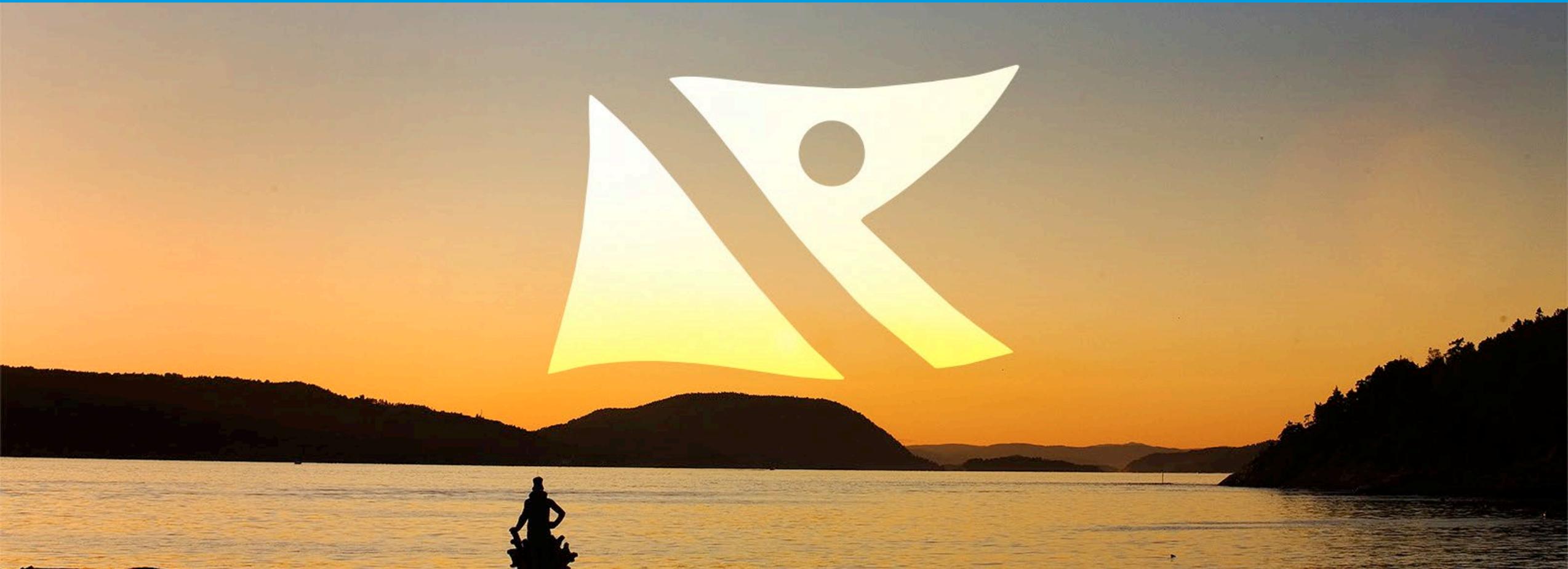


# Bonheur ASA Sustainability Report 2022

---





## INTRODUCTION

- [Sustainability](#)
- [CEO letter](#)
- [Introduction](#)
- [About the report](#)
- [Materiality assessment](#)
- [Sustainability going forward](#)
- [Sustainability objectives](#)
- [Ambitious Actions](#)

## ENVIRONMENT

- [Environmental scopes](#)
- [CO2 emissions reporting](#)
- [About the EU Taxonomy](#)
- [Climate Risk](#)
- [Biodiversity and nature loss risk](#)
- [Examples of initiatives](#)
- [Waste management](#)
- [Green Finance Framework](#)
- [Future proofing our fleet](#)

## PEOPLE - SOCIAL

- [Social issues](#)
- [Transparency act](#)
- [Human rights due diligence](#)
- [Equality and anti-discrimination](#)
- [Anti-discrimination assessment](#)
- [Data on social issues](#)

## PROSPERITY AND GOVERNANCE

- [Governance](#)
- [Prosperity objectives](#)
- [Anti-corruption](#)
- [Tax contributions](#)
- [New technology](#)
- [Value creation](#)
- [Social contributions](#)

## APPENDICES

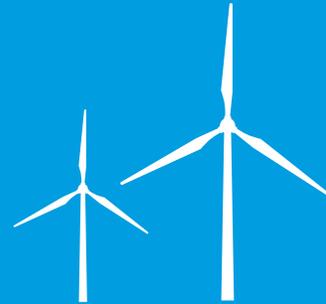
# Sustainability at a glance

## Record high green energy production

**2,1 TWh produced**

Avoided emissions

**900 000 tCO<sub>2</sub>e**



## Gender balance



**19%**  
women

**81%**  
men

**More than 500 offshore and onshore wind turbines installed in 2022**

Equivalent to

**3,3 GW**



## Sustainability and innovation highlights

- Increased onshore wind development pipeline with 400 MW
- Increased offshore wind development pipeline with 800 MW
- Continued development of offshore floating solar
- Enhanced R&D on new technology for offshore wind and solar
- Enhanced human rights due diligence
- Compensating negative impact on biodiversity
- New measures to reduce ships fuel consumption
- Zero corruption cases



# Letter from the Managing Director

## Dear shareholders and all other stakeholders,

Bonheur ASA is pleased to present our sustainability report for 2022. As an investor in and developer of renewable energy but also an owner of companies with vessels with a CO2 footprint, we aim to both provide clean and sustainable energy solutions and improve our operations to reduce environmental impact.

This report outlines Bonheurs position in this regard including efforts to increase the use of renewable energy sources and pursue reductions in greenhouse gas emissions.

In addition, we also continue to support various local communities, this includes providing funding for education and environmental conservation projects, as well as partnering with local organizations to provide job training and employment opportunities.

At Bonheur we believe that equality, diversity, and human rights are essential values that must be embedded in all aspects of our engagements.

We support our subsidiaries in their work towards being inclusive and supportive of all employees, regardless of their gender, age, ethnicity, religion, or sexual orientation.

As a company with investments in both the energy and the transport sector Bonheur is exposed to geopolitical risk. Bonheur has always been proactive in managing geopolitical risks and is closely monitoring developments around the World with a view to secure adequate preparedness.

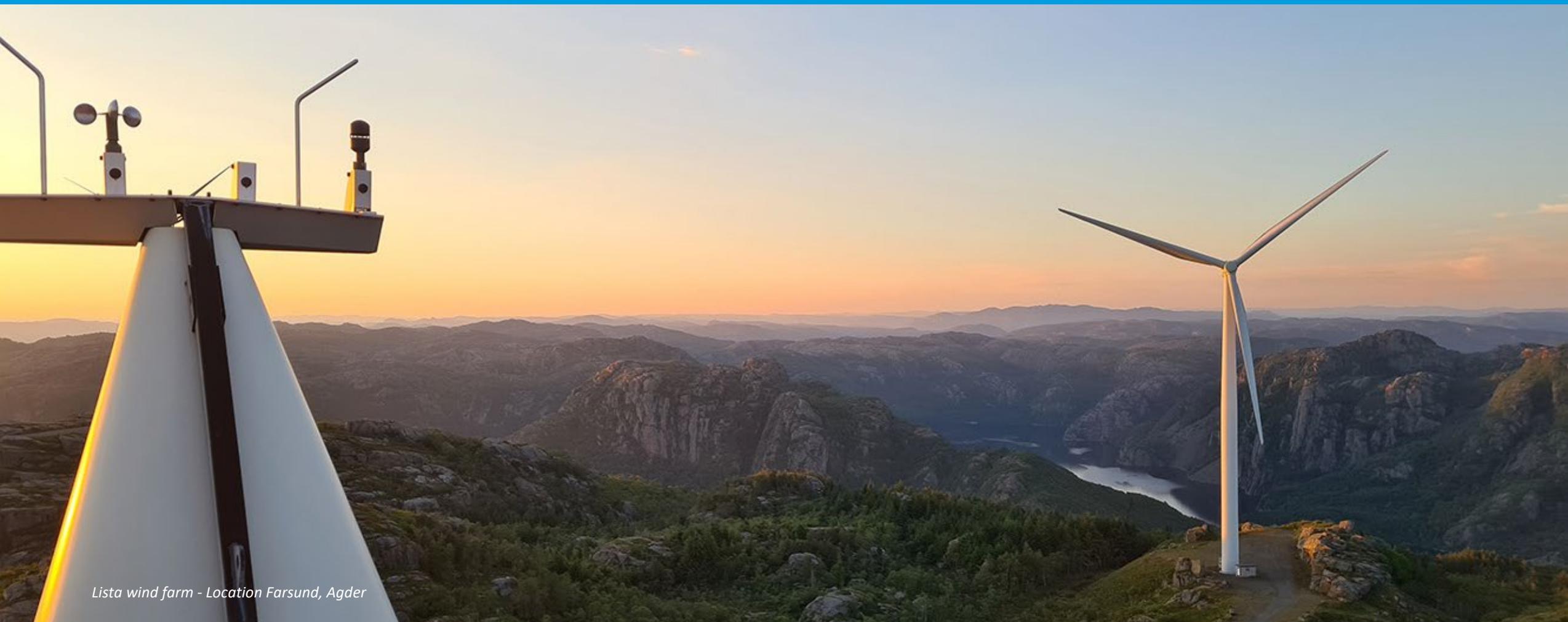
We will continue our work for a more sustainable future.  
Sincerely,

**Anette S. Olsen**  
Managing Director,  
Bonheur ASA



# INTRODUCTION

---



*Lista wind farm - Location Farsund, Agder*

Renewables		Services			Technology & innovation		Capital		
Fred. Olsen Renewables   Fred. Olsen Seawind		Fred. Olsen Windcarrier   GLOBAL WIND SERVICES   LOGISTICS   natural power   NEW POWER PARTNERS			ZLidars   Fred. Olsen 1848		Hvitsten Asset Manager   Fred. Olsen Investments		
<b>Onshore wind and other renewables developer and owner</b>	<b>Pure-play offshore wind developer and owner</b>	<b>Turbine installation services</b>	<b>Installation, service provider and blade expertise</b>	<b>Solution for wind transportation</b>	<b>Independent consultant and service providers</b>	<b>Wind measurement systems</b>	<b>Technology &amp; innovation</b>	<b>Financial partnerships</b>	<b>Managing further investment opportunities</b>
<b>787 MW in operation</b> <b>4GW pipeline</b>	<b>2+GW gross pipeline</b>	<b>20% of all offshore wind turbines globally</b>	<b>200+ Projects delivered across 40 geographies</b>	<b>2,350 Clients served across 60 geographies</b>	<b>3,500 projects advised on globally across 13 offices</b>	<b>7000+ Lidar deployments (on and offshore)</b>	<b>Floating foundation, Mobile Port and other floating solutions</b>	<b>1,000 EURm equity through Fund management and financial JVs</b>	<b>Investments made within renewable energy related companies</b>

Bonheur ASA (the “Company”) is domiciled in Norway with its head office in Oslo and is listed on the Oslo Stock Exchange. The Company was established in 1897 and has been stock listed since 1920. Today, the Company invests in several business areas. Initially the Company’s activities were only in the shipping industry.

This included both cargo and passenger services before expanding into ship building and aviation and later contributing to the development of the offshore energy sector in Norway, e.g., through activities in both the yard industry and within offshore drilling. More recently, the Company has focused its energy sector investments in renewable

energy and has developed a strong ecosystem of renewable energy related companies. Bonheur’s first renewable energy investment was made in 1996 and today, through subsidiaries, it owns a substantial portfolio of both operating wind farms and development projects mainly located in Scandinavia, Ireland and the United Kingdom.

Capitalizing on its vast experience from diversified marine operation and renewable energy, Bonheur’s activities have expanded further into the offshore wind service industry where it provides transportation, installation and maintenance services related to offshore wind turbines. Its latest business development is in floating offshore wind and floating offshore solar.

# Introduction

Bonheur has a strong commitment towards integrating sustainability and social responsibility into its businesses, as this forms the base of a sound long-term business model and supports the decarbonisation of society and reduces the environmental footprint in our activities.

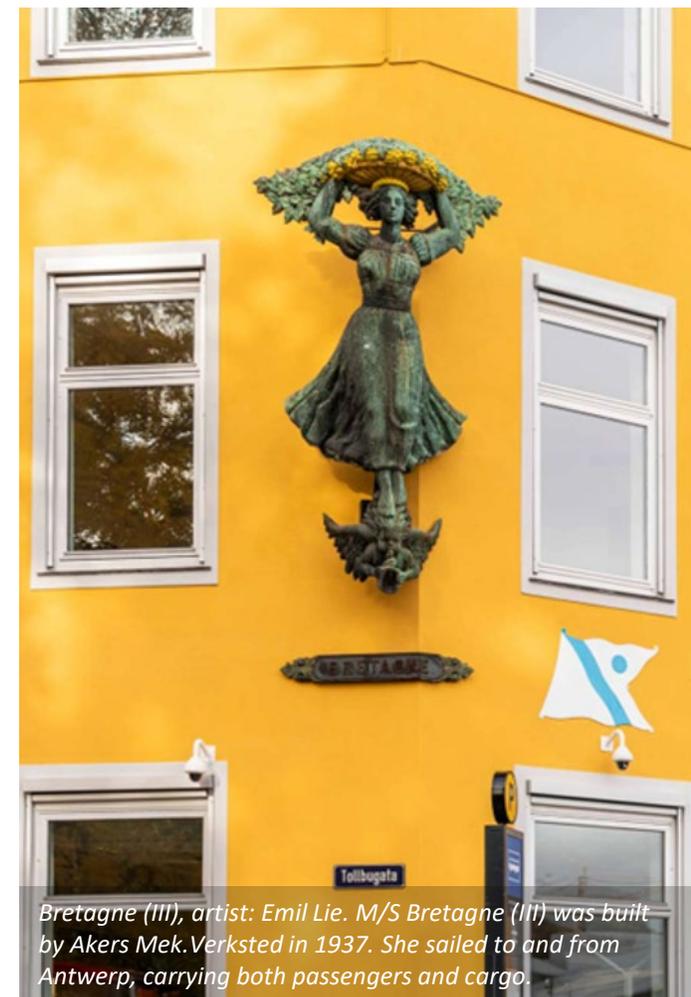
The Company was a pioneer in recognising the need to develop renewable energy sources and has for more than 25 years established numerous companies within the renewable energy sector, covering the entire value chain from developing to constructing and operating onshore windfarms as well as installation and service of both onshore and offshore windfarms. Bonheur is committed to driving progress and continue pushing boundaries. Through improvement of existing operations within subsidiary companies, the development of new technologies, and strategic investments with a long-term focus on sustainability. The Company has investments in subsidiaries owning vessels with a CO2 footprint. Pursuing innovative ways to reduce fuel consumption and reduce emissions are important and high on the agenda.

The Company focuses on integrity and ethical standards, and this is reflected into the respective companies' Codes of Conduct. All employees and suppliers are expected, to behave and conduct their business in accordance with the principles of such codes. It is equally rooted within the Group of companies that an active and sound corporate governance environment is essential to delivering a sustainable investment strategy that aligns with the best interests of the shareholders, employees and the society. Social awareness and active engagement with local stakeholders and communities are prerequisites for successful investments.

It is part of the inherent operating philosophy to focus on training and employing people from the local communities where practically possible and to ensure good working conditions, honouring labour rights and promoting diversity.

Given the importance of sustainability and increased focus on sustainability reporting, the main operating subsidiaries of the Company have further strengthened and enhanced their sustainability reports over the previous years.

The structure of the sustainability report is firstly to describe how the Company is governed with emphasis on transparency in corporate governance, with the composition and independence of both the Shareholders Committee and the Board of Directors and with internal control procedures in general. Secondly, the sustainability report describes the environmental aspects showing that the Group of companies consolidated has a significantly positive CO2 footprint resulting from the direct contribution from the wind farms and the indirect contribution from the Wind Service segment which are actively involved in transport, installation, service and maintenance of wind turbines.



*Bretagne (III), artist: Emil Lie. M/S Bretagne (III) was built by Akers Mek. Verksted in 1937. She sailed to and from Antwerp, carrying both passengers and cargo.*

## Introduction continued

The sustainability report elaborates on the Green Finance Framework which was established in 2020 and updated at the turn of the year 2022. Furthermore, the report describes the human resources aspects of the Group of companies, which strives to provide a good and safe working environment, equal opportunities without discrimination and compliance with applicable codes of conduct and anti-corruption policies. Eventually, the sustainability report describes the kind of local engagements in the countries of operations through employment of local people, taxes paid and the predominantly philanthropical contributions by the Fred. Olsen Social Engagement Group (FOSEG).

The sustainability report outlines both the commitment towards genuine environmental-friendly initiatives such as over 2 TWh production of renewable wind energy, new offshore wind and floating solar development projects, and also highlights ongoing efforts to reduce CO2 emissions in our operations.

Our subsidiary companies have identified and prioritized those sustainability topics that are considered the most significant to their respective operations through a materiality analysis involving processes with internal interviews and market analyses, in addition to considering relevant standards and the business context of the individual industry in question.



*Bonanza I, artist: Sigurd Nome. M/S Bonanza (I) was built by the Gothenburg yard Götaverken in 1953. She sailed along the western seaboard of North America, and was well known in the Panama Canal.*

# About the report

*Lista wind farm - Location Farsund, Agder*

The development of sustainability disclosures is continuing to develop such that no one framework covers every aspect at present. Consequently, Bonheur is following a number of different frameworks to report across the different business areas.

The Group of companies' sustainability reporting takes into account the World Economic Forum's (WEF) Stakeholder Capitalism metrics which were published in September 2020. The metrics are drawn from existing voluntary standards such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related

Financial Disclosures (TCFD) and aim to provide a core set of common sustainability metrics, covering the topics of Governance, Planet, People, and Prosperity. In addition, the Group of companies started the implementation of the EU taxonomy.

Further information may also be found on the respective operating subsidiaries webpages:

- [www.fredolsenrenewables.com](http://www.fredolsenrenewables.com)
- [www.windcarrier.com](http://www.windcarrier.com)
- [www.globalwindservice.com](http://www.globalwindservice.com)
- [www.fredolsencruises.com](http://www.fredolsencruises.com)
- [www.fredolsenseawind.com](http://www.fredolsenseawind.com)

This report is based on the World Economic Forum (WEF) framework. It provides a description of Bonheur's sustainability performance in 2022 for the areas Environment, Social, Governance, and Prosperity.

Objectives for each of the areas defines our goals towards a sustainable future. Where available, the strategies, objectives and relevant KPIs for will be included for each of these areas in the introduction to each chapter. Additional work and focus will be done to include strategies, objectives and KPI's for future reports.

The report covers and prioritizes information which is considered relevant to Bonheur. The information in this sustainability report aims at including significant actions or events in the reporting period and does not intentionally exclude relevant information that would influence or inform stakeholder assessments or decisions or that would reflect significant economic, environmental or social impacts.

## About the report

For 2022, we have limited the sustainability report with the following boundaries:

- WEF Theme: “Climate Change” – Scope 3 emissions: The Scope 1, 2 and 3 GHG emissions are reported in accordance with the GHG Protocol Corporate standard. Scope 3 emissions in this report covers Purchased goods and services, Capital goods, Waste, Fuel not included in Scope 1, and Business travel. Not all Scope 3 categories are covered, either due to lack of reliable data or that they are not applicable.
- WEF Theme: “Nature Loss”: We recognize that our wind farms may have degrees of impact on nature, biodiversity, peatlands, local societies etc through area usage. These aspects are described in the chapter on Environment. It should be noted that there is limited data available to accurately determine effects of nature impact there is currently not available a clearly defined methodology from the Taskforce on Nature-related Financial Disclosures.

As the economic activity in Bonheur is the result of activities in its subsidiaries, this report is also a sum of these activities and initiatives. Hence, this is also the case for our risk and materiality assessment and the overall objectives, where applicable.

Going forward Bonheur aims to report according to European Sustainability Standard (ESRS) and the requirements set out in the EU’s CSRD. This means that we will work to establish an overarching sustainability strategy for Bonheur with corresponding objectives and targets. As we are preparing for this change the current report interchange the terms planet, people and prosperity with environment, social and governance.



## Principles of Governance

The definition of governance is evolving as organizations are increasingly expected to define and embed their purpose at the center of their business. But the principles of agency, accountability and stewardship continue to be vital for truly "good governance".



## Planet

An ambition to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.



## People

An ambition to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.



## Prosperity

An ambition to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.

Source: World Economic Forum

# Materiality assessment

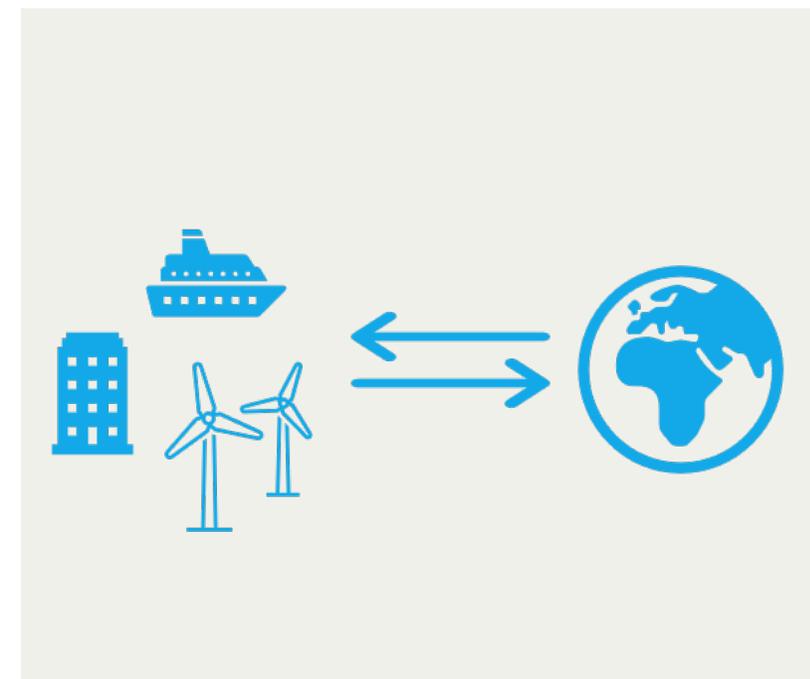
Bonheur face an evolving landscape of diverse sustainability issues and topics. Material topics are those that have a significant impact on our operating subsidiaries' business and financial performance, such as its ability to generate revenue. These topics also reflect our impact on the economy, environment, and society. Moreover, the material topics are considered crucial in shaping stakeholders' perceptions and decisions towards the organization.

The materiality assessment determines our most significant sustainability issues, and we will use this information to guide the Company's sustainability strategy. The results help us prioritize our sustainability efforts and to ensure that we are addressing the issues that matter most to Bonheur's stakeholders and to the long-term success of the Company. To Bonheur these issues are a condensed version of the risk-based assessments made by its operating subsidiaries. For further detail on these assessments, please see their respective sustainability reports.

In coming years, we will relate to materiality assessments both on our potential impact on sustainability issues and changes in the environment impacting us (a double materiality assessment), which will be input to Bonheurs' sustainability strategy. Our goal is to align our approach with the European Union's Corporate Sustainability Reporting Directive (CSRD), which is set to be implemented.

We recognize the importance of ensuring that sustainability reporting reflect the business of our operating subsidiaries, both internally and externally. As such, evaluation of current practices, as a backdrop to implementing possible improvements in line with the standards set forth by the CSRD is in issue. The materiality assessment is performed as a desktop study and discussed with relevant stakeholders in the Bonheur group of companies.

On the next page are five examples from the assessment.



Double materiality refers to the notion that a company's impact on the environment or other sustainability aspects is just as significant as the impact of climate-related factors on the company. This means that both the effects of the company on the climate and society and the impacts of climate change on the company are considered material.

## Materiality assessment continued

For Bonheur **climate change** is considered a material financial risk, due to the potential impact on our subsidiaries' operations and assets from severe weather events and regulations related to greenhouse gas emissions. At the same time, it may also be a material non-financial issue, due to the potential impact on society and the environment from some of Bonheur's operating subsidiaries' greenhouse gas emissions, mainly from vessels.

Development of **renewable energy** is a material non-financial issue due to the potential impact on the environment and society from reducing greenhouse gas emissions, as well as a material financial issue as it could help be in line with future regulation and reduce cost of capital.

**Community relations** is a material non-financial issue for Bonheur due to the potential impact on the company's reputation and relationships with local communities, especially when developing new sites. At the same time, the community engagement is also a material financial issue, due to the potential impact on the company's access to resources and ability to obtain permits and approvals for its operations.

**Transparency and communication** are material non-financial topics for good corporate governance, due to the potential impact on the company's reputation and relationships with stakeholders. It is also a material financial issue, due to the potential impact on the company's cost of capital, access to development sites, and attract and retain customers.

**Human rights and labour standards** are material non-financial issues due to the potential impact on the operating company's reputation and relationships with employees and other stakeholders. At the same time, human rights and labour standards are also material financial issues, due to the potential impact on ability to access resources, comply with regulations and legal issues.

For further detail on these assessments, please see the respective sustainability reports published on our subsidiaries' websites.



# Sustainability objectives going forward

## Building on our history

Benefiting from 175 years' experience Bonheur continue its strong focus on the balance and synergies between profitability and sustainable business and investment activities. As part of this focus, the Group of companies has strengthened its capabilities in sustainability reporting during the last couple of years, concentrating on the issues that are material to each segment. We expect to continue strengthening further in the years to come.

Beyond mere disclosure, Bonheur reflects sustainability principles in its investments to enhance existing operations and develop innovative technologies. The Company aims to reflect its commitment to sustainability and decarbonization through investments in offshore wind farms, floating solar technology, and more.

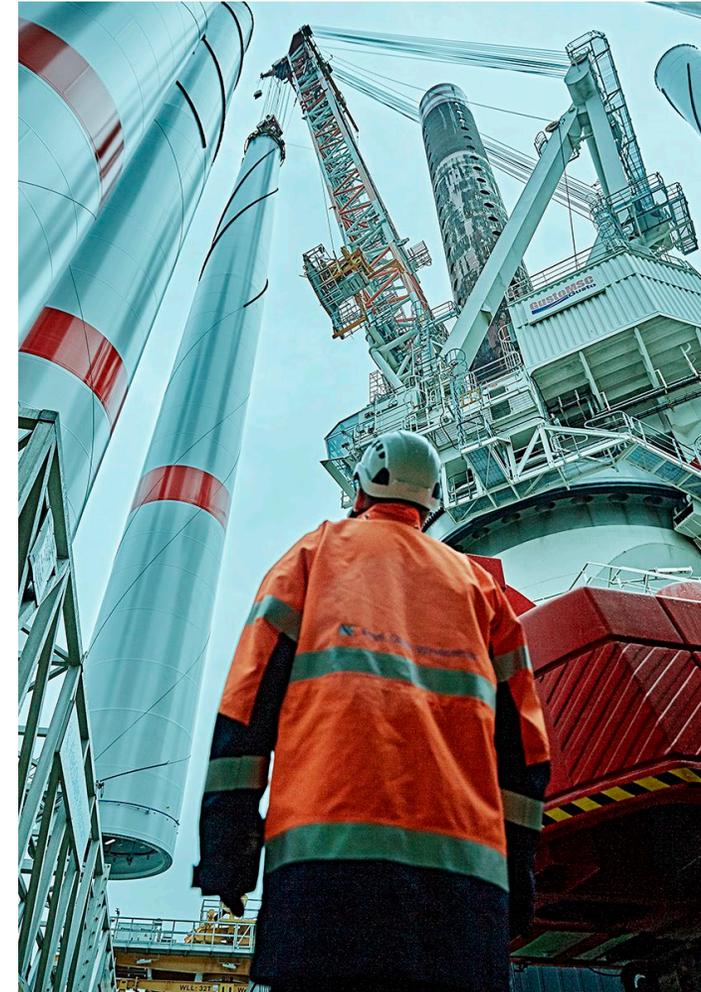
Additionally, the Company is targeting through its operating subsidiaries to pursue reducing CO2 emissions across all subsidiaries, both offshore and onshore.

Bonheur's operating subsidiaries have set targets on emissions, enhanced reporting systems and reducing their impact on nature in their operations. Aligning and aggregating these targets and objectives to the Bonheur level will be an important task in advancing our sustainability agenda. Among the targets set by our subsidiaries are:

- Fred. Olsen Windcarrier aimed to reduce their scope 1 and 2 emissions on projects in 2022 5% year-on-year through increased efficiency
- Fred. Olsen Windcarrier aims to increase employee satisfaction with skills development
- They will also reduce non-recyclable plastic, general waste, and food waste on vessels with 10% compared to 2021
- Global Wind Service aim to reduce Lost Time Incidents compared to the previous year

- Fred. Olsen Renewables aim to increase onshore wind capacity through realization of consented projects, subject to final investment decision
- Development of offshore floating solar will continue
- Continued implementation of route planning and machine learning software for fuel reduction in Fred. Olsen Cruise Lines
- All operating subsidiaries in Bonheur have a zero corruption and business ethics cases target

We will in 2023 start the process of developing Science Based Targets for Bonheur, report according to the new European Sustainability Reporting Standard and improve disclosure on our impact on nature and biodiversity.

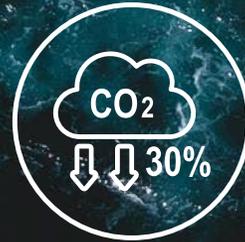


## Sustainability going forward

Bonheur's sustainability objectives:



Increased investment in sustainable solutions and decarbonization of our services



Reduce CO<sub>2</sub> emissions from all subsidiaries, both offshore and onshore with 30% by 2030.



Invest in and develop onshore and offshore wind farms and floating solar technology



Adopt low-emission solutions for all activities, such as low-emission concrete in construction projects, electric vehicles on sites, and improved waste management



Continuously support and set targets in alignment with the goals of the Paris Agreement to reach net-zero emissions by 2050

## We will relate to these objectives through actions such as:

- 1. Communication and commitments:**  
Communicate sustainability objectives to the financial market, including investors, analysts, and stakeholders, in annual reports, sustainability reports, press releases, and other relevant communication channels.
- 2. Metrics and KPIs:**  
Develop metrics and key performance indicators (KPIs) to measure progress towards each sustainability objective. For example, the reduction of CO2 emissions can be measured through emissions intensity, emissions per unit of production, or absolute emissions.
- 3. Regular Reporting:**  
Report on the progress made towards each ESG objective and target on a regular basis in sustainability reports and other relevant communications.
- 4. External Verification:**  
Engaging an external auditor or ESG ratings agency to verify the data and information reported, and to provide additional credibility to the objectives.
- 5. Stakeholder Engagement:** Engage with stakeholders, including investors and industry peers, to gather feedback and identify areas for improvement in the ESG objectives.



*Bolette sailing into Kotor*

# ENVIRONMENT



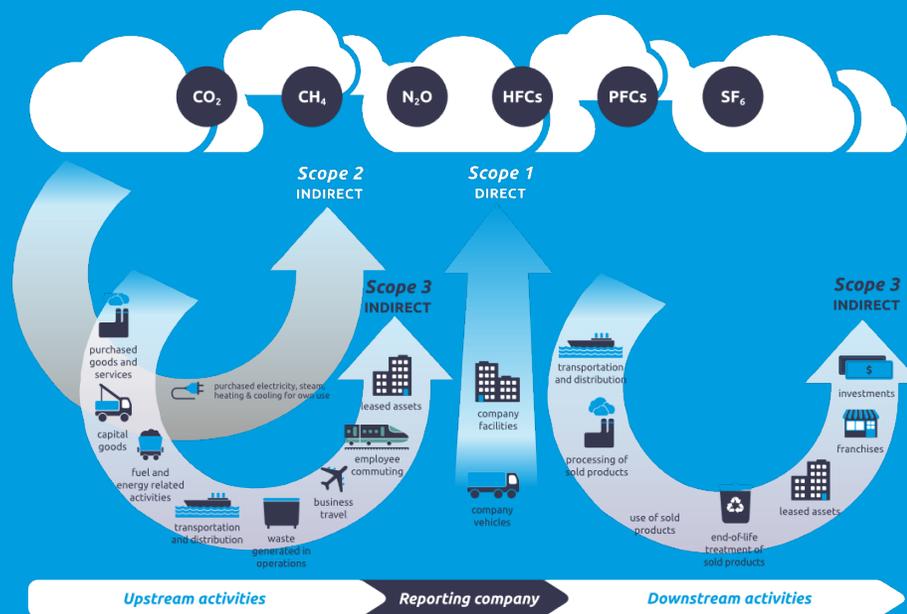
*Brave Tern - Fred. Olsen Windcarrier*

# Environment

Bonheur’s focus is on maintaining and further developing sustainable business models and to minimize the environmental footprint of our activities. This section will give an insight into both the positive and negative CO2 contribution from our operations within our business segments, in addition to information regarding the Company’s Green Finance Framework.

The Group of companies is engaged in activities which, to a varying degree, involve a potential risk to the environment. To minimize the risk, safety and environmental protections are given high priority by the operations, and efforts are made on a continuous basis to prevent situations which might involve damage to health and environment. Important elements of this work are safe operations an active maintenance program and adequate handling of waste.

To report on our greenhouse gas emissions in a consistent manner, the operating subsidiaries follow the recommendations of the Greenhouse Gas Protocol and divide emissions into three categories:



Overview of GHG Protocol scopes and emissions across the value chain - [ghgprotocol.org](http://ghgprotocol.org)

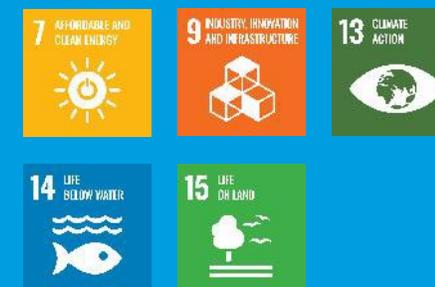
- **Scope 1** - Direct GHG emissions occur from sources that are owned or controlled by Group of companies
- **Scope 2** - Indirect emissions from purchased electricity, heating and cooling consumed by Group of companies
- **Scope 3** – All other indirect emissions consumed by Group of companies not included in scope 2

While some of the operations, particularly those involving the use of fossil fuels, may have negative impacts on the environment, the operating subsidiaries prioritize safe operations and active maintenance programs to prevent accidents and minimize harm to the external environment.

However, the operating subsidiaries currently do not have comparable data on waste management, ecological impact measurements, and asset recycling for all of our companies, so we are not able to report consolidated figures for 2022. We will work to get this in place in 2023.

We are pleased to report that no major incidents occurred during the year that caused significant damage to the external environment within our business segments.

This chapter covers themes affecting the following UN Sustainable Development Goals:



# CO<sub>2</sub> emissions reporting

ACCOUNTING METRIC	2022	2021	COMMENTS
GHG emissions Scope 1 tCO <sub>2</sub> eq	215 109	95 797	Emissions mainly from marine fuel and restart of cruise line activities.
GHG emissions Scope 2 tCO <sub>2</sub> eq	978	1 783	Electrical indirect emissions (import power, utility power)
GHG emissions Scope 3 tCO <sub>2</sub> eq	26 481	1 900	Improved methodologies for reporting scope 3 emissions and restart of cruise lines is the main source of the increased number.
<b>Total</b>	<b>248 568 tCO<sub>2</sub>eq</b>	<b>99 480 tCO<sub>2</sub>eq</b>	

## Changes in estimates

The reported Scope 3 emissions have increased due to better estimations and measurements, which have led to a more accurate and comprehensive understanding of the emissions. This included previously unrecognized sources of emissions, refining measurement techniques, and improving data collection and analysis. It is important to emphasize that the increase in Scope 3 emissions does not necessarily mean that

the actual emissions have increased. Rather, it reflects a more accurate accounting of the emissions, which can provide valuable insights for developing effective emissions reduction strategies. We believe that better estimations and measurements in the coming years will give us a more comprehensive understanding of our Scope 3 emissions and may even lead to a further increase in the reported number as the real emissions are declining.

## Increased Scope 1 emissions

The significant increase in total Scope 1 emissions is mainly from the cruise vessels upon resumption of normal operations after the Covid-19 pandemic. The increase can be attributed to the low emission levels during the pandemic, which were primarily due to reduced sailing activity and energy consumption. As the vessel resumed full capacity sailing and increased energy consumption, their emissions rose correspondingly.

To better understand the cruise vessel's environmental impact, it would be more useful to compare emissions per kilometer travelled, as this would provide a more accurate assessment of the vessel's emissions efficiency and enable effective tracking of our progress towards emission reduction goals.

This approach is also aligned with international standards and reporting frameworks, such as the Greenhouse Gas Protocol. From 2021 to 2022 the emissions per kilometer travelled was reduced from 0.56 to 0.44. These numbers are still not fully comparable due to fuel consumption



*Blenheim, artist: Ørnulf Bast. M/S Blenheim (II) was delivered ready fitted to the company by Akers Mek. Verksted in 1951. She sailed between Oslo and Newcastle.*

during lay-up and mobilization. Cruise Lines is working actively to reduce fuel consumption through:

- Itinerary planning
- Software optimization and machine learning for route planning and optimum sailing speeds
- Optimized use of engine configuration
- Technology improvements

## Renewable energy production

COUNTRY	PRODUCTION	AVERAGE HOUSEHOLD CONSUMPTION	NUMBER OF HOUSEHOLDS SUPPLIED
Norway	234 119 MWh	16 000 kWh	14 632
Sweden	552 655 MWh	5 000 kWh	110 531
UK	1 309 969 MWh	2 900	451 713
<b>Total</b>	<b>2 096 743 MWh</b>	<b>Total</b>	<b>576 877</b>

### CO2 avoided emissions

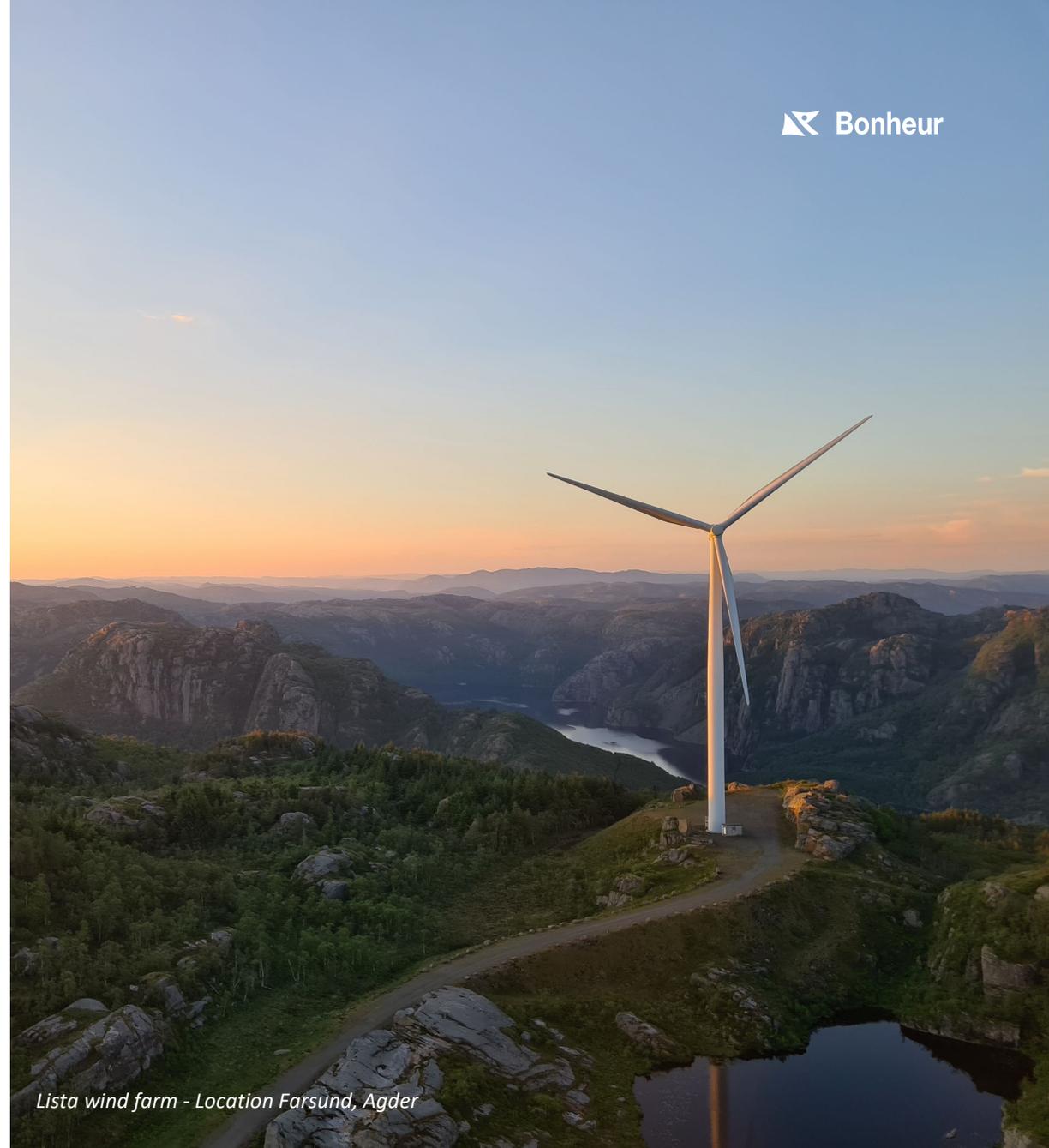
A MWh of renewable energy theoretically replaces a MWh of fossil energy, thus making it possible to calculate how many tons of CO2 have been avoided through our renewable energy production. The fossil energy percentage (natural gas, oil, coal) for each country is used as input.

Our total production of 2 096 743 MWh is multiplied with conversion factor 0.429. Roughly estimated, we avoided 900 000 tonnes CO2 from being released to the atmosphere.

Fred. Olsen Windcarrier also installed 54 wind turbines in 2022, the equivalent of 440 MW power.

Our total production of 2 096 743 MWh is multiplied with conversion factor 0.429. Roughly estimated, we avoided 900 000 tonnes CO2 from being released to the atmosphere.

Fred. Olsen Windcarrier also installed 54 wind turbines in 2022, the equivalent of 440 MW power.



Lista wind farm - Location Farsund, Agder

# About the EU Taxonomy

The EU taxonomy is a classification system that sets out a list of environmentally sustainable economic activities. It forms part of the EU's plan to scale up sustainable investment and implement the European Green Deal. The Taxonomy Regulation has established six environmental objectives: **1. climate change mitigation**, **2. climate change adaptation**, **3. sustainable use and protection of water and marine resources**, **4. the transition to a circular economy, waste prevention and recycling**, **5. pollution prevention and control**, **6. protection and restoration of biodiversity and healthy ecosystems**.

The Bonheur Group of companies have conducted a thorough review of its business activities in line with the EU Taxonomy. This aggregated review is reflected in this report, while each operating subsidiary's review and assessment is described in separate reports.

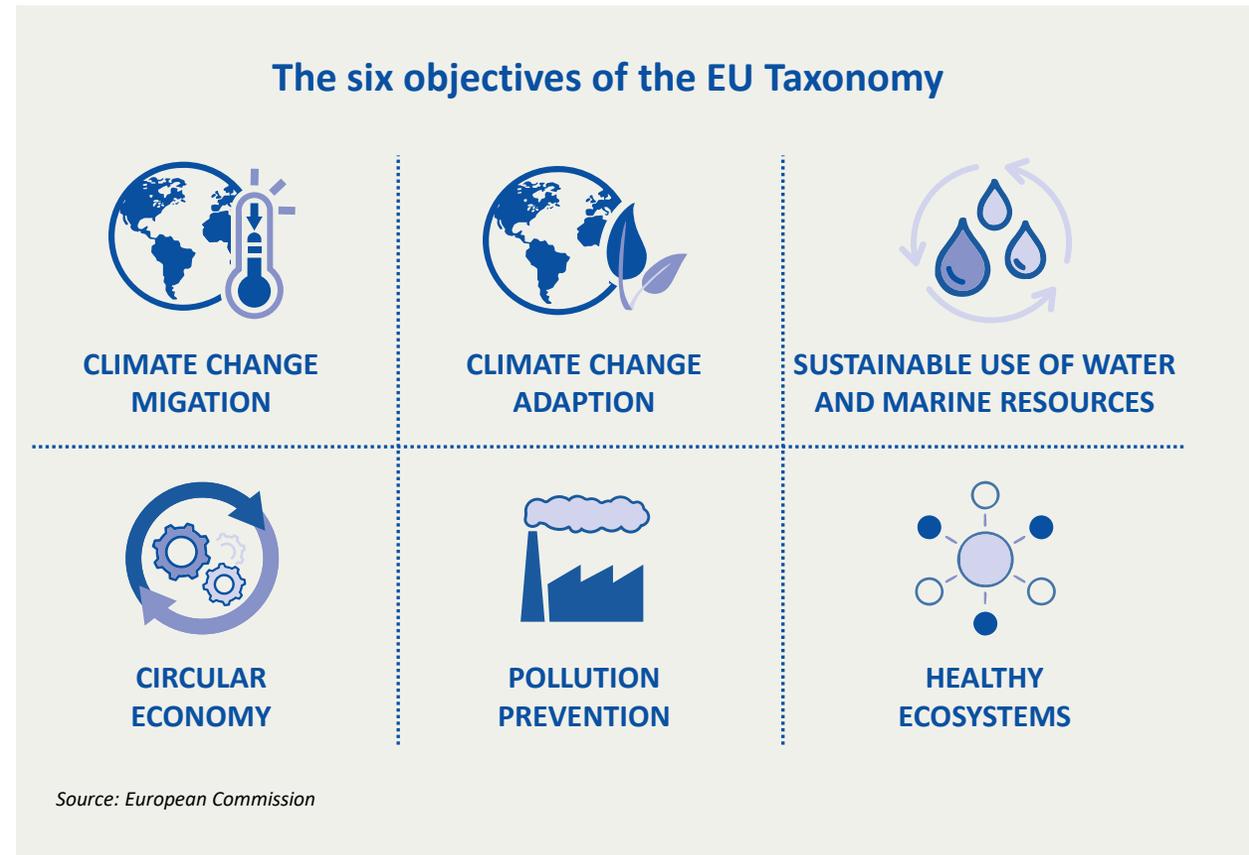
The taxonomy is a system of classification that establishes clear and consistent criteria for determining if economic activities are sustainable.

It utilizes science-based technical screening criteria that must be met for an activity to be considered "green." The goal of the taxonomy is to enhance transparency, improve information to investors, reduce instances of greenwashing, encourage companies to adopt more environmentally friendly practices, improve reporting consistency, and enable investors to easily compare investments across different EU member states. By channeling investments into sustainable projects and activities throughout the EU, the taxonomy aims to contribute to the EU's efforts to achieve its 2030 and 2050 climate and energy goals.

For an eligible activity to be considered aligned, it has to satisfy the following conditions:

1. The activity must make a substantial contribution to one or more of the climate and environmental objectives relevant to that activity.
2. The activity should not do significant harm to the other remaining objectives.
3. The company should fulfil the minimum social safeguard standards based on OECD and UN guidelines.

To assess our activities' eligibility and alignment with the EU taxonomy we have used Celsia's taxonomy software solution.



# EU Taxonomy assessment

The operating subsidiaries of Bonheur have performed the taxonomy assessment using Celsia’s Taxonomy software solution. The methodology of taxonomy assessment has included the following steps:

## 1. Defining scope of assessment

Each company has performed a taxonomy assessment for all activities of the company. This has been done from a bottom-up approach, assessing the lowest level of reporting units and aggregated to the top company level, enabling a taxonomy assessment for the company total, per activity and per business division.

## 2. Defining eligibility and relevant activities

A taxonomy-eligible activity means an economic activity that is included in the taxonomy regulation. The activities have been mapped out according to the activities defined in the Climate Delegated Act and categorized as either eligible or non-eligible following the description stated in the regulation.

The eligible and non-eligible activities are listed below:

- 4.3 Electricity generation from wind power
- 6.11 Sea and coastal passenger water transport
- 7.7 Acquisition and ownership of buildings

## 3. Assessment of criteria and defining alignment

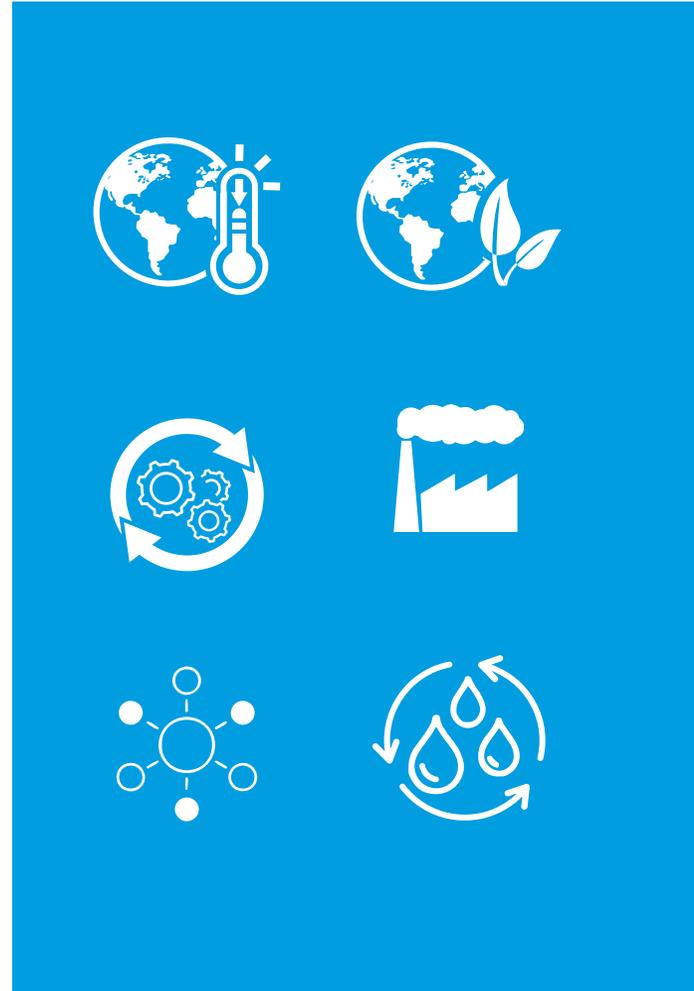
Each of the activities under each of the companies’ reporting units have been assessed against the Do No Significant Harm and the technical screening criteria for the respective activities defined in the Climate Delegated Act. As the taxonomy regulation is still in an early phase of adoption, the focus has been on transparency, best intention, and providing explanation for choices made when interpreting the criteria.



Given that this is a new regulation and there is yet to be established a standard for interpretation, the choice of eligible activities for the subsidiary companies Fred. Olsen Windcarrier and Global Wind Service are explained below.

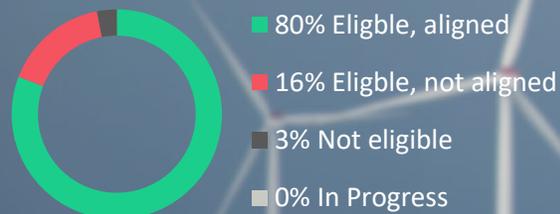
Taxonomy activity “7.6 Installation, maintenance and repair of renewable energy technologies” only includes activities related to installation, maintenance and repair of renewable energy technologies when such technologies are installed as technical building systems, that is in connection with buildings.

Fred. Olsen Windcarrier and Global Wind Service have therefore considered the activity “4.3 Electricity generation from wind power” to be the most relevant. Since their installation services are integral parts of the construction and maintenance of the wind farm, the activities are assessed to be eligible under this activity. The choice of activity should be considered as a best-effort approach, and Bonheur is monitoring the development of industry best practice and is ready to update the choice of taxonomy activity following any further clarifications from the Commission's side.

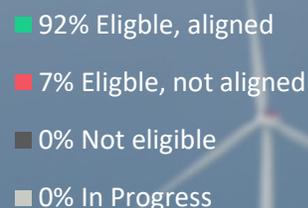


# EU taxonomy assessment results

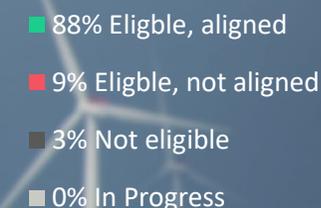
## Turnover



## CapEx



## OpEx



By the definitions on the previous page, most of Bonheur’s economic activities covered by the taxonomy significantly contribute to combating climate change. The major contributor to this is electricity production from wind power.

According to the Non-financial reporting directive (NFRD) article 19(a) and 29(a) non-financial undertakings which are public-interest entities (i.e. listed) with more than 500 employees, in the case of a group on a consolidated basis, are required to report on the taxonomy.

2022 is the first year that Bonheur ASA reports on the EU taxonomy. Based on the assessment for the group of companies, Bonheur ASA’s taxonomy results are:

- 80 % taxonomy aligned revenue
- 92 % taxonomy aligned CapEx
- 88 % taxonomy aligned OpEx

By adding financial data to each activity in the different subsidiaries, the proportion of the Bonheur group of companies’ taxonomy-eligible and taxonomy-aligned activities were calculated.

This is done by calculating the three key performance indicators (KPIs): turnover, capital expenditures (CapEx), and operational expenditures (OpEx) as defined in the Delegated Act (Regulation 2021/2178). The EU provides exact guidance on what constituted turnover, CapEx and OpEx in the taxonomy.

For OpEx it is stated that OpEx “shall cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other

*direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets”.*

The results were calculated for each reporting unit and activity and then aggregated for the company and to the Bonheur level.

Please see appendix 1, 2 and 3 for details on the classification of the different activities and how they are assessed against the do no significant harm criteria.

# Climate Risk

## Task Force on Climate-Related Financial Disclosures

With climate change comes both risks and opportunities for all businesses. The Task Force on Climate-related Financial Disclosures” (TCFD) has developed a framework with recommendations for more effective climate disclosures within four thematic areas: Governance, Strategy, Risk Management and Metric & targets.

The overall purpose is to promote and share relevant information for investment, credit, and insurance decisions, and to help companies provide better information to support informed capital allocation.

A large part of the activities of Bonheur’s subsidiaries support, the world’s transition to green energy. Therefore, our operations are in general reviewed as green, but parts of the activities, like the use of fuel for the shipping related operations, are exposed to different climate related transition risks. The sustainability reports from the segments therefore includes several of the TCFD recommendations, including scenario analysis.

The actions taken involve the identification and initial definition of the individual operating subsidiary’s management and strategy regarding climate change, as well as the risks and opportunities that they bring.

The operating subsidiaries of the Company set reduction targets for their key environmental aspects. Bonheur is exposed to both risks and opportunities under the TCFD framework as a result of certain activities in our operating subsidiaries. On the right hand we have listed the most important of these that we have identified. The risks we have highlighted are deemed to be the ones most relevant for Bonheur as a whole based on the risk assessments made by its subsidiaries. For further detail on these assessments, please see the respective sustainability reports published on our operating subsidiaries’ websites.

## Transition risks

- Increased pricing of GHG emissions
- Enhanced emissions-reporting obligations
- Increased regulation of products and services
- Unsuccessful investment in new technologies
- Stigmatisation of sector
- Increased stakeholder concern or negative feedback

## Physical risks

- Cold wave/frost
- Increased number of wildfires
- Storm (including blizzards, dust and sandstorms)
- Heavy precipitation (rain, hail, snow/ice)
- Flood (coastal, fluvial, pluvial, ground water)
- Landslide
- Heat stress

## Climate related opportunities

- Development/expansion of low emission goods and services
- Increased demands for lower emission energy
- Access to new markets
- Innovation and development of new products or services
- Use of public sector incentives

Everyone should recognize the risk loss of biodiversity and nature poses to companies. Bonheur depend on nature through our operational activities and supply chains. All companies rely on nature for direct inputs, such as wind and water, as well as for ecosystem services, such as pollination, and through dependencies in their supply chains. In addition, companies in general also impact nature through direct or indirect overexploitation, pollution, land and sea use change, and other activities.

The loss of biodiversity is already impacting businesses today, as seen in the devastating floods in Germany in 2021, which were partly made worse by the removal of natural protection mechanisms like trees for agriculture.

Bonheur takes nature risk into account by implementing sustainable practices that minimize impact on natural resources and ecosystems. This includes subsidiaries conducting assessments, implementing measures to mitigate negative effects,

aiming to preserve biodiversity and protect endangered species, and actively engaging in conservation and restoration efforts.

We are also working to reduce greenhouse gas emissions and balancing renewable energy production with protecting and preserving nature.

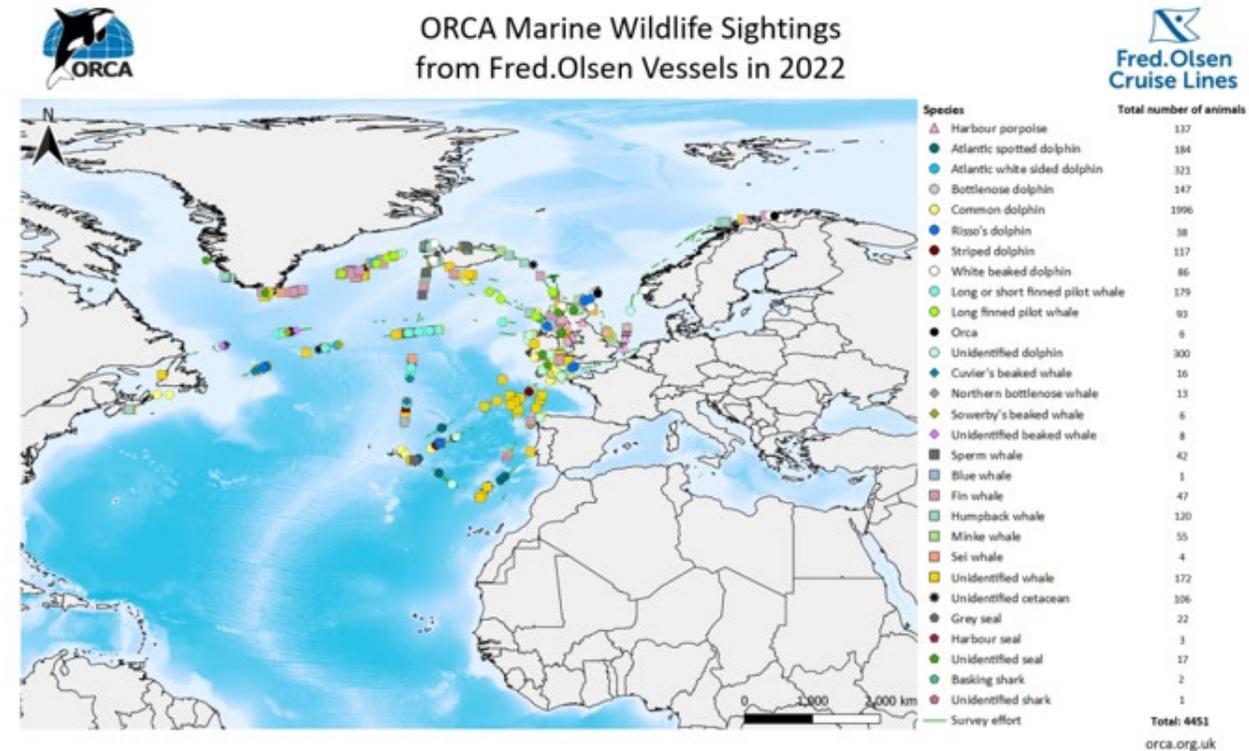
The term “nature positive” broadly means halting and reversing nature and biodiversity loss by 2030 and is quickly becoming nature’s version of “net zero”.

To achieve the goal of halting and reversing nature and biodiversity loss by 2030, as outlined in the Kunming-Montreal Global Biodiversity Framework, every government and industry must contribute.

Bonheur will use the results from our biodiversity and nature risk assessments to improve our business strategies, target setting and investment decisions, strengthening our business resilience and contributing to a more sustainable future.

## Examples of initiatives

- Prior to building new wind farms, the relevant operating subsidiary will undertake comprehensive environmental studies to ensure that potential effects are taken into consideration. The studies are ordinarily conducted with support from external expertise and in close dialog with local authorities and stakeholders
- For windfarms under development, the objective is to appropriately compensate for any negative impact on biodiversity. An example of such compensation in the UK is restoration of peat bogs and ecological habitats which has resulted in many types of plant and animal life having returned to moorlands
- Fred. Olsen Windcarrier has installed Voith Schneider thrusters installed on two of its vessels. These produce lower noise levels than conventional thruster units and hence reduce the impact on marine animals
- Fred. Olsen Cruise Lines is working with the marine wildlife charity ORCA who are sending teams of volunteers on a selection of Fred. Olsen Cruise Lines sailings. The conservationist team's objective is to locate whales and dolphins, observe their behavior, and to provide guests with a unique experience, offering them the opportunity to take an active role in marine science and conservation. The cruises will also enable ORCA to collect vital data on the species and numbers of marine life sighted and identify wildlife hotspots, feeding directly into the charity's Cruise Conservationist Program and its conservation work.
- At the Rothes II Wind Farm in the UK, Fred. Olsen Renewables established a "biodiversity corridor" to benefit the black grouse population. This included specific forestry clearance, furrow and drain blocking to restore bog habitats, broadleaf planting, conifer tree control and continued ecological monitoring.



# Waste management and environmental spills

## Waste management

Our operating subsidiaries adhere to compliance with local municipality recycling regulations, ensuring that all waste generated at our offices and actual site locations is carefully segregated and disposed of appropriately.

As part of our sustainability goals, we have set targets for waste reduction and work towards these. We understand that waste reduction is crucial for minimizing our environmental impact and promoting a more sustainable future.

Sustainability reports for the different business segments provide assessments of waste management measures and targets, including waste reduction efforts and progress.

## Environmental spills

Our operating subsidiaries continuously work to reduce the risk of spills, and we document environmental incidents for reporting and future learning. Preventing spills is crucial for minimizing environmental impact, and the operating subsidiaries take proactive measures to manage the storage and handling of fuels, chemicals, and hazardous waste using appropriate operations.

Spill prevention efforts are further strengthened by the use of containment systems and spill kits, which are complemented by personnel training to ensure effective spill response.

The different business segments' sustainability reports provide details on spill prevention and response.



*Bold Tern - Fred. Olsen Windcarrier*

## Bonheur's Green Finance Framework

Bonheur reviewed and updated its Green Finance Framework at the end of 2022. The updated focused on including EU taxonomy assessments into the evaluation criteria for green financing, and the updated framework was subject to an external review by DNV.

The Framework enables issuance of Green Bonds and Green Loans (together referred to as "Green Finance Instruments") to finance Green Projects and describes Bonheur's use of proceeds, process for project evaluation and selection, management of proceeds and reporting for Green Projects.

The use of proceeds will finance investments dedicated to:

- Renewable energy projects,
- Offshore wind turbine transportation and installation vessels,
- Installation, maintenance, repair and improvement of wind power installations

Based on DNV's review, this Framework is found in alignment with the GBP and the GLP Principles from and meets the criteria in the Protocol.

DNV confirmed that Bonheur's criteria for selecting Green Finance Instrument proceeds are found to be eligible under the EU Taxonomy.

Bonheur will on an annual basis issue a report on the use of the green finance framework, including allocation and impact of the facility.

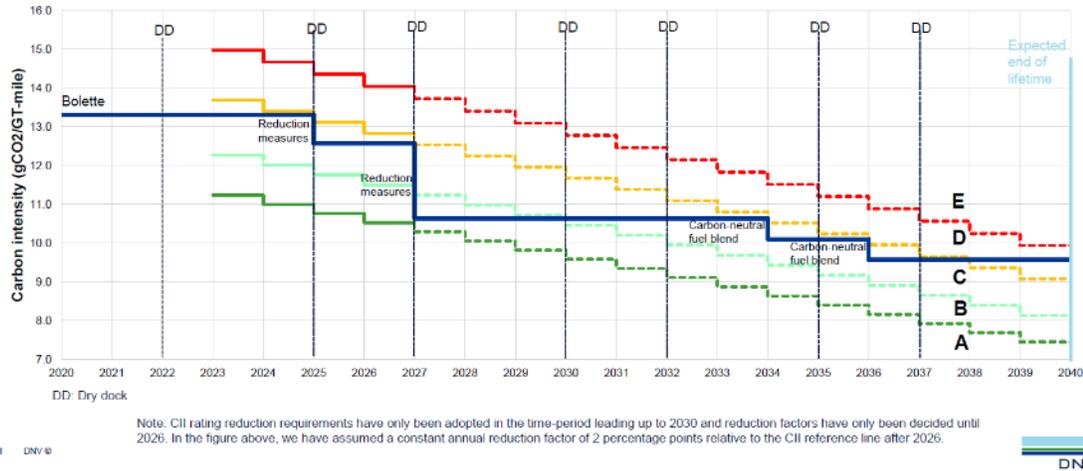
The outstanding balance of 700 million NOK as of 31.12.2022 was in whole allocated to Fred. Olsen Seawind ASA by the Green Finance Committee. The committee approved 758 million NOK mainly related to funding of the wind projects Codling (Ireland) and Muir Mohr (Scotland) as eligible for green financing. As the current facilities had 700 million NOK unallocated funds, further allocation of the remaining 58 million NOK is contingent on Bonheur issuing a new green facility.

INSTRUMENT ISSUED	TICKER	DATE	CURRENCY	AMOUNT (MILLION)
Green Bond	BON10	Sep. 2020	NOK	700
Green Bond	BONHR01	Jul. 2021	NOK	700
<b>COMPANY</b>				
Construction of Högaliden windfarm	FORAS	Dec. 2020	NOK	300
Crane upgrade on Bold Tern	FOWIC	Dec. 2020	NOK	100
Construction of Högaliden windfarm	FORAS	Apr. 2021	NOK	300
Funding of Codling and Muir Mohr	FOS	May 2022	NOK	700
<b>Allocated as of 31/12/2022:</b>			NOK	1400
<b>Unallocated as of 31/12/2022:</b>			NOK	1400

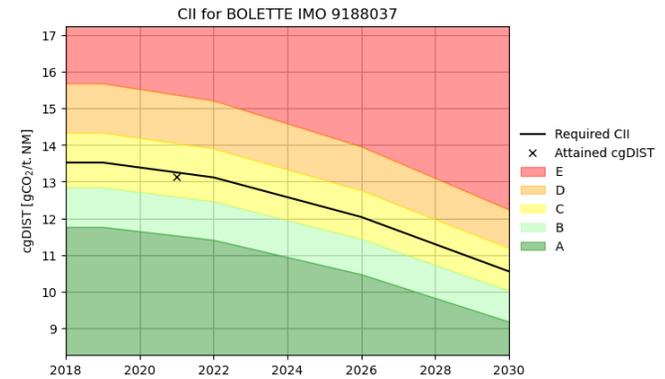


**Bonheur ASA**  
Green Finance Framework  
December 2022

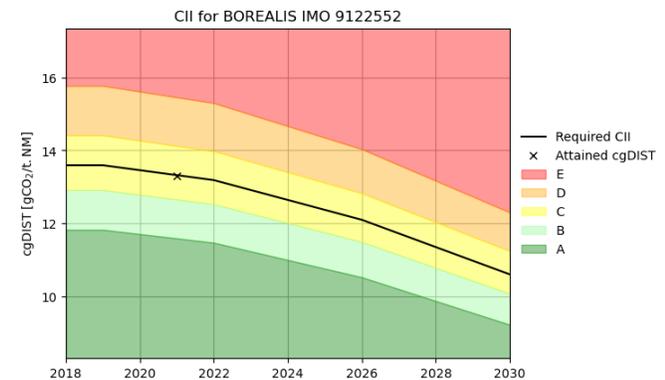
# Future proofing our fleet



- Proper hull paint maintenance of Balmoral in next dry dock
- Improved propeller design and new bulbous bow for next dry dock
- Implementation of shore power where possible
- Further improvement of itineraries
- Air conditioning system upgrades
- Small battery pack for one engine mode on next dry dock for Bolette and Borealis



For the vessels owned and operated by Fred. Olsen Windcarrier, they are not bound by the same framework as their activity is not considered shipping traffic, but offshore installation and service vessels.



There are no change in rules for the offshore regulations within IMO, but this is expected going forward. For the Tern vessels, a Life Cycle Assessment (LCA) calculating CO<sub>2</sub> is done for Bold Tern and Brave Tern. Fred. Olsen Windcarrier expect the LCAs to be further developed with improved Scope 3 calculation during 2023. At the same time, they are currently implementing detailed energy consumption measurement on all of their three vessels.

For the shipping industry the new regulation on Energy Efficiency Index for Existing ships (EEXI) come into effect from 2023. This applies to Fred. Olsen Cruise Lines which already has started the process of surveying and retrofitting their vessels. In addition to EEXI, ships must also determine their energy their annual operational Carbon Intensity Indicator (CII) and associated CII rating.

- All ships receives a rating from A-E, and need to be at least C in the long term
- Major overhaul of engines resulting in reduced consumption (g/kWh)
- Itineraries adjusted to more lower and more sustainable speeds

- Significant enhancement of digital tools such as “Eniram” and live weather routing installed on two ships
- Threshold to achieve each rating changes 2% year-by-year until 2026. Expected to be more stringent after 2026.
- Max propulsion output limitation (EEXI) reduced from ~32 MW to 22 MW, according to new IMO regulations
- This has resulted in significant improvement of CII rating C

Future plans for the cruise ships include:

- Install "Eniram" on Balmoral
- Major overhaul of remaining engines

# PEOPLE – SOCIAL



There are no employees in Bonheur ASA, but subsidiaries of the Company employed 5 709 people in 2022 (4 473 in 2021), of which 1 065 were female (922 in 2021). The below table show number of employees split by gender and whether they are onshore employees or offshore crew:

Employee gender distribution	
Male crew	2 802
Female crew	710
Male onshore	1 842
Female land	355
Male total	4 644
Female total	1 065
<b>Total in Group of Companies</b>	<b>5 709</b>

This chapter covers themes affecting the following UN Sustainable Development Goals:



Our group of companies is dedicated to providing good working conditions, with a strong focus on Health, Safety, and Environmental (HSE) standards. Our business segments have implemented comprehensive HSE management systems that comply with industry regulations, and we prioritize preventive measures to maintain a safe and healthy workplace. Continuously monitoring and improving our HSE practices, there were no significant incidents in 2022. The group’s Loss Time Incidents (LTI) are documented, and appropriate corrective actions are taken to prevent recurrence. Company specific HSE targets and working methodology can be found in their sustainability reports.

Our commitment to employee health is reflected in our low absence rate due to sickness, which was 1.4% in 2022. Detailed information on sickness rates and working environment can be found in this sustainability report and for the subsidiaries the reports are available on each company's website.

## Equal opportunities

A governing principle throughout the Group of companies is for each business segment to promote equal opportunities, offering challenging and motivating jobs to all personnel regardless of nationality, culture, religion and gender. This includes the principle of equal pay for equal work, considering qualifications relating to knowledge, experience and performance with emphasis on the importance of a balanced work environment with a reasonable gender composition for the various position levels.

The share of women in the workforce for the Renewable Energy and the Wind Service segments continue to be lower than we aim for.

Emphasis is placed on higher and sustained presence of women in Bonheur’s subsidiaries. In Bonheur a female holds the position of Managing Director, and the CEO’s of the subsidiaries Fred. Olsen Windcarrier and Fred. Olsen 1848 are also female.

Increased diversity in the industry and our companies will also improve our access to a greater range of talent. Business innovation benefits from having employees from a wide variety of demographics and backgrounds.

At the end of 2022, 19% (2021: 21%) of the employees throughout the Group of companies were female. Three out of six (50%) Board Directors of Bonheur ASA are female.

The Group of companies’ will always ensure that processes for recruitment, promotion and competence development are in accordance with our policies and thus free of prejudice and unlawful discrimination.

## Transparency act and human rights

The following descriptions of Bonheur's engagements within human rights and responsible supply chains are prepared in accordance with the requirements relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act – "Åpenhetsloven"). Bonheur ASA is listed on the Oslo Stock Exchange and owns various companies in renewable energy, transport, and technology development.

Reporting requirements apply to Bonheur as a company domiciled in Norway, with a balance sheet of over 35 million Norwegian kroner and more than 50 full-time employees on average (the sum of employees in companies controlled by Bonheur).

The Company's operating subsidiaries operates in several countries on different continents, but the majority of the businesses are located in Norway, Sweden, and the UK. As there is no operational activity out of Bonheur alone, the work of preventing human rights violations and ensuring decent working conditions in the supply chains lies with Bonheur' operating subsidiaries.



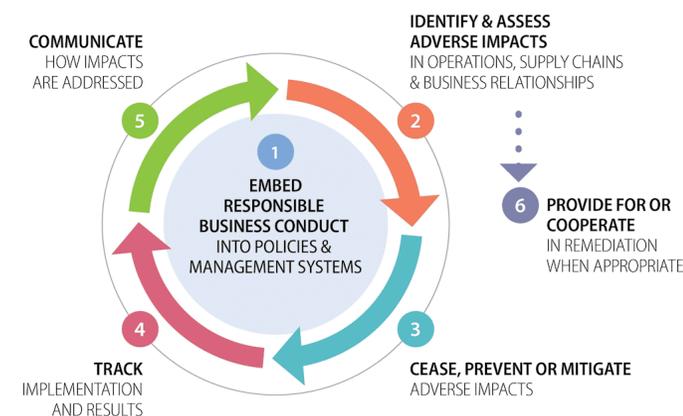
Bonheur

This work is anchored within internal policies, code of conduct and procedures. The various companies' statements, human rights governance including their risk analysis, due diligence assessments, their actual negative consequences, and measures to reduce them, are described in the subsidiaries' annual reports.

Respecting human rights and minimizing adverse impact our activities our of these operating subsidiaries are important to Bonheur. Therefore, a zero tolerance for undue discrimination of any kind around gender, age, ethnic origin, disabilities, sexual orientation, religion, political opinion, or otherwise prevails.

The companies in Bonheur follow the OECD guidelines for due diligence for responsible business conduct in their work.

This means that these companies continuously monitor to identify where risks of violation of national and international guidelines is highest, and that our suppliers are expected to do the same throughout the supply chain, and that said operating subsidiaries follow up and take mitigating measures when violations are found. This is primarily done on a risk-based approach based on the size of contract and relationship and the geographical exposure of their vendors.



Source: OECD Guidelines for Multinational Enterprises

# Human rights due diligence in the Bonheur group of companies

As an example of how to work to reduce potential adverse impact on human rights, Fred. Olsen Windcarrier conducted a risk based responsible conduct due diligence in 2022. The purpose of the process was to promote the company's respect for fundamental human rights and decent working conditions in the connection with the provision of Fred. Olsen Windcarrier's services, and to ensure general public access to information regarding how the subsidiary addresses adverse impact on fundamental human rights and working conditions.

Fred. Olsen Windcarrier operations include ownership, management and operation of jack-up vessels, including execution of projects (engineering and transport and installation) for the offshore wind industry. The operations are geographically widespread, and current pipeline include operations in Asia, Europe and America.

Fred. Olsen Windcarrier used their experience gathered from years working in the different areas, as well as and external sources in the identification of adverse impact.

Among external sources used in the assessment was:

- Business & Human Rights Resource Centre
- Institute for Human Rights and Business (ihrb.org)
- Amnesty International
- Danske Rederier - Human rights (danishshipping.dk)
- How EU steel production is violating human rights | Danwatch
- ITUC GRI (globalrightsindex.org)

Based on the assessment Fred. Olsen Windcarrier identified several action points, some of them are listed below:

- Implement ship recycling procedure
- Include Code of Conduct in Supplier registration
- Establish "Females in shipping" working group with action plan
- Assess working hours deviation. Establish group to investigate root causes and implement actions to avoid further deviations
- Implement grievance mechanism for external stakeholders
- Conduct Human Rights audits on high-risk suppliers/subcontractors



## Introduction

Operating subsidiaries in Bonheur have conducted its activity duty in accordance with the Norwegian Act relating to equality and a prohibition against discrimination (Equality and Anti-Discrimination Act).

The activity duty has the particular objective of improving the position of women and minorities and shall help to dismantle disabling barriers created by society and prevent new ones from being created.

Overall, we are content with the current gender and age distribution within our operating subsidiaries. However, we recognize that there are still risks of discrimination and barriers to achieving full equality. To address these issues, we are doing risk assessments, developing and implementing appropriate measures and are committed to continuously improving our efforts.

Going forward we will continue to assess the potential risks associated with discrimination and other barriers to equality. Analyses in the Group of companies identified the following as such risks:

1. Gender imbalance
2. Discrimination based on ethnic, religious, cultural, or national background
3. Barriers related to pregnancy, maternity, and paternity leave
4. Age discrimination
5. Physical disabilities



The Company is working on policies and actions to mitigate the above risks.

Pay and remunerations are determined in individual work agreements and varies depending on skillset, responsibilities, education, age, and experience. The individual's pay is confidential, and information about it only available to HR, the employee, and his/her line manager.

On request and on a case-by-case basis, persons or entities meeting the criteria in the Equality and Anti-Discrimination Act, Section 26a may be given access to pay information.

Reviews have been performed in the subsidiaries to analyse whether there is gap in pay between male and female employees. Differences in pay exists due to responsibilities, education, years of relevant experience, and general job market value. The analysis has not found pay gaps due to gender in comparable functions.

## Data on social issues

The operating subsidiaries of Bonheur have set clear targets on different indicators related to social issues. Among them are health and safety measures zero lost time incidents and zero work related sick leave, but also indicators related to gender balance, employee training on safety, code of conduct and corporate social responsibility, and employee satisfaction. Bonheur publishes the earnings ratio between males and females. Given the different nature of the business model, industries and idiosyncrasies of the subsidiaries, the KPIs used are not always comparable or calculated in the same way,

hence they are not aggregated up to measurable target KPIs for Bonheur.

As Bonheur starts planning for the implementation process of ESRS and the requirements in the EU’s CSRD we will also establish overarching objectives and targets on these issues. To reach these targets the operating subsidiaries will have to develop targets in alignment with the targets set by Bonheur.



	FRED. OLSEN RENEWABLES	FRED. OLSEN WINDCARRIER	FRED. OLSEN CRUISE LINES	GLOBAL WIND SERVICE	FRED. OLSEN SEAWIND
Sickness rate	1,3 %	0,6 %	1,8 %	0,4 %	0,6 %
Lost time incidents (LTI)	0	2	5 (3.3 million/hr)	7	0
Gender balance	28 %	25 %	23 %	8 %	38 %
Gender pay gap	63,3 %	82,6 %	73 %	No data	No data
Labor right cases	0	3	5	0	0

# PROSPERITY AND GOVERNANCE



# Governance

Bonheur remain focused on continuously adhering to principles on good corporate governance.

Private Fred. Olsen-related interests hold a total of 51.8% of Bonheur ASA's shares. The day-to-day management of the Company is performed by Fred. Olsen & Co (FOCO).

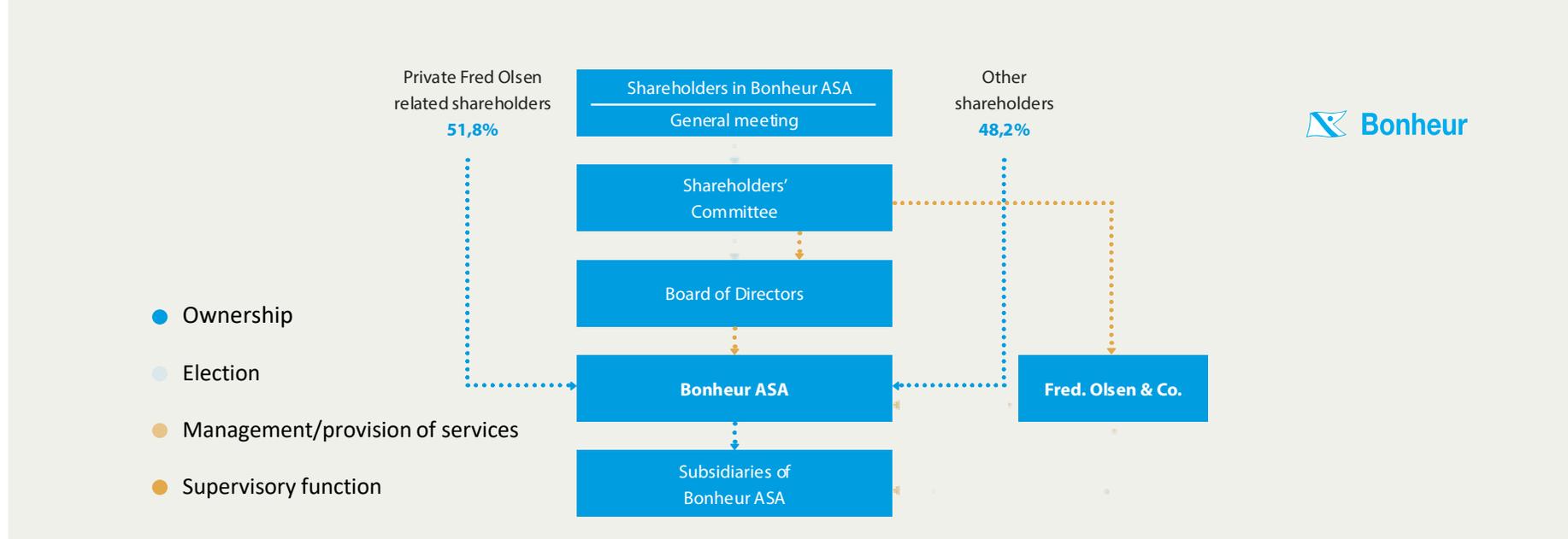
Over decades, the Bonheur's governance structure has proven successful and resilient. To ensure integrity within this structure, various measures and systems have over time been implemented, including such addressing related party transactions. Among these are:

- Four Directors out of six, i.e., the majority of the Board of Directors of the Company, are independent of both the Company's main shareholders and of FOCO. The guidelines to the Board of Directors addresses i.a. questions on potential conflict of interest, and policies for reporting on and handling potential conflict of interests are in place.

- The Shareholders' Committee has placed special emphasis on and have guidelines particularly addressing issues on potential conflicts of interest. All member of the Shareholder's Committee are independent of both the Company's main shareholder and of FOCO
- The Company's Audit Committee meet on a quarterly basis together with the Company's auditor (KPMG) addressing systems for internal control and risk management and address as appropriate related party transactions.

- The Auditor of the Company, KPMG, performs audit and reporting procedures on related party transactions which are reported both to the Board of Directors and the Shareholder's Committee.
- The Company's corporate governance practice is adapted to the recommendations and principles set out in the Norwegian Code of Practice for Corporate Governance, latest version ("NUES")

- The Board of Directors continuously monitors and evaluates the performance of the management services provided by FOCO. In addition, the Audit Committee on a quarterly basis reviews related party businesses.



## Governance continued

Bonheur is committed to continuously protect the integrity of its governance framework, recognizing this is essential for creating long-term value and fulfilling societal responsibilities.

Transparency, integrity, and responsibility are cornerstones of the Company's values, and they form the basis of the Company's ethical guidelines governing our responsibility towards society and overall conduct.

Good governance benefits all stakeholders, including customers, employees, shareholders, and the wider society. By prioritizing transparency, integrity, and responsibility, Bonheur and its operating subsidiaries are able to build trust and credibility with customers and suppliers, attract and retain top talent, mitigate risk, and enhance shareholder value.

Transparency points to confidence in procedures and decision makings and the way in which the various activities of the Company are executed.

### The Shareholders' Committee

The supervisory function of the Shareholders' Committee constitutes an integral element of Bonheur ASA's Corporate Governance. It follows from the Company's Articles of Association that the Shareholders' Committee is responsible for exercising a supervisory function relative to the administration of the Company by the Board and by Fred. Olsen & Co (FOCO).

The way in which the Shareholders' Committee execute these duties is adapted to NUES and equally follows established guidelines as calibrated with the corporate structure that the Company is part of. These guidelines i.a. address questions on potential conflicts of interest.

The Shareholders' Committee is attending to Bonheur ASA's annual accounts and expresses its view thereon to the Annual General Meeting, hereunder on the Board's proposals on dividends

The Shareholders' Committee elect members to the Board following its own nomination procedure, propose appointment of the Auditor and provide recommendation to the Board on compensation and possible bonus to FOCO for its day-to-day management of the Company.

The Shareholders' Committee consists of the following persons: Christian Fredrik Michelet (Chairman), Einar Harboe (Deputy Chairman), Ole Kristian Aabø-Evensen, Bård Mikkelsen and Jørgen Heje. At the Annual General Meeting in May 2021, Christian Fredrik Michelet (Chairman) and Ole Kristian Aabø-Evensen were re-elected as member of the Shareholders' Committee.

### Nomination committee

The Company has no separate nomination committee. However, it follows from the Articles of Association that the Shareholders' Committee elects' members to the Board and, as also set out above, does so in accordance with its own nomination procedure.



Prosperity relates to our role in contributing to a prosperous society. Bonheur contribute to economic growth by providing decent employment and creating societal value through our operating subsidiaries. Prosperity is divided into wealth creation, continuous improvement, new technologies, tax payments, and community contributions.

Profitability is a prerequisite for the wealth creation and for long term commitment to create sustainable business opportunities. To be able to maintain our strong market position and enable future growth, we are focusing strongly on continuous improvement of existing operations, development of new technologies and new investments. Contributions to the local societies are an essential component in our sustainability efforts

Bonheur's operating subsidiaries develop and operates renewable energy, affordable and sustainable shipping services while facilitating economic growth and job creation across different industries.

As per 31.12.2022 our operating subsidiaries employed more than 5 700 people between our different onshore offices and our offshore marine crew. In addition to the day-to-day operations our employees' have initiated several new developments and improvements leading to improved efficiency, profitability and new business opportunities. The Group of companies invest in training for reskilling, upskilling and development of our employees.

Our activities have led to tax contribution totaling over NOK 800 million in 2022 across different countries.

This chapter covers themes affecting the following UN Sustainable Development Goals:



## Objectives

- Be in compliance with all national, local, and maritime laws, rules and regulation that apply for our activity
- Contribute to local communities through business activities, job creation, tax payments and the use of local suppliers
- Zero corruption incidents
- All employees should complete anti-corruption and CSR training
- Further improve our whistleblower mechanism
- Align the sustainability governance and management across Bonheur group of companies
- Continue to develop new technologies
- Competence enhancement of our employees

## Anti-corruption and business ethics

To ensure integrity, Bonheur and the Group of companies have implemented whistleblower channels and processes where suspected behavior in breach of the ethical policies such as HSE rules, harassment, insider trading, fraud, bribes or other violations of ethical guidelines can be reported.

As a result of this, and to avoid that the positive result is due to lack of control, the Group of companies will continue to focus on training and further implementation of these policies.

With operations across different sectors and some areas with high corruption risk, it is important that the operating subsidiaries in Bonheur continuously map their corruption risks throughout the business segments, geographies, and our value chain. As part of the onboarding program for new employees within the Group of companies, all new employees are required to participate in the established e-learning modules (which currently consist of Code of Conduct, Corporate Social Responsibility, Anti-Corruption/Anti-Bribery and GDPR). The content of these courses is regularly reviewed, and relevant updates are implemented accordingly.



## Tax contributions

Bonheur's approach to tax payments and advocacy for clear and predictable tax regulations demonstrate our commitment to the development of regulations that benefit the society, businesses and the people living there. By working collaboratively with policymakers, we aim to promote an environment that contributes to the people and that facilitates business growth.

Our society contributions were made through tax payments to the governments, divided in social security tax, property tax and corporate tax. Note that the indirect society contribution through our employee's income tax and other taxes is not included in the calculation.

It is crucial that tax systems for wind power production stimulate the green transition, as we strive towards a more sustainable future. However, recent developments in Norway and the UK have done the opposite so far this year. Despite being at the forefront of renewable energy, Norway's government has proposed wind power tax which makes it prohibitive to invest profitably.

It is essential that governments incentivize and support the transition towards green energy, rather than creating barriers that hinder its growth. Instead, to accelerate the transition towards green energy and mitigate the devastating impacts of climate change, it is crucial that governments incentivize and support the growth of the renewable energy sector.





Borealis

## New technology and cruise itinerary planning

New artificial intelligence and forecasting systems has been installed on two of Fred. Olsen Cruise Line's vessels. The technology calculates the most fuel-efficient route based on weather forecast, currents and a high number of sensors installed on the ships. This should be viewed as a start and similar systems will be installed at Balmoral in 2023.

The itineraries for the cruises are carefully reviewed for the calculated speeds, to ensure the average speed across every passage are achievable, as well as taking into account the cruising conditions that time of year. If speeds are deemed too high or unachievable for that time of year, the itinerary is changed to allow for slower speeds.

Overall, for "Bolette" cruise vessel consumption was reduced by 316 MT, and for Borealis by 297 MT. This was mainly by reducing call times to try and keep running on 2 engines where possible. This has resulted in a potential emission reduction of 613 MT /  $*3204.745 = \sim 1964$  t CO<sub>2</sub>e.

\*combined VLSFO MGO DEFRA conversion factor

## Hybrid onshore wind and solar

To optimise land usage and infrastructure usage for renewable energy, Fred. Olsen Renewables began investigating sites for both wind and solar in combination, seeking to develop a hybrid power plant. A hybrid power plant could increase power production from a wind power regulated area with 25%, introducing solar at the same area.



Illustration of wind and solar energy



*The floating offshore wind structure Brunel*

## Offshore floating solar

Floating solar photovoltaics (FPV) in seawater is a new technology and in 2022 and subsidiaries of Bonheur continued to strengthen their know-how as a competitive edge for near- and offshore FPV.

This was done through a bilateral collaboration project with the Solar Energy Research Institute of Singapore (SERIS) for testing and comparing FPV technologies in seawater. There was also established a consortium with four other partners to test offshore floating solar partly funded by the EU, and a collaboration between Fred. Olsen Renewables and Fred. Olsen 1848 on the development of solutions to specific technological challenges related to FPV.

During 2022 progress have been made on our commercial development opportunities for FPV in Southern Europe and Southeast Asia and processes have been initiated aiming at securing utility-sized nearshore FPV projects.

## Upgrading of fleet

With its new crane and additional improvements to deck space and stability, Fred. Olsen Windcarrier's Bold Tern is capable of installing foundations up to 1500t and handling all known next generation turbines from different manufacturers.



*Bold Tern - Fred. Olsen Windcarrier*

## Value creation and economic growth

### What we do

The green energy sector is forecasted to grow the coming decades driven by climate change, increasing population, policy changes and economic growth.

The increased activity level will create many new jobs. To stay competitive within this industry each subsidiary involved in this must drive improvements, optimize the use of resources, and ensure stability for its employees. Bonheur's subsidiaries employ more than 5 700 people across different sectors across the globe.

In addition to these employees, the activities support jobs in the local communities where operations are ongoing, including manufacturing, installation, maintenance and supplies.

### Financial results

For financial results, reference is made to the quarterly and annual reports at [www.bonheur.no](http://www.bonheur.no)



## Social contributions

Bonheur has a history of contributing to local communities through different social and other initiatives.

The Fred. Olsen Social Engagement Group (FOSEG) was established with a view to expand such contributions to also comprise commendable local activities and entrepreneurship that connect to the interests and value base of Bonheur and with direct engagement from employees across the board of Bonheur-related companies

These initiatives take account of the UN Sustainable Development Goals, with emphasis on Support projects that contribute to “self-help”, and Contribute to increased sustainability - both for people and the environment

Through FOSEG employees of Bonheur-related companies participate in positive contributions to local societies beyond their commercial activities.



Bonheurs believes that personal engagement by and between people create a win-win situation that benefits all and promotes stronger local societies. FOSEG’s task is thus to search and evaluate suitable projects and to follow up supports provided.

FOSEG granted NOK 5 million in 2022 to selected projects and activities, with an additional NOK 1 million for needs consequent on the war in Ukraine

Furthermore, Subsidiaries of FOR have established a community benefit fund as part of their ongoing commitments to

support communities in the vicinity of their wind farms. In 2022 NOK 10 million was granted to different civil society and community organizations. The purpose of the fund is to enable communities to carry out improvements to their local area, including the environment, local amenity or tourism.

Among organizations that FOSEG supported was Mental Health and Human Rights Info (MHHRI). MHHRI is an NGO with the mission to supplying information about the consequences of human rights violations on mental health in the contexts of disaster, conflict and war.

The give an overview of experiences in the field as well as ways of dealing with such consequences on individual, group and community level. MHHRI is dedicated to training and support health professionals working within the field of human rights violations, conflict and health and the development of the training manual, “Mental Health and Gender Based Violence” is funded by the Norwegian Ministry of Foreign Affairs and Bonheur.

### Kirkens Bymisjon

FOSEG supports Kirkens Bymisjon as they work with all parts of the society from small children to elderly people with the aim of giving people a respectful and self-sustaining life.

This organisation allows for close co-operation with Fred. Olsen-related companies in Oslo so that our employees can be engaged and take an active part in the volunteer work.



### Royal National Lifeboat Institution

Fred. Olsen Cruise Lines continues to be the RNLI's longest-standing corporate partner, having supported the charity since 1968. During this time, Fred. Olsen guests have funded five lifeboats; three mobile training units; three seminar rooms at The Lifeboat College in Poole, Dorset; the development and funding of three DODO (drive-on, drive-off) lifeboat-launching trolleys; as well as training, crew kit and running costs for stations in across the UK.

In 2022, as our fleet resumed sailing with three ships for the first time since the pandemic, we were able to return to a more normal level of fundraising and activity across our fleet, and were pleased to have donated just shy of £30,000 to the cause.

### Suffolk Community Foundation

To show our support to the community in Suffolk, where the majority of our office teams live and work, we are supporting a number of small, hyper-local causes in need of support, by working with Suffolk Community Foundation. The team have helped to match us with causes that match our values and vision, such as organisations in maritime and arts. We have been able to support these thanks to funds from our parent company, Bonheur.

Suffolk-based companies Fred. Olsen Ltd, Fred. Olsen Cruise Lines and Fred. Olsen Travel have jointly funded a lorry to send aid donated by team members to support Ukrainian refugees.

Between them, the team filled 61 boxes to help those in need, containing women's, men's and children's clothing, medication for adults and children, toiletries, nappies, blankets, batteries and power packs, thermal flasks and soft toys.



Appendix 1: EU taxonomy turnover

Appendix 2: EU taxonomy CapEx

Appendix 3: EU taxonomy OpEx

# Appendix 1: EU taxonomy turnover

Economic activities (1)	Codes (2)	Absolute turnover (3)	Proportion of turnover (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')						Minimum safeguards (17)	Taxonomy-aligned proportion of turnover year N (18)	Taxonomy-aligned proportion of turnover year N-1 (19)	Category (enabling activity) (20)	Category ('(transition) activity') (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		NOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
4.3. Electricity generation from wind power		8 030 178 697	80,41 %	100,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %		Y	Y	Y		Y	Y	80,41 %			
7.7. Acquisition and ownership of buildings		4 464 208	0,04 %	100,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %		Y				Y		0,04 %			
Turnover of eligible Taxonomy-aligned activities (A.1)		8 034 642 905	80,45 %	80,45 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %								80,45 %		0,0%	0,0%
<b>A.2. Eligible not Taxonomy-aligned activities</b>																				
6.11. Sea and coastal passenger water transport		1 616 600 124	16,19 %																	
Turnover of eligible and not Taxonomy-aligned activities (A.2)		1 616 600 124	16,19 %																	
Total (A.1 + A.2)		9 651 243 029	96,64 %														80,45 %		0,0%	0,0%

## B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of non-eligible activities (B)		335 620 478	3,36 %
Total (A + B)		9 986 863 507	100,00 %

## Appendix 2: EU taxonomy CapEx

Economic activities (1)	Codes (2)	Absolute CapEx (3)	Proportion of CapEx (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')						Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx year N (18)	Taxonomy-aligned proportion of CapEx year N-1 (19)	Category (enabling activity) (20)	Category '(transition activity)' (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		NOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T

### A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
4.3. Electricity generation from wind power		1 897 872 747	92,38 %	100,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %		Y	Y	Y		Y	Y	92,38 %				
CapEx of eligible Taxonomy-aligned activities (A.1)		1 897 872 747	92,38 %	92,38 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %								92,38 %		0,0%	0,0%	
A.2. Eligible not Taxonomy-aligned activities																					
6.11. Sea and coastal passenger water transport		150 162 373	7,31 %																		
CapEx of eligible and not Taxonomy-aligned activities (A.2)		150 162 373	7,31 %																		
Total (A.1 + A.2)		2 048 035 119	99,69 %														92,38 %		0,0%	0,0%	

### B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of non-eligible activities (B)		6 314 520	0,31 %																		
Total (A + B)		2 054 349 640	100,00 %																		

# Appendix 3: EU taxonomy OpEx

Economic activities (1)	Codes (2)	Absolute OpEx (3)	Proportion of OpEx (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')						Minimum safeguards (17)	Taxonomy-aligned proportion of OpEx year N (18)	Taxonomy-aligned proportion of OpEx year N-1 (19)	Category (enabling activity) (20)	Category '(transition activity)' (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		NOK	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T

## A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
4.3. Electricity generation from wind power		2 549 220 976	87,54 %	100,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %		Y	Y	Y		Y	Y	87,54 %			
7.7. Acquisition and ownership of buildings		3 705 801	0,13 %	100,00 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %		Y				Y		0,13 %			
OpEx of eligible Taxonomy-aligned activities (A.1)		2 552 926 777	87,67 %	87,67 %	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %								87,67 %		0,0%	0,0%
A.2. Eligible not Taxonomy-aligned activities																				
4.3. Electricity generation from wind power		59 883 221	2,06 %																	
6.11. Sea and coastal passenger water transport		216 162 734	7,42 %																	
OpEx of eligible and not Taxonomy-aligned activities (A.2)		276 045 955	9,48 %																	
Total (A.1 + A.2)		2 828 972 732	97,15 %														87,67 %		0,0%	0,0%

## B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of non-eligible activities (B)		82 929 910	2,85 %
Total (A + B)		2 911 902 642	100,00 %



## About Bonheur ASA

Bonheur ASA is involved in a number of activities in Norway and internationally. The investments are related to the following main segments: Renewable Energy, Wind Service and Cruise. Further information and links to the companies are found [here](#).

[Bonheur - Frontpage](#)