been an unusual year for us and society as a whole, ForSea continues its voyage towards a successful future.**

For the past year the world has been in the grip of the corona pandemic that first emerged at the start of 2020, took hold in March and has crippled society ever since through a series of far-reaching lockdowns.

Border closures have been a key factor in a challenging year for ForSea. First came the closure of the Danish border from March to July, before both the Danish and Swedish borders were closed in October for the rest of the year. Apart from a window between August and October, it has been almost impossible for tourists to use our services in 2020. Consequently, in common with many other travel and transport companies, we have lost a significant portion of our revenues.

While this has regrettably led to many of our valued employees having to leave the company, ForSea has nevertheless weathered this devastating storm. Now we hope that we can look forward to some sort of normalisation in 2021 and the welcome return of our customers.

The year's bright spot was the period between the border closures. We returned to levels of 80–85 % of normal business relatively quickly – a clear sign of the large dormant market of customers still eager to cross the Øresund Sound with us.

We have maintained frequent departures throughout the year, to continue to serve the two groups of customers – commuters and goods traffic – for whom the crossing has remained open. In doing so, we have shown a great sense of social responsibility by facilitating goods flows between Sweden and Denmark, Scandinavia and Europe, and maintaining essential travel links for cross-border commuters. This is especially important for the many hundreds of Swedes employed in the Danish healthcare sector, who have helped steer Helsingør Municipality and North Zealand as a whole through the pandemic.

We have achieved an outstanding 99.8 % resilience in our sailings while also making progress in several other areas. Most importantly we have rectified the situation regarding the battery-powered operation of Aurora. Work to identify and remedy all of the flaws has necessitated heroic efforts on behalf of the many employees involved in the project. Since resuming battery-powered operation in the summer Aurora's CO2 emissions have once again plummeted. This makes our dream of becoming one of the world's most climate-friendly transport companies fully realistic.

Work to resume electric operation of Tycho Brahe is ongoing. This is expected to be completed later in the year, after which our operations' overall CO2 footprint will be reduced by a full 65 %, well within reach of the Danish government's target of 70 % by 2030 – a goal we anticipate reaching before the end of 2021.

Our long-term aim is for all our ferries to be electric, enabling us to reduce CO2 emissions by 97 % or more. For us as a company, turning this dream into reality is a corporate imperative. We all share a duty to do our utmost to meet society's targets in both Sweden and Denmark.

Transporting goods and passengers across the Sound without impacting the sea, the air or the climate will be a fantastic achievement. We are particularly eager to protect the sea. In 2020 we funded the installation of a Seabin in the Port of Helsingør, to complement the one already in Helsingborg. It is astonishing how much can be achieved by simple means. Our two Seabins collect large amounts of seaborne plastic and other floating waste.

We are also involved in an Øresund Aquarium project to improve conditions for young fish. The water around our ferry terminal in Helsingør is clean enough to provide a good start in life for young fish in the surrounding sea. That is not merely thanks to electric operation, but also because we have reduced many other emissions from all our ferries in recent years. New technology is constantly improving prospects for optimising energy use and reducing pollutants. We do all we can to adapt quickly to new technology and the opportunities this brings – for the benefit of the sea, the air and the animals and people with whom we share a home.

We have also taken the next step in our work to serve environmentally certified fish and seafood in the ferries' restaurants and cafés. In 2020 we achieved our goal of serving 100 % MSC/ASC certified fish and seafood.

We take similar steps to protect the environment at other stages in the production chain for goods and materials on our ferries. Our ESG policy extends to several aspects of our own operations and those of our suppliers. Wherever practicable, we try to take responsibility for the entire delivery chain in the best way.

Our sustainability agenda is important and key to how we want to run business operations, so I am incredibly proud that, despite the challenges posed by corona in 2020, we have been able to continue our work with the UN's Global Sustainability Goals.

This is an issue our employees are passionate about, and a path we will continue to pursue in the years ahead. There is no doubt that CO2 emissions will play an ever greater role in the travel and transport sector for many years to come. Our ambition is clear – to be the number one most environmentally friendly form of transport across the Øresund Sound.

Kristian Durhuus  
CEO ForSea Ferries



# This is ForSea.

ForSea’s frequent sailings and its punctuality in all kinds of weather enable people on both sides of the Öresund Sound to meet and help the Öresund region to develop. Our investment in fully battery-powered ferries means that we are not only the most efficient transportation alternative, but also the most sustainable. We are constantly developing our offer to meet the needs of our customers and the demands of the future. We are a business that is constantly on the move.

The Helsingør-Helsingborg ferry route is a crucial link in the infrastructure connecting Sweden and Denmark, crossing one of northern Europe’s busiest sea lanes. ForSea’s sustainable ferry operations use the very latest technology to minimise environmental impact. As far back as the 1990s we were already meeting criteria for the limit on sulphur content in marine fuels that did not become mandatory until 2015,

and in 2007 we were the first ferry company in Sweden to install catalytic scrubbers. Since 2016 ForSea has been environmentally certified in accordance with ISO 14001:2015 and continues to work tirelessly for a cleaner Öresund Region. ForSea also contributes to local society on both sides of the Sound by generating employment opportunities and supporting cultural events, education and the business community.

## Vision

The most sustainable, customer focused company, striving for zero emission.

## Business model

We sail with high frequency, reliability and provide excellent service, with minimal environmental footprint and the highest safety. We bring people and businesses together.w

## Core Values

We stand for engagement, respect, cooperation and reliability



# Our organisation.

ForSea attaches great importance to the fact that operations are managed and conducted in a way that includes and involves all departments. Work is undertaken in consultation with all the departments concerned, and responsibility for the various decisions and projects can rest with different managers.

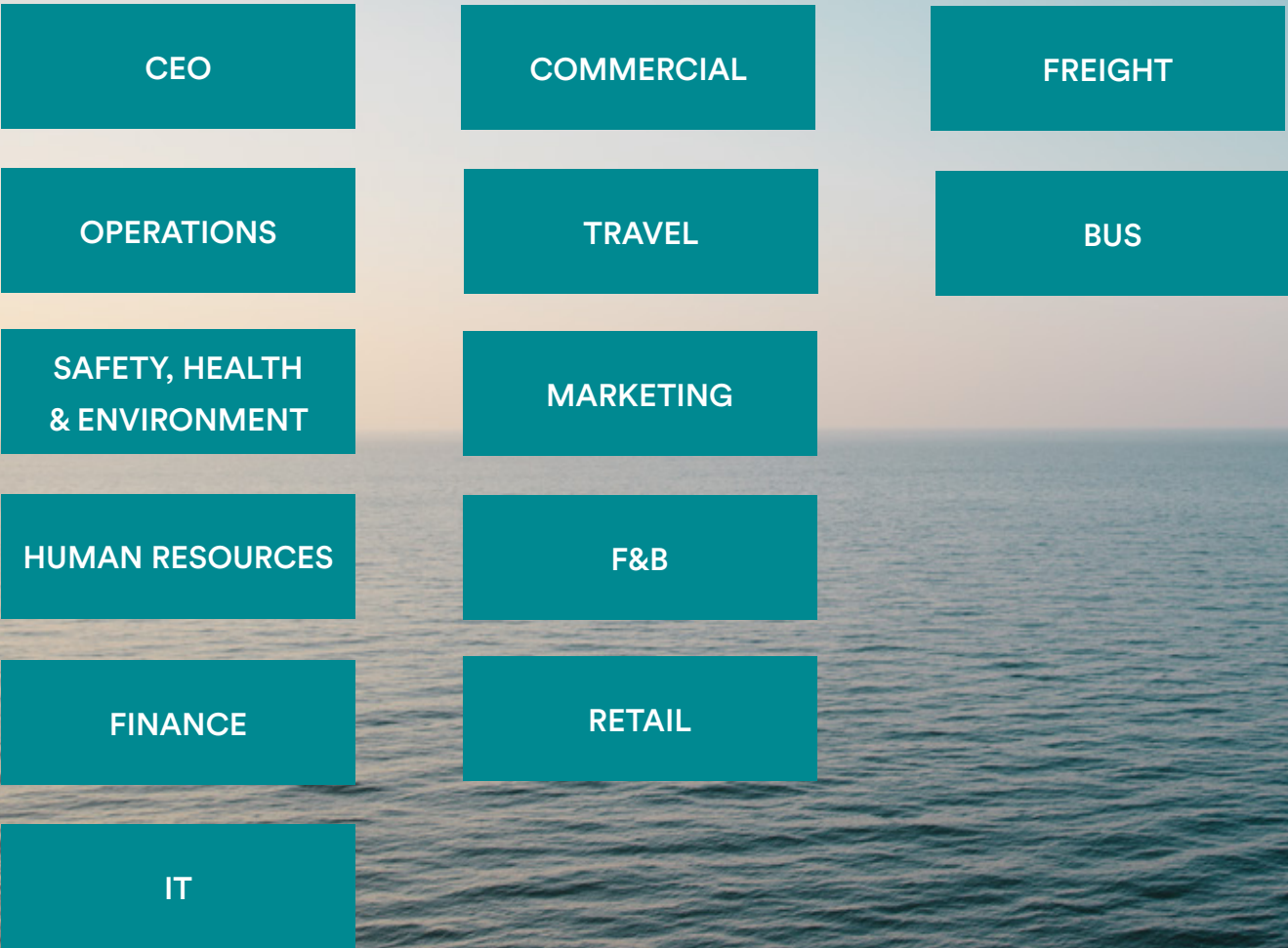
ForSea is structured along the lines of a matrix organisation: different departments work independently but are overseen by a shared management/leadership function. The purpose of this way of organising tasks is to share responsibility for generating overall results among the entire organisation, thus ensuring that it is easier for all employees to comprehend and recognise the relevance of the company’s vision and culture. Responsibility is shared among various managers both vertically and

horizontally, creating multiple channels of communication to guarantee greater transparency and boost engagement.

ForSea is owned by First Sentier Investors (FSI), an Australian-based investment company. FSI’s investment philosophy is founded on long-term investments in infrastructure and energy, underpinned by a strong commitment to responsible investment and sustainable stewardship.

## Statistics 2020

Number of vessels	5
Number of employees	449
Number of sailings	40,909
Number of passengers	3,497,391
Number of trucks	414,846
Number of cars	693,526
Number of buses	2,763





# Our guidelines.

## Code of conduct – our ground rules

ForSea's Code of Conduct covers issues relating to business ethics, forms the basis of the company's policies and routines, and lays down the fundamental principles that guide us in our day-to-day work. In addition to ethical principles, the Code of Conduct also includes guidelines for equal treatment, values and leadership principles.

The code emphasises that business ethics is more than simple compliance with the law; it extends to our attitudes towards one another and the world around us, and to how we can satisfy the expectations and demands of our stakeholders. The code also makes clear that these guidelines apply equally to everyone – directors, managers and employees – no matter where in the world they may be. It is our wish that our partners should also be familiar with our Code of Conduct, ideally even to the extent of introducing similar guidelines for their own operations.

## Policies and other guiding principles

ForSea has formulated a number of policies to guide work in areas such as the environment, chemicals, safety, uniforms, etc.

ForSea's policies are more detailed than the Code of Conduct and provide a framework for routines, processes, targets and activities.

## Supporting standards

ForSea has been environmentally certified in accordance with ISO 14001:2015 since 2016. This management system is an important tool for our operations, not least because it prescribes a systematic approach to the work of continuous improvement. Since 2018 all of our ferries have been verified in accordance with the Clean Shipping Index (CSI), an international initiative that ranks vessels and shipping companies according to their environmental impact. Our battery-powered ferries, Aurora and Tycho Brahe, have been given a CSI 5 ranking, the highest possible score.

Our safety work is based on the SMS manual prescribed by the International Safety Management (ISM) Code. This code is the maritime equivalent of the ISO 9001 quality management standard and requires that all our work must be systematised, risk-assessed, documented and followed up.

For some time now our Food & Beverage department has also been working in accordance with MSC, ASC and KRAV standards – three certifications that help us to pave the way towards more sustainable restaurant operations.

## Rules and statutory requirements for shipping

Shipping is subject to legislation and ordinances passed by numerous official bodies. The demands made on us come not only from national authorities in Sweden and Denmark, but also from the EU and the International Maritime Organisation (IMO).

In 2020 we have invested resources in meeting the legal requirements of EU Regulation 1257/2013 on Ship Recycling and stage 2 of the Ballast Water Management Convention.



# Guiding objectives.

Our number one objective – as integrated into our vision and business model – is to run sustainable business operations with the least possible environmental impact. The UN's 17 sustainable development goals (SDGs) have formed the basis for our work in this field. ForSea has chosen to base our long-term strategy on the seven SDGs that most specifically apply to our operations and cover areas where we can contribute most to the overall ambition.



Ensure healthy lives and promote well-being for all at all ages.

Long-term goals and KPI	2021	2025	2030
Increase Employee Satisfaction Index (ENPS)	5	23	25
Decrease total amount of sick days	3,7%	3,5%	3%
Decrease the AFR – Accident Frequency Rate	0	0	0
Decrease the ASR – Accident Severity Rate	0	0	0
Decrease Passenger accidents	0	0	0



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

Long-term goals and KPI	2021	2025	2030
Maintain operational reliability at the route	99,8%	99,8%	99,9%
Decrease energy consumption from operation (buildings, ships and service cars)	91 560 MWh	76 000 MWh	65 000 MWh



Reduce inequality within and among countries.

Long-term goals and KPI	2021	2025	2030
Share of men and women employees in the company	43%	50%	50%
Share of men and women in subsidiary Boards	50%	50%	50%
Share of men and woman in management	27%	50%	50%
Share of team free from bullying	100%	100%	100%
Share of team free from sexual harrassments	100%	100%	100%
Share of team free from discrimination	100%	100%	100%
Partnership with different organisations in order to enable marginalised groups such as handicapped and newcomers to get into work	1	4	4
Support to School in South-Africa	5SEK/ bottle	5SEK/ bottle	5 SEK/ bottle



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

Long-term goals and KPI	2021	2025	2030
Noise levels from operation of the ferries to be reduced	TBD	TBD	TBD
Emissions of SOx, NOx and PM from operation of the ferries to be reduced	SOx = 5,6 T NOx = 37 T		Zero emissions of NOx, SOx and PM
NPS Customer / NKI	52%	58%	60%



Ensure sustainable consumption and production patterns.

Long-term goals and KPI	2021	2025	2030
Consumables in plastic to be phased out	100% non-fossil based plastic		Zero consumables in plastic
Restaurants to be certified as KRAV	One star KRAV (17 products)		One Star KRAV(25%)
Total share of recycled waste	69%	75%	85%



Take urgent action to combat climate change and its impacts.

Long-term goals and KPI	2021	2025	2030
Klimatneutral drift av färjor (tank to wheel)	22 400 T CO2 (e)	16 000 T	0 CO2 (e)
CO2 emissions from food in restaurants, cafés and mess to be reduced	2,29 kg/ CO2 (e) /kg	2,0 kg CO2 (e) /kg	1,7 kg CO2 (e) /kg



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

Long-term goals and KPI	2021	2025	2030
Phase out non certified fish from the menus in restaurants, cafes and mess.	100% certified		
Sponsor different Sea projects aiming for healthier oceans	3	TBD	TBD
Minimize and phase out chemical products that are classified as 'dangerous to the environment'	29	25 products classified as "Dangerous to the environment"	10 products classified as "Dangerous to the environment"



# Materiality analysis.

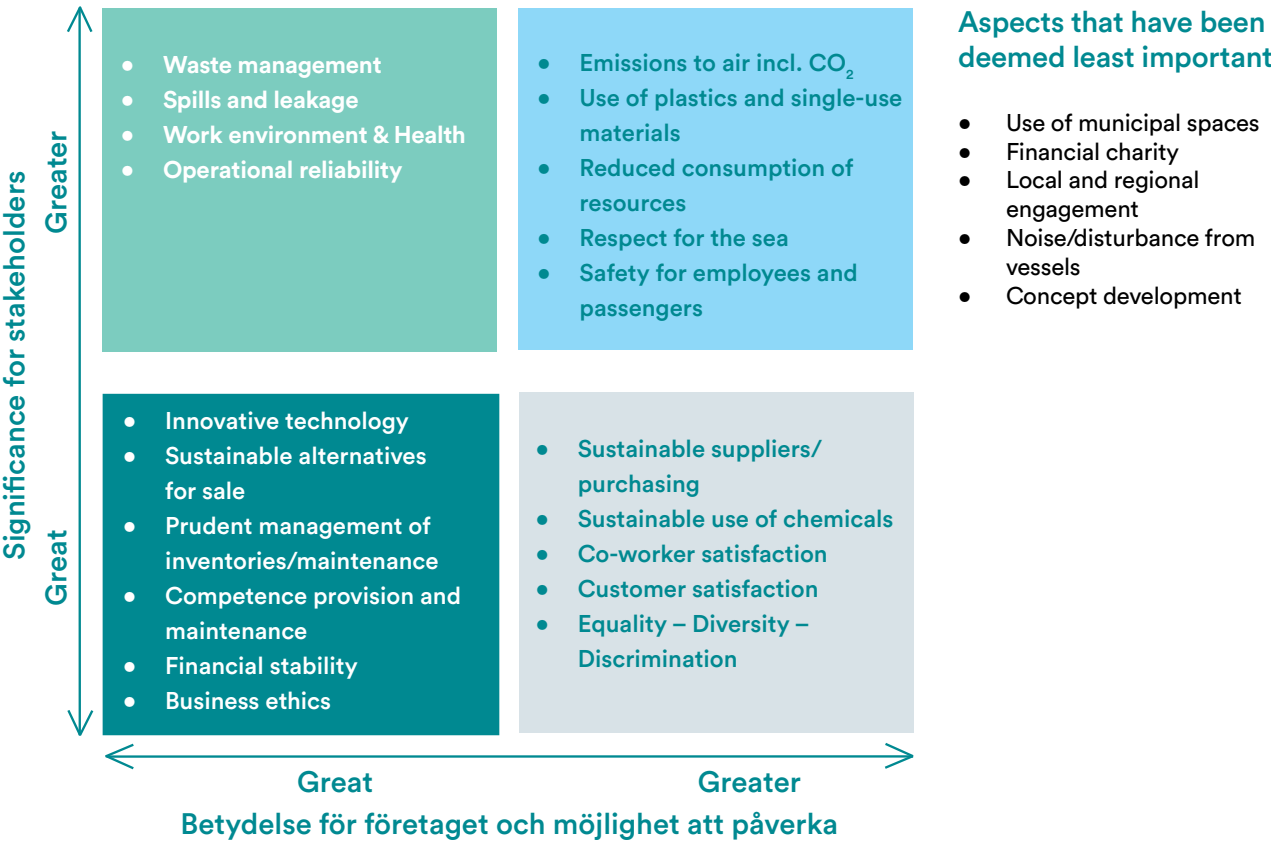
We believe our sustainability report should reflect and report on those aspects of sustainability that we and our stakeholders consider to be most important for us to focus on and inform about. The scope of this approach to sustainability extends beyond purely environmental issues to include aspects of a social and financial character.

In order to ascertain the nature of these aspects of sustainability, ForSea conducted a materiality analysis in 2019 that has since been updated in 2020.

## ForSea has identified the following stakeholders:

- Owners\*
- Employees\*
- Customers\*
- City and Port of Helsingborg\*
- City and Port of Helsingør\*
- Neighbours to our operations
- Suppliers
- Authorities
- Insurance companies

\* Stakeholders with whom ForSea has communicated for this analysis.





## Our strategies for tackling the most important aspects of sustainability.

Sustainability aspect	Actions	Governance
Emissions to air incl. CO <sub>2</sub>	A review is carried out of all types of single-use items to determine which are unnecessary and can be phased out. Our ambition is to use only single-use materials made from recycled plastic or biobased materials.	Goals & Action plans SDG 11, 13
Use of plastics and single-use materials	A review is carried out of all types of single-use items to determine which are unnecessary and can be phased out. Our ambition is to use only single-use materials made from recycled plastic or biobased materials.	Goals & Action plans SDG 12
Reduced consumption of resources	Here the focus is on reducing food waste and energy consumption. This can be achieved by sorting and quantifying all food waste, and by various measures to reduce the volumes sent for recycling. With regard to energy consumption, two groups (The Energy Group and the Eco-driving Group) are working to optimise energy use.	Goals & Action plans SDG 9, 12
Respect for the sea	All grey water and black water, waste and sludge is brought ashore for treatment. All fish served in the restaurants is sourced from sustainable fishing or responsible farming, and the company's Chemical Advisory Team works to reduce the use of environmentally harmful products. Various other projects, including Seabins and the Havsresan ('Sea Journey') project, aim to highlight and create awareness around the importance of clean, healthy seas.	Goals & Action plans SDG 14
Work environment & Health	Safety drills and clear routines, toolbox meetings, etc. help to ensure that our workplaces are safe for employees. ForSea subsidises wellness activities and physical exercise to encourage and support healthier lifestyles. The Chemical Advisory Team works continuously to find alternatives to products that are harmful to health and/or the environment.	Goals & Action plans SDG 3, 14
Safety for employees and passengers	Our safety work focuses on both employees and passengers and is based on legislation and directives from national authorities, the EU and the UN agency, IMO. ForSea has a Designated Person (DP) who acts independently from management and the Board of Directors to ensure that the company follows the rules and directives relating to safety. Policy documents and all safety routines are detailed in a Safety Management System (SMS) Manual.  Depending on their area of responsibility, employees must participate in a number of safety training sessions in order to be authorised to work on board or on shore. Safety training and practical safety drills are conducted continually throughout a co-worker's period of employment	Goals & Action plans SDG 3
Sustainable suppliers and purchasing	Using suppliers who share our core values and have their own firm focus on sustainability helps us indirectly to improve our own work in this area. Our purchasing policy makes our demands clear and provides guidance for all those employees engaged in purchasing activities. Human rights, energy performance and lifecycle perspectives must always be factored into purchasing decisions. Special requirements apply to purchases that are classed as having a significant impact on the environment. All capital expenditure must be environmentally approved before such purchases can go ahead.	Purchasing policy

Sustainability aspect	Actions	Governance
Prudent management of inventories/maintenance	To avoid unnecessary consumption it is important to purchase good quality equipment and to properly maintain this equipment. Careful routines and strict adherence to the relevant maintenance programme are invaluable in this respect.	AMOS and various individual routines
Co-worker satisfaction	To better understand our employees and the factors that lead to co-worker satisfaction, we measure co-worker engagement, team efficiency and leadership, and assess the organisational and social work environment. The results form the basis for action plans. Training sessions and joint activities are arranged to stimulate development and promote team spirit	Goals & Action plans SDG 3
Customer satisfaction	Customer satisfaction is measured continuously. All feedback from customers is collated and constantly evaluated so that we are always ready and able to respond to customer wishes.	Goals & Action plans SDG 11
Equality	All managers and recruiters in the HR Department are given training and regular updates to ensure that they are always fully informed about current legislation in areas relating to equality. Salary mapping exercises are carried out each year.	Goals & Action plans SDG 10
Competence provision	HR works actively with the shipping industry and the local labour market in order to secure access to the competences that will be needed in the future.	
Financial stability	Through their choice of the capital structure our owners and the Board have determined the level of risk that is considered acceptable. Long-term financial stability is prioritised to enable ForSea to invest in projects that will benefit the environment and increase profitability.	Monthly accounts Budget 5-year plan
Spills and leakage	Frequent training drills and rigorous routines both on shore and on board reduce the risk of spills and minimise their effects in the unlikely event of such incidents.	Training drills Routines AMOS
Waste management	ForSea is firmly committed to reducing the amount of waste generated by its operations and to increase the proportion of sorted waste. To this end, frequent reviews are made of how well waste management and waste stations work. ForSea currently sorts 26 different fractions of waste.	Garbage Management Plan Goals & Action plans SDG 12
Sustainable use of chemicals	ForSea's Chemical Advisory Team works to find alternatives to products that are harmful to the environment and human health. The Chemical Advisory Team also educates and informs other employees about the risks posed by chemical products and the importance of dealing with chemicals in the properly approved manner.	Chemicals Policy Goals & Action plans SDG 14
Operational reliability	Vessels and facilities are painstakingly maintained in order to cope with the pace and intensity of the ferry route that our vessels operate. Frequent, careful maintenance is essential to maintain operational performance.	Goals & Action plans SDG 9
Innovative technology	ForSea has led the way in many areas and continues to do so. We are constantly seeking information and inspiration internally and externally in order to ensure that we always make full use of the best possible technology in our operations.	
Innovative technology	Offering our guests sustainable alternatives in our restaurants, cafeterias and shops is important both for us and for them. All departments have targets for increasing the proportion of certified products on sale to customers.	Goals & Action plans SDG 12, 14
Good business ethics	Our Code of Conduct provides guidance in good business ethics. In addition, we have also formulated various policies and initiated control mechanisms to reduce the risk of fraud and bribery, both internally and in our dealings with external stakeholders.	Code of Conduct Anti-Corruption Policy



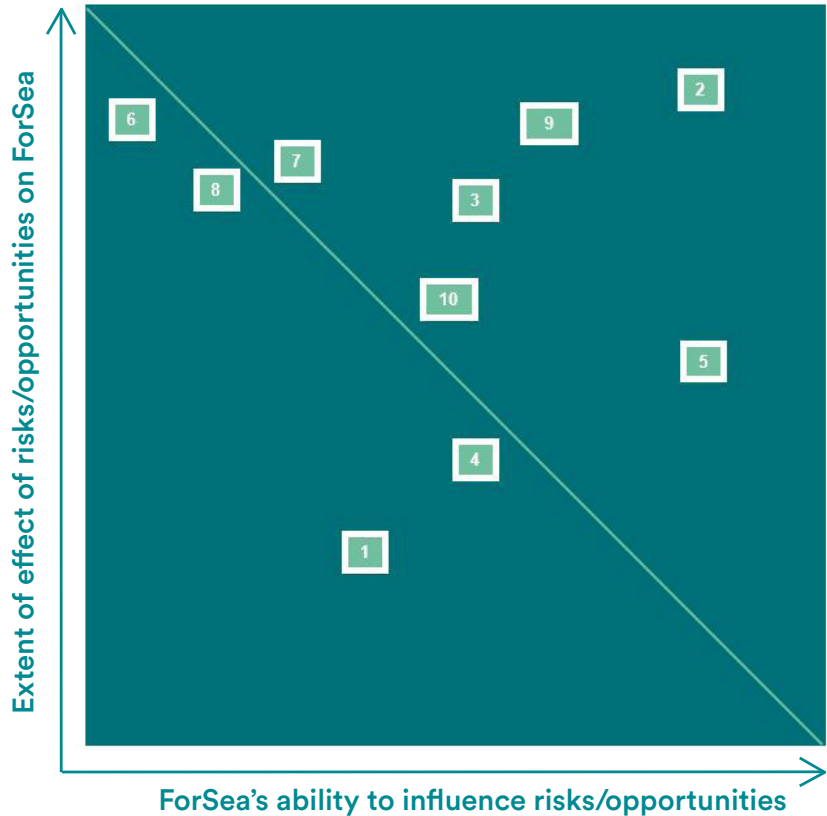
# Risks and opportunities.

The world is filled with opportunities and risks. It is important to be aware of these, if we are to be able to adapt to them and, where possible, avoid them or learn from them.

Work to identify these risks and opportunities never stops, and we produce a risk map each year. The risk map helps management to rank the risks and prioritise the opportunities that have been identified.

## Areas that can affect ForSea’s operations and its ability to achieve its targets

- 1. Local and regional political decisions
- 2. Tougher legislation and increased demands for sustainability
- 3. Rapid technical development
- 4. Changes in consumption patterns
- 5. Future competence needs/ access to competence
- 6. Urban development in Helsingborg and Helsingør
- 7. Contractual agreements with the ports
- 8. Increased competition across the Sound
- 9. Data security
- 10. Changes in travel patterns



## Our strategies for managing significant risks/opportunities

Tougher legislation and increased demands for sustainability	A constant focus on legal requirements and business intelligence, together with active sustainability work that sets very ambitious targets is the key to always staying one step ahead of the rest of the field. This means that we can set the benchmark in this area instead of regarding it as a risk.
Rapid technological development	Constant external monitoring and networking, together with an openness to testing new solutions that can help to optimise our business operations, means that we see technological development as an area that opens up opportunities for us rather than one that incurs risks.
Changes in travel patterns	Among many reasons for changes in travel patterns are factors such as environmental impact, trends, pandemics and the economic situation. It is important that ForSea remains alert to these shifts in behaviour and adapts its services accordingly.
Contractual agreements with the port	In order to be able to plan ahead and make long-term investments it is important that ForSea has guarantees that allow us to continue to operate well into the future. Our current contract with the port extends only to 2029, which is too short a horizon for us to be able to make the investments we would like to make.
Data security	IT security – We work continuously to analyse and secure the IT systems we use, both for the operation of our ferries and for administrative and commercial purposes.  Personal data – Routines and system support are in place to ensure that the personal details of customers and employees remain secure.
Future competence needs/access to competence	Today’s young people place different demands on their workplace and the environment than previous generations did. To be able to recruit and retain good employees now and in the future, we must continue to be flexible as an employer and receptive to the wishes of our employees.





## Safety.

To unreservedly establish high quality as the hallmark of ForSea, we have been working systematically and resolutely for many years to make safety, health and environmental care part of our corporate DNA. 2017 saw the roll-out of a new action plan for safety drawn up in 2016 to lay out a long-term vision and strategy for preventing accidents among employees and guests. The plan sets deadlines for a number of areas in which ForSea is to implement appropriate accident prevention initiatives and ensure a good work environment. Specific policies have been formulated to this end, and agreement has been reached on a strategic agenda based on our 7 sustainability goals. Clear and ambitious targets have been set to minimise accidents at work and sickness absence, with reporting systems, analysis and follow-ups to monitor progress. Open communication channels with employees have been established to contribute to the success of these initiatives.

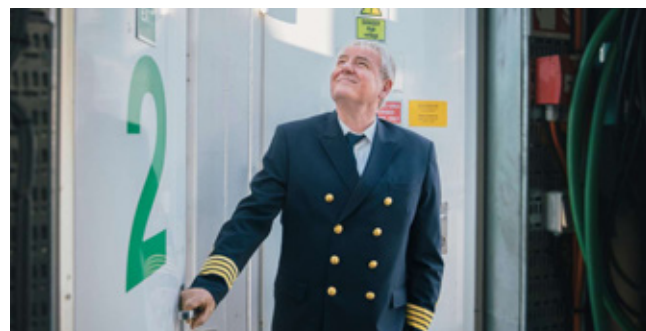
The safety of employees and passengers is the single most important focus of our operations. We have a clear policy goal of zero accidents and injuries. Our safety culture is based on high technical standards on board, the commitment of well-trained employees, and the competence and accountability of corporate management.

As a minimum standard, we comply with all statutory and other safety requirements, national and international, as well as those specified by the EU and the UN's International Maritime Organisation (IMO). In line with the International Safety Management (ISM) Code, all safety procedures on board are documented and collated in an SMS manual available on the intranet.

Depending on their role, all employees must take part in a number of safety training sessions to be certified to work on board or ashore. Safety training sessions are part of our everyday business practices. They are continually updated, and employees are required to participate in them throughout their term of employment. To improve safety for both employees and passengers, drills are conducted several times a month on land and on board to train how to deal with fire, spills, evacuation, crisis management, first aid, etc.

### Preventive measures

We believe everyone needs to take responsibility for the environment and for safety, and we have a long track record of raising awareness of these issues among employees. For example, safety-related matters are always discussed in departmental meetings and other business reviews, and we encourage the sharing of experiences throughout the entire company. Keen safety awareness improves safety for our passengers and ensures a high level of preparedness in the event of accident or illness. An internal report is submitted for any non-conformances, accidents and dangerous incidents. This is then analysed and used to implement measures to further improve safety. Every year the authorities and classification societies carry out their own audits and safety reviews. Their findings are used to further develop the work we do to ensure co-worker and passenger safety.



### Simulating risks and crisis situations

ForSea's own vessel simulator is an important tool in the company's safety work. Various scenarios give navigators and other key personnel regular training in dealing with risks and crisis situations. In 2018 the simulator was relocated to premises adjacent to the ForSea head office that are better suited for the purpose. Since then a software update in 2019 has further improved opportunities for practising fuel-efficient operating and manoeuvring techniques.

### Safety when handling dangerous goods

The transportation of dangerous goods is managed in accordance with current regulations and by employees who participate in regular internal training sessions. Operations are evaluated every year by an external consultant, who is also a member of ForSea's Dangerous Goods Group. This body monitors developments in the area and, when necessary, oversees improvements to routines and working methods.

## Developments in 2020

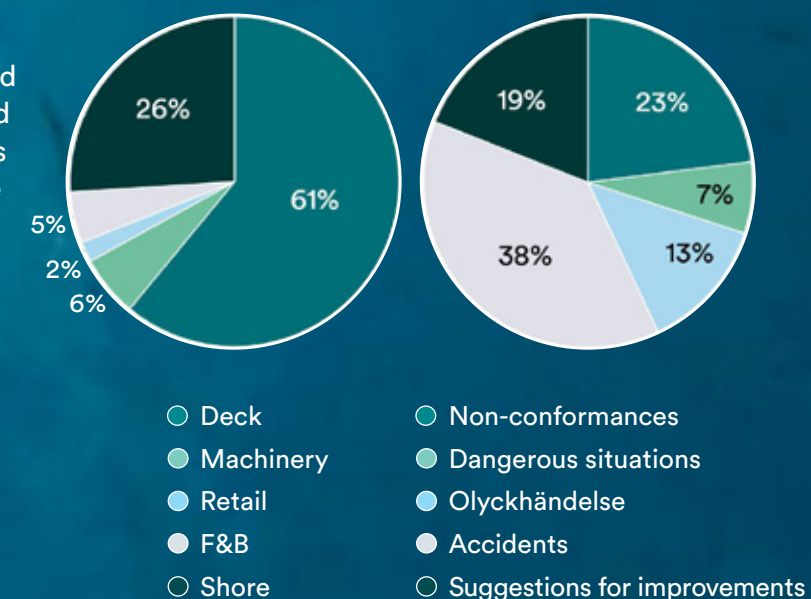
There have been no reports of any significant failings in overall safety on land or at sea.

A total of 23 occupational injuries was recorded in 2020, which is slightly more than in 2019. Eight of the reported injuries led to a short period of sick leave. The most common injuries fall into one of 3 categories: fall injuries, crush injuries and burns.

Lost working days (LWD) due to injuries totalled 69 in 2020 (2019: 36). For each 100,000 worked hours there were 0.88 injuries (2019: 0.44). This is a very low figure compared with the average for other industries and companies.

The number of SMS reports submitted (incidents, accidents, suggestions for improvements, etc.) was 251 (2019: 430). In addition to highlighting accidents these reports enable us to identify hazards at an early stage, so that ForSea can put preventive measures in place.

During the course of 2020 ForSea transported 3.5 million passengers. This corresponds to half of the number of passengers that travelled with us in 2019 and is, of course, a direct consequence of the impact on society of Covid-19





## Our employees.

**We want ForSea to be a great company to work for and one that attracts the very best employees. It is also our aim for the company to be a workplace where employees are happy, secure and feel that they are given the opportunity to grow and develop professionally.**

The seasonal nature of our operations leads to some significant variations in staffing needs between high and low season. While this inevitably results in a high staff turnover, we always focus on creating a good working environment for every employee, by providing the right conditions for collaboration, job satisfaction and good management.

### The corona pandemic

The pandemic had a huge impact on ForSea in 2020. Denmark's initial closure of its border with Sweden in March 2020 forced the company to take drastic action to ensure its survival.

For much of the year some 60% of our employees have been furloughed in Sweden or covered by the government support scheme in Denmark. To prevent the risk of infection, numerous development projects, management meetings and training sessions were cancelled or postponed. During certain periods only two ferries were in operation, and Covid-19 has also necessitated even more rigorous cleaning routines and new uniform requirements such as face masks.

### Human rights and diversity

ForSea is a multicultural company that seeks to promote equal rights and opportunities at work regardless of gender, ethnicity, religion or other belief. We embrace diversity because we are convinced that it fuels creativity by acknowledging the different mindsets that are so important for our continued growth. ForSea gives everyone the same opportunities regardless of gender, ethnicity, religious belief, functional diversity, sexual orientation or age.

We also maintain a firm focus on indirectly protecting human rights, by not only advocating but also, where possible, intervening to ensure that our suppliers' and sub-contractors' employees are treated well, that there is compliance with work environment legislation and that human

rights are respected. We do not wish our own needs to be satisfied at the expense of other people's well-being.

ForSea seeks to be an equal opportunities organisation free from discrimination, prejudice and harassment, where all employees feel part of a team and show respect for one another. Gender equality is an important aspect of the work environment and a focus for ongoing progress at all levels within the company.

### Recruitment and competence development

ForSea's recruiters aim to ensure that the right person with the right competence is assigned to the right task. We operate an open recruiting system, where all job vacancies are advertised internally and externally. Our external channels are predominantly social media.

Clear guidelines and routines quality-assure the entire recruitment process, from needs analysis, requirement profile, advertising, selection, personality test, interview, communication with the candidate, references and final assessment to workplace introduction. We believe all people are equal in value. All applicants are treated in the same way and as fairly as possible.

The corona pandemic has meant reducing the number of training days in 2020 to a minimum, so the emphasis has shifted to safety and service.

Work on a new training concept, the ForSea Academy, continues to focus on digital solutions.

### Business ethics – clear routines and guidelines

Clear routines and checks minimise the risk of

fraud or bribery, both internally and in our contacts with customers, suppliers and other business partners. Our ethical guidelines provide a framework for how to behave when acting on behalf of ForSea, and they also address matters such as giving and accepting gifts. Other guidelines specify which employees are authorised to place and approve different types of orders, and the financial limits that apply to the ordering process.

### Whistle-blower channel

Employees can use our confidential whistle-blower service to report any suspected irregularities to the person responsible for the whistle-blower function. Messages may be sent personally or anonymously. The service helps to minimise risk and maintain trust in ForSea, by enabling us to identify and rectify potential irregularities at an early stage. No irregularities were reported via this channel in 2020.

### Work environment – zero injuries

Systematic work environment management ensures that we offer all employees a physically safe and socially inclusive workplace, where they can develop personally and professionally, and where measures are in place to prevent work-related injuries and ill health. This work is based on four objectives:

- Zero accidents in the workplace.
- Zero sick days as a result of accidents in the workplace.
- Sickness absence to fall year-on-year to a figure less than 4 %.
- Co-worker appraisals to be held on a yearly basis.

In order to achieve these objectives, we constantly follow up statistics relating to occupational injuries and workplace incidents, rehabilitation measures and preventive action. Examples of preventive measures are wellness subsidies and chiropractic treatments. Our own initiatives are externally evaluated to ensure a consistent approach to rehabilitation, where all measures are implemented uniformly and equitably, regardless of an employee's position in the organisation.

### Alcohol and drugs policy

ForSea has a zero-tolerance policy towards alcohol or drugs during working hours. All employees

are made familiar with and must comply with the policy. This ensures that the workplace is free from alcohol and drugs, and minimises the risks of ill health and accidents. Preventive measures include unannounced random testing. Alcohol and drug testing may also be carried out after an incident or accident. The policy includes provisions for support and help for employees with alcohol or drug dependency issues.

### Employees – heard and heeded

Our annual Puls survey measures co-worker perceptions of the physical work environment, cooperation within the department, confidence in company management, managers' leadership skills, etc. We use the results as the basis for action plans tailored to each unit that support development and improvement within the department. This is followed up in individual co-worker appraisals.

In 2020 86 % of employees participated in Puls, which is a good figure. The overall score to the questions posed in the survey was 3.89 on a 5-point scale. The results show that all employees act in accordance with our values and that collaboration between employees and their manager works well. Employees also recognise the importance of their work and how this helps the organisation/company to achieve its goals. Wishes were expressed for improvements in the information flow and greater receptiveness to the voice of employees. In 2020 73 % of employees took part in employee appraisals.





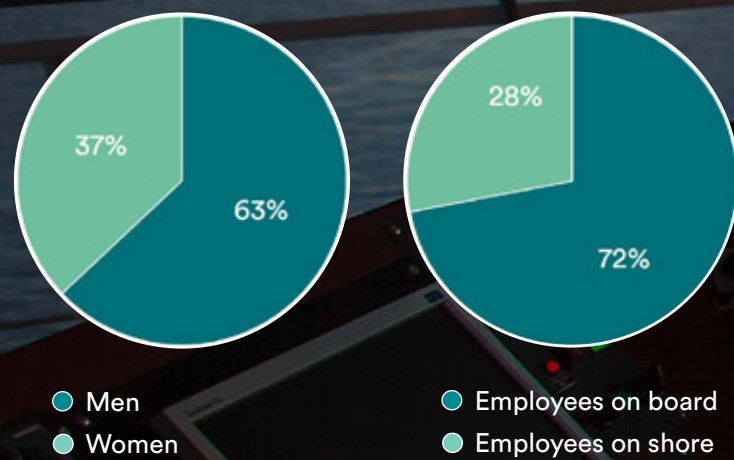
## Co-worker statistics

On 31 December 2020 ForSea had 449 full-time employees: 235 were employed in Denmark and 214 in Sweden. 72 % of these employees worked mainly on board one of our four ferries.

Female employees accounted for 37 % of the total workforce. Females had a 25 % representation at Group management level, while 50 % of the company directors were female.

Total sickness absence – despite the current pandemic and calls to stay home at the slightest sign of illness – was 4.1 %.

### Employees 2020





# Environment – reduced environmental impact

## Emissions to air and water

As it is the operations of our ferries that represent the greatest environmental impact of ForSea's business activities, we have prioritised work to reduce our emissions to air and water, minimise energy consumption and limit noise levels.

We have a long track record of initiatives to reduce the environmental impact of our ferries in the Öresund region. In 2007 our ferries became the first in Sweden to reduce harmful NOx emissions by using catalytic scrubbers on all engines, and since the early 1990s we have used only low-sulphur marine fuels to limit emissions of acidic SOx gases.

In November 2018, by transitioning to battery-powered operation on two of our vessels, we became the first ferry company in the world to drive such large RoPax vessel using electricity alone. It is not easy to be a pioneer, however, so work has continued in 2020 to optimise battery performance and rectify various technical problems.

### Reduced emissions

Battery-powered operation is a highly innovative initiative that has required significant adaptations on board and on land. A fully automatic laser-controlled robot arm connects the ferry to the charging station when the vessel docks, providing enough power for a 20-minute crossing. Batteries are recharged using green electricity from wind, water and solar sources meaning that when the ferries are sailing in battery-mode there are no emissions to air whatsoever. Electric ferries are quieter and less prone to vibrations, which is good news for passengers, people living nearby and marine life.

### Energy efficiency improvements

As the conversion efficiency for batteries is much higher than that of a diesel engine, switching to battery power has reduced both emissions and energy consumption.

Energy efficiency plays a key role in the transition to a greener world and ForSea is committed

to reducing consumption even further. This challenge is addressed by two focus groups: the Eco-driving Group and the Energy Group.

The Eco-driving Group consists of navigators from all of our vessels who collaborate to develop more fuel-efficient sailing strategies with the aid of a special onboard energy management system known as Blueflow. This not only monitors energy consumption in real time, but records all data online so that every sailing can subsequently be analysed. ForSea also has its own ferry simulator which enables users to test energy efficiency strategies and practise eco-driving techniques.

The Energy Group works to reduce energy needs on shore and on board. Technical solutions include everything from changing to LEDs to fitting frequency-controlled pumps and optimising running times. The Energy Group is also greatly helped by Blueflow technology, which registers all the energy consumed within the systems.

### Emissions to seawater

All greywater and blackwater is discharged at the terminals to be treated by Stena Recycling or the municipal water treatment plant. Strict routines are in place to avoid spills and leakage, and we conduct our own inspections at regular intervals.



## Developments in 2020

### Emissions to air

Carbon dioxide – Despite a significant number of technical challenges with the battery system in 2020, emissions from operating the ferries fell by almost 32 % (12,000 tonnes) compared with the baseline year of 2016.

Sulphur oxides and particulates – A reduction in the use of fossil fuels also reduces emissions of sulphur oxide and particulate matter (PM). In 2020 SOx emissions to air were reduced by approximately 3 tonnes. Particulate emissions have not been measured, but the reduction is on the same scale as that for bunker fuel, which suggests 32 % fewer particulate emissions.

Nitrogen oxides – While NOx emissions rose in

2020 as a consequence of problems in optimising the function of the batteries, these emissions are very low, relatively speaking, as the vessels' catalytic converters remove between 95 % and 98 % of NOx.

### Emissions to water

No spills to surrounding waters were reported during the year.

### Energy consumption

In 2020 the Eco-driving Group succeeded in reducing consumption by an average of 7.5 %. The Energy Group has also been very active with projects and measures that have resulted in an annual saving of some 570 MWh.



## Sustainable in all that we do

For us at ForSea sustainability work focuses on much more than minimising emissions from our ferries. We factor sustainability into all that we do, by addressing the issue across a broad strategic framework.

Since all goods and services impact on the environment in some way or other throughout their lifespan, it is important for us always to adopt a life cycle perspective, assessing the environmental impact of acquiring, using and recycling or disposing of our purchases. This also means that our suppliers must be carefully chosen and closely monitored.

### Fewer and less environmentally harmful chemicals

Over the past couple of years ForSea has adopted a systematic approach to minimising the environmental impact of its use of chemicals in business operations. An in-house Chemical Advisory Team educates staff by creating awareness around this issue and works to develop other methods or find alternatives to products that constitute the greatest risks.

### Waste

Seeing waste as the resource and raw material it truly is, is key to the work we do to optimise our

waste management. Education and information are constantly required to create the right level of commitment, and we are also continually reviewing our waste management processes as new rules, opportunities and challenges arise. At ForSea we make every effort to sort our waste, while also aiming to reduce total waste volumes.

### Plastic – a necessary evil

No one can be unaware of the need for society to reduce its dependence on plastic. Work to review the use of all single-use materials has been ongoing for some time at ForSea. Our ambition for the immediate future is to purchase only single-use materials made from renewable raw materials or recycled plastic, before gradually eliminating all plastic in the longer term. Our work to phase out fossil-based plastics intensified in 2020. Today virtually all single-use materials for customer use are produced from sustainable materials. The focus now is on the plastic and other materials used 'behind the scenes'.



## Developments in 2020

Year-on-year total waste volumes decreased by no less than 42 % in 2020 to 359 tonnes, while the proportion of waste sorted at source rose by 7 % to 67 %.

Some 43 tonnes of the year's total waste volumes was bio-waste. This is sent to OX2, a renewable energy company, for conversion into biogas and biofertiliser. 43 tonnes of bio-waste is enough to fuel a gas-powered vehicle for 86,000 kilometres.

During the year the Chemical Advisory Team achieved reductions of 31 % and 24 % respectively in the company's use of allergenic

and environmentally harmful substances.

Since the end of 2020 all cleaning products are labelled Bra Miljöval, EU Ecolabel or similar.

In 2020 a great deal of work was invested in finding alternative single-use articles for our cafés. Today virtually all products are either made of bio-based or recycled plastics. The oil-based plastic that remains is from stocks that have not yet been depleted as a result of reduced consumption in the wake of the corona crisis.



## Food and sustainability

With multiple restaurants, cafeterias, canteens and huge numbers of diners each year, food purchases for our operations are significant. In 2020, for example, we sold 11 tonnes of fish and 252,661 red sausages. Clearly, finding sustainable alternatives can make a big difference. We recognise the importance of reducing the environmental impact of the food we serve and have therefore decided to focus on 4 key areas – food waste, certified food, climate impact and sustainable fish and seafood.

### Waste-watching

Discarding good, edible food is not only expensive and resource-intensive but unjustifiable from a sustainability perspective. That's why ForSea works resolutely to avoid wasting resources in this way. Better planning throughout the entire chain, participation in a regional network, monitoring food waste and following up results are some of the tools we use. The waste that does occur is sorted and sent to OX2 for conversion into biogas and biofertiliser.



### Certified products

Increasing the proportion of certified products in our restaurants and shops helps to improve working conditions for many people, conserve biodiversity, improve animal welfare and reduce water consumption. To help us achieve our goals in this area a decision was made in 2020 to certify ForSea in accordance with KRAV standards, one of Sweden's most rigorous organic labelling programmes for food and restaurants that encompasses numerous aspects of sustainability. The standard provides an excellent and reliable framework for work to reduce environmental impact.

### We make a difference below the surface

In December 2019 we became the first shipping company in Sweden and Denmark to meet the traceability criteria for MSC/ASC certification, and throughout 2020 all the fish and seafood we have served has been certified. This has meant some stiff challenges as many species have been excluded, but our talented chefs have shown that, with the right attitude, everything is possible. Testimony that they are more than equal to the task came in May with the award of MSC Scandinavia's Guldfisken prize ('Goldfish of the Year') for ForSea's ambitious and inspiring work for more sustainable seas.

### Climate-smart food

To better understand the impact that food has on the climate we have calculated our food-related CO2 emissions each year since 2017. Our chefs work hard to increase the proportion of vegetarian dishes and choose climate-smart meat to reduce climate emissions from the food we serve.



## Developments in 2020

In December 2019 ForSea became the first shipping company in both Sweden and Denmark to meet the traceability criteria for MSC/ASC certification. We are proud to say that all the fish and seafood served in our operations since 1 January 2020 is MSC/ASC certified.

We are also making every effort to offer our guests certified goods and products, and the proportion of certified raw ingredients used by our restaurants rose from 5 % to 12 % during the year.

In 2020 certified products accounted for 4.6 % of sales in our onboard shops, an increase of around 0.4 % compared with 2019.

For each bottle we sell from our onboard selection of South African wines, ForSea donates SEK 5 to the Starting Chance organisation. In 2020 ForSea donated no less than SEK 85,000 towards measures to improve conditions for schoolchildren in the Republic of South Africa.



## Corporate social responsibility.

**Our ferry links contribute to the development of local communities on both sides of the Sound. ForSea's CSR commitments include generating employment opportunities in the region, supporting sports and education, and helping the local business community to develop along greener lines. Here are just a few examples of how this commitment is put into action.**

- In 2020 ForSea purchased a second Seabin, this one to be located in the inner harbour in Helsingør. Although initiated by ForSea the project is also supported by Øresund Aquarium and the Port of Helsingør. The port authorities empty and service the Seabin, while the Aquarium educates school classes and others to create engagement around marine ecology.
- Among a number of external research initiatives that ForSea participated in during 2020 were two Chalmers University projects to better understand the impact that shipping has on marine life below the surface.
- In December funds were raised to support work carried out by two local women's shelters, Helsingborgs Kvinnojour and Annas Kvindehjem in Helsingør. ForSea employees were invited to engage in this initiative and responded with great generosity. Their donations enabled us to fill a station wagon to the brim with toys, crayons, colouring books, goody bags and toiletries for women and children seeking refuge with these organisations over the Christmas period. A representative for Annas Kvindehjem said, 'You have given everyone in the shelter a wonderful extra Christmas present. Thank you so much. We wish you all a merry Christmas and happy New Year in return.'
- Active recruitment of newly qualified maritime officers who can acquire basic professional experience with ForSea. Maritime cadets also carry out part of their vocational training onboard our ferries.
- To foster local sporting initiatives ForSea sponsored a number of local associations on both sides of the Sound in 2020. Money

was also donated to support the activities of Helsingborg IF and Hittarps IF football clubs, and Nordsjaelland Handball Club.

- ForSea works closely with growers in South Africa who supply the wines that we sell. For each bottle of South African wine sold, a donation of SEK 5 is made to Starting Chance, a South African aid organisation established to help children with their formal education. In 2020 ForSea donated SEK 85,000 to the organisation.



## Awards in 2020

In 2020 ForSea was honoured to be awarded the coveted Guldfisken ('Goldfish of the Year') prize from the MSC and ASC organisations in Scandinavia.

The jury's motivation reads:  
'This shipping company is leading the way in Scandinavia by choosing to be the first to serve only MSC/ASC-certified seafood. Wave-making Aurora, the Guardian of the Seas, is setting course for the safe haven of sustainability and a blue future. All hands on deck!'





