

VIKING LINE

ntroduction	3
This is Viking Line	4
Our Vessels	
Statement of the President and CEO	€
A Year to Remember	
Our commitment to the UN's Sustainable Development Goals	<u> </u>
The Year in Brief	
Viking Glory	
Our Employees	
Economic Added Value	
Restitution to Sustain Domestic Competitiveness	
Maritime Transport that Enables Trade	19
Safety on Board	20
Verification of Infection Control Work	21
Passenger Survey on Health and Safety	22
Sustainability During the Year	
Food and the Environment	
Environmental Figures	
Viking Line's Environmental Journey	
Viking Line Buss	

VIKING LINE



Sustainability Report

It is often taken for granted that sustainability is about development and looking forward. Over the past year, we really have been challenged by circumstances we could not affect. Despite the global pandemic, it is a question of looking forward. Of thinking in terms of solutions. Of continuing to use resources in a smart way. Of leaving at least as much as we ourselves have inherited for future generations.

Sustainability also entails a historical dimension. Only the passing of time will show what is sustainable, so it is worth looking back and thinking about where we started and how far we have come. It has been more than six decades since Viking Line launched its service in the north Baltic Sea. Our traffic democratized travel between the Finnish mainland, the Åland Islands and Sweden and made car journeys possible for ordinary people. Few people believed in us at the time. Today we are a brand.

Technological advances

The technological advances have been considerable, to say the least. The range of products and services on our vessels has become ever more varied, comfort has increased and the vessels have grown in size. Although we have not yet been able to eliminate the use of fossil fuels, which is and remains our big challenge for now, over the years we have done a great deal to protect the climate and the Baltic Sea that is so dear to us (see more about our environmental journey on page 31).

We have made it possible for many people to travel and for trade goods to be transported between the Nordic and Baltic countries. We have combined utility and pleasure while respecting our surroundings.

Our archipelago origins

Our commitment stems from our origins in these archipelagos. We have our roots in the Aland Islands. Viking Line is Finland's biggest maritime employer today, and our employees reside virtually all across Finland and Sweden (see more on page 15). The labour arrangements for seafarers, with long working periods followed by just as long periods of time off as a rule, enable them to live away from densely populated areas.

We are pleased that the geographic spread of our employees helps to preserve the population structure in smaller communities and ensure that tax revenue also goes to other regions besides metropolitan areas.

We want to continue to be a role model in environmental thinking and new climate-smart technology. A good example of this is our new vessel, Viking Glory, which has launched in service. We want to produce more from less. We want to leave less and less of a trace behind us. That is what sustainability means to us.

Dani Lindberg

Sustainability Manager



In 2021, Viking Line conducted services using the vessels Amorella, Gabriella, Mariella, Rosella, Viking Cinderella, Viking Grace and Viking XPRS. Mariella was sold in May 2021 and in March 2022, Viking Glory started operating on the Turku-Åland-Stockholm route. Our vessels depart from Aland, Stockholm, Turku, Tallinn and Helsinki. Shares of the parent company, Viking Line Abp, are traded on NASDAQ Helsinki. The company is domiciled in Mariehamn.

Mission

We link together the countries around the northern Baltic Sea by providing sustainable and regular ferry service for everyone. Our three basic services are cruises, passenger transport and cargo transport. Our unique expertise in combining these services generates customer and business benefits.



Vision

We are the leading brand in our service area and the preferred choice of all those seeking sea transport services and experiences. We shall preserve and enhance our position as a profitable company.

Service area

Viking Line provides services on the northern Baltic Sea, with Finland, Sweden and the Baltic countries as its main markets. We have sales offices in Finland, Sweden, Estonia and Germany. In addition, the subsidiary Viking Line Buss Ab provides bus transport based in the Aland Islands.

Finland's biggest maritime employer

Viking Line is Finland's biggest maritime employer. In all, more than 40 different occupational categories are employed on a vessel in areas such as operation, maintenance, shops, kitchens, hotels, entertainment, conference facilities, security and healthcare.

Viking Line is for everyone. Our customers are our foremost priority and we aim to exceed their expectations, especially with regard to good service.

- We respect our co-workers and value initiative, innovation, teamwork, openness, honesty, loyalty and acceptance of responsibility.
- We stand for humility and costconsciousness.
- We take advantage of all good business opportunities.
- · Our vessels are safe and wellmaintained.
- We conduct our operations in compliance with applicable environmental standards and legislation.
- We strive to continuously improve our environmental and sustainability work.

Our vessels

M/S Amorella

Turku-Åland-Stockholm*



Delivered in 1988 34,384 gross weight tonnes Length 169.4 m

2,480 passengers 450 cars 900 lane metres 1,946 berths

M/S Viking Cinderella

Stockholm-Mariehamn



Delivered in 1989 46,398 gross weight tonnes Length 191.0 m

2,560 passengers 306 cars 760 lane metres 2,500 berths

M/S Gabriella

Helsinki-Mariehamn-Stockholm



Built in 1992 35,492 gross weight tonnes Length 171.2 m 2,400 passengers 400 cars 900 lane metres 2,382 berths

M/S Viking Glory

Turku-Åland-Stockholm



Delivered in 2021 **BRT 63,000 gross** weight tonnes Length 222.5 m

2,800 passengers 584 cars 1,500 lane metres 3,105 berths

M/S Mariella, sold in May 2021

Helsinki-Mariehamn-Stockholm



Delivered in 1985 37,860 gross weight tonnes Length 177.0 m

2,500 passengers 430 cars 980 lane metres 2,500 berths

M/S Viking Grace

Turku-Åland-Stockholm



Delivered in 2013 57,565 gross weight tonnes Length 218.0 m

2,800 passengers 556 cars 1.275 lane metres 2,950 berths

M/S Rosella

Mariehamn-Kapellskär



Delivered in 1980 16,879 gross weight tonnes Length 136.1 m

1,530 passengers 340 cars 720 lane metres 422 berths

M/S Viking XPRS

Helsinki-Tallinn



Delivered 2008 35,918 gross weight tonnes Length 185.0 m

2,500 passengers 220 cars 995 lane metres 736 berths

^{*} Helsinki-Mariehamn-Stockholm from april 2022



An Eventful Year

This year's profits can be considered satisfactory, considering that it started with restrictions and that the vaccination programme took effect from May 2021.

Passenger volumes recovered from June onwards. These were then maintained at a relatively good level until the end of the year, when the Omicron variant of the Coronavirus caused a slowdown in demand. In December 2021, cost-cutting measures were again taken to improve performance.

Positive Operating Profit

In addition to this profit development, the M/S Mariella was sold to Corsica Ferries and the terminal building in Turku was redeemed. These two items had a positive impact on the profit, but even without them, the operating profit for the year was positive.

Maximum Subscribed Rights Issue

During the last quarter of the year, a rights issue was carried out, which was fully subscribed and raised gross proceeds of EUR 52 million. The confidence of our shareholders is gratifying. The issue has strengthened our financial position to pre-pandemic levels.

Climate-smart Viking Glory

Viking Glory was delivered on 23 December 2021 and arrived in Turku on 6 February 2022, after which she was put into service on 1 March. I am extremely proud that with our small organisation, we have been able

to achieve obtaining this ship in the midst of a worldwide pandemic. With knowledge, commitment and experience, we have achieved our goals.

An Eventful Year

The year 2021 has been an eventful year with a satisfactory profit. We hope to return to normal operations as soon as possible. The pandemic years of 2020 and 2021 forced us to find innovative solutions and rapid adaptation measures, which provided valuable lessons for the future.

Fit for 55

The EU's Fit for 55 action programme will pose additional challenges. Through the new Viking Glory and proactive work, we are better equipped to meet future demands. Both Viking Glory and Viking Grace can switch to renewable or synthetic liquefied gas without major investment, as soon as it is available at economically justifiable price levels.

Warmest Thanks!

I would like to extend my warmest thanks to all our customers and partners for their faith in us and for a good collaboration. An especially big thank you goes to our staff, who continued to fight patiently under tough conditions over the past year.)

Jan Hanses,

President and CEO



Sustainable and safe travel between Finland, Aland, Sweden and Estonia is something we at Viking Line work on every day. During the 2021 pandemic year, our work focused considerably on safety.

Looking back, 2021, like the previous year, was extraordinary and challenging in many ways. The focus has been on reducing the impact of the pandemic on customers, employees and partners. At the same time, we have continued to deliver on our long-term sustainability strategy.

Despite the effects of the pandemic, we have worked to achieve our goal of leading the way in environmental thinking and new climate-smart technologies. We want to produce more from less. We want to leave

less and less of a trace behind us. Moreover, we want to get out of the pandemic.

Addressing climate change is central to our sustainability work and will mean a lot of changes in our future operations. Both climate change and measures to shift to a lower climate impact entail major commitments for individual businesses and companies.

Regarding the development of environmentally friendly technologies for shipping, Viking Line has continued to be proactive in developing new solutions for vessels.

Fit for 55 and Climate Change

On 14 July 2021, the European Commission published Fit for 55, a comprehensive package aimed at strengthening the EU's climate targets. The name of the package refers to the goal of reducing emissions by 55 percent by 2030 compared to 1990 levels.

The climate package contains four initiatives that affect shipping:

- 1) Integration of maritime transport into the EU Emissions Trading Scheme
- 2) Fuel EU Maritime, increasing the use of alternative and renewable fuels
- 3) Reform of the Energy Tax Directive
- 4) Directive on the distribution of alternative fuels.

Already today, CO2 emissions from shipping are monitored at ship level and the measured results are reported to the European Commission. The EU's Monitoring, Reporting and Verification (MRV) system is part of the maritime sector's efforts to reduce emissions. In practice, Viking Line, like other shipping companies, collects data on the fuel consumption of each ship, which is then verified and sent to the EU and IMO.

Having actors in the Nordic region who are willing to invest, contribute to innovation and lead the way in a transition is an absolute prerequisite for achieving the climate goals both nationally and globally. One challenge, however, is to achieve a sufficient degree of profitability in the transition. This will require conscious strategic investment from both industry and government.

These developments will require studies, investments, new technologies and new solutions. Viking Line is actively involved in several projects concerning new sustainable solutions for shipping.

Climate-smart Viking Glory

A good example of a major environmental initiative is our new ship Viking Glory.



A brand new ship generation

The vessel was delivered to Viking Line on 23 December 2021 and represents a completely new generation of ships.

Efficiency, environmental requirements and the future have been taken into account in the planning of Viking Glory in a completely new way. The ship's innovative solutions make it one of the world's most climate-smart passenger ships.

Waste heat from the engines is turned into electricity and waste heat from the LNG is used for cooling. The ship has a hull that minimises water resistance and intelligent automation that turns off the air conditioning in empty cabins.

Most of our sustainability work concerns solutions that passengers do not notice,

such as the rapidly evolving technological solutions of our ships. Ten years ago, the Viking Grace was the world's most environmentally friendly passenger ship; the larger Viking Glory will consume about ten percent less fuel.

Both Viking Glory and Viking Grace can switch to renewable or synthetic liquefied gas without major investment, as soon as it is available at economically justifiable price levels.

Managing the Pandemic

In 2021, work continued on infection control measures on board vessels. We followed the recommendations and restrictions of the authorities and actions were taken based on them. During the year, we have shown that we can act guickly, and in close consultation with politicians, healthcare providers and authorities, when needed. We have taken

measures that have had a significant impact on our financial operations and have emphasised that the safety of staff and passengers always comes first. The fact that the regulations in the countries we serve vary has been a major communication challenge.

We hope that the pandemic will subside in 2022, that travel in neighbouring regions will continue and that we can return to normal operations, where both the security of supply between our countries and the pleasure needs of passengers are met in a sustainable way.



Johanna Boijer-Svahnström Director, External Communication, Sustainability, Land-Based HR

Our commitment to the UN's Sustainable **Development Goals**

Our ambition is for sustainability to one day be integrated throughout our value chain and for it to always be a basis for decisions with economic or ecological consequences. We want to treat our customers and employees with respect and protect their health, safety and well-being. We have chosen to prioritize four areas where we believe we can make a difference:



Affordable and clean energy

We continue to be a pioneer in applying new climate-smart technology. We test new as well as alternative technological solutions to achieve lower emissions. We continue to support and collaborate with innovative companies and researchers in energy technology.



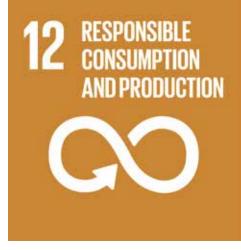
Life below water

Our vessels do not discharge any wastewater into the sea. Nor do we use environmentally hazardous paint on the bottoms of our vessels. We vow to continue to find ways to reduce the use of water and chemicals in our operations.



Good health and well-being

Well-being at work and a healthy lifestyle are the basis of success on the job. Through good leadership, an open, stimulating, secure and pleasant atmosphere is created in which employees' efforts are appreciated and recognized and where everyone is treated equally. We promote good health, wellness activities and employee well-being by encouraging and promoting meaningful leisure activities.



Responsible consumption and production

We vow to sort by-products generated from our operations. We want to maximize recycling and, where possible, reuse materials. We strive to reduce waste quantities and create increasingly circular material flows.

The year in brief

The Coronavirus pandemic has continued to seriously affect passenger shipping companies in 2021.

Uncertainty about the spread of disease, regulatory requirements, subsidies, the impact of vaccination programmes and related constraints have had a negative impact on profitability. Passenger volumes recovered in June and remained at a relatively good level until the end of the year, when the spread of the disease again gave rise to government restrictions. As a result, the figures in this report deviate significantly from pre-pandemic levels.







16.3 %

83.7 %

Viking Line Others

Buses:

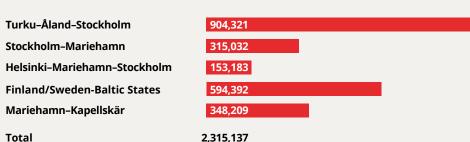
Passengers: 2,315,137 Freight units: 129,278 Passenger cars: 442,484

4,394

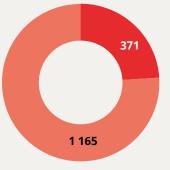
Sales: EUR 258.2 M Income before taxes: EUR 28.3 M **EUR 168.7 M**

Investments: 42.0% Equity/assets ratio:

NUMBER OF PASSENGERS PER LINE



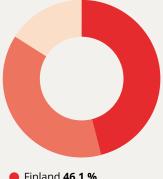
AVERAGE NUMBER OF EMPLOYEES



Land personnel 371 Maritime personnel 1 165

In addition to the Group's own staff, Viking XPRS was staffed by an average of 152 people employed by a temporary employment agency.

PASSENGERS 2021



Finland 46.1 % Sweden 37.1 %

Other countries 16.4 %



Viking Glory embodies Viking Line's faith in a bright future for travel on the Baltic Sea. Key words are sustainability, energy efficiency and innovative Nordic design.

Viking Glory is the result of a close collaboration with Finnish and other Nordic partners who, by contributing their expertise and know-how, enabled us to celebrate the launch of a truly unique vessel.

Climate-smart vessel

Viking Line is a pioneer in developing sustainable passenger ships of the future. First out was Viking Grace,

which was placed in service in 2013 as the world's first large passenger ship powered by liquefied natural gas (LNG) and was honoured with a number of sustainability awards. The new Viking Glory is larger than the environmental pioneer Viking Grace but is nonetheless expected to use about ten per cent less fuel and thus

be one of the world's most energy-efficient

vessels. The focus throughout the project has been on energy optimization and eco-friendly solutions. Key Nordic partners in developing environmental technology

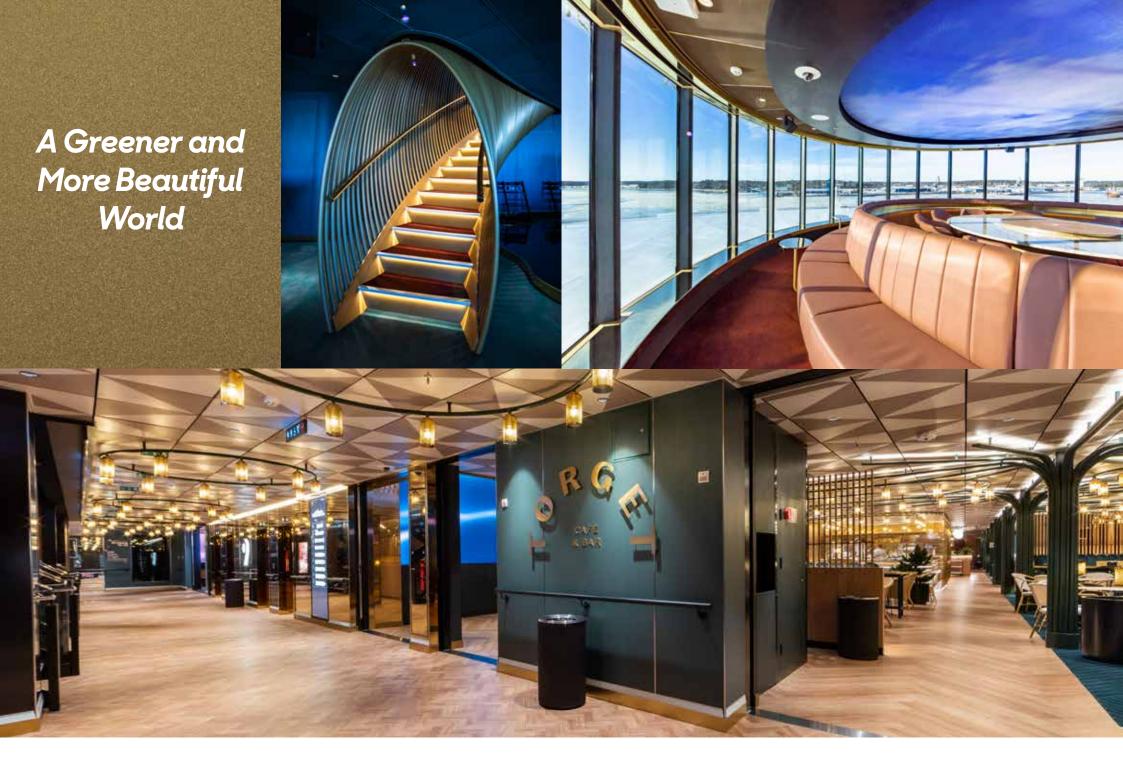
details and an innovative interior include Wärtsilä, ABB Marine, Koncept, Climeon, Kone, Deltamarin, Almaco, Evac, Pointman and Projektia. The technological

innovations that were tested and developed are an important basis for the new cruise experiences that are offered in the Baltic archipelagos.

Nordic design with a focus on archipelago views

With Viking Glory, Viking Line wants to open up the world's most beautiful archipelagos to passengers in a brand-new way. The vessel offers large panoramic windows combined with quiet, comfortable travel in all seasons. All of the interior is characterized by timeless, yet playful design, Nordic light, sustainability and digital solutions.

The vessel entered service in March 2022 on the Turku-Åland-Stockholm route.



RECOVERY OF WASTE HEAT

Viking Glory was the first in the world to be equipped with steam turbines from Swedish clean-tech company Climeon. In combination with Climeon's Heat Power system, carbon dioxide emissions are expected to be reduced by around 4,000 tonnes per year.

The Heat Power system harnesses the waste heat from the gases produced in the engine combustion process and converts it into electricity. The recovered energy is estimated to provide up to 40% of the electricity needed for passenger operations and reduce CO2 emissions by around 4,000 tonnes per year.

RECOVERY OF WASTE HEAT

LNG is cooled to -162 degrees Celsius to compress the gas into liquid form. On the Viking Glory, the waste heat from the fuel is used for the first time to cool down refrigerated counters, cold rooms and other technical areas on board the ship. Energy recovery leads to reduced fuel consumption and fewer emissions.

VIKING LINE

AZIPOD PROPELLER SYSTEM

Viking Glory is the first vessel in its class to be equipped with ABB's Azipod propulsion system. The system makes it easier to manoeuvre the vessel in port, saving both time and fuel.

When the time to manoeuvre the vessel in port is minimised, it becomes possible to reduce speed, reduce fuel consumption and still keep to schedule. Thanks to the Azipod propulsion system, we expect to reduce carbon dioxide emissions by around 10,000 tonnes per year.

THE WORLD'S MOST EFFICIENT ENGINES

Viking Glory is powered by six highly efficient 31DF dual-fuel engines and a number of smart systems from Finnish technology group Wärtsilä.

Wärtsilä's dual-fuel engines mainly use liquefied natural gas (LNG), and an earlier version of these is already onboard the Viking Grace. Viking Glory has been equipped with the new 31DF engines that deliver high efficiency with record low fuel consumption. Wärtsilä's 31 engine has de facto broken the Guinness World Record as the most efficient 4-stroke diesel engine in the world.

LNG OPERATION

LNG, or liquefied natural gas, produces virtually no particulate or sulphur emissions. Greenhouse gas emissions are reduced by 15-20% and nitrogen emissions by 85-90% compared to traditional marine fuels.

DYNAMIC VENTILATION AND LIGHTING

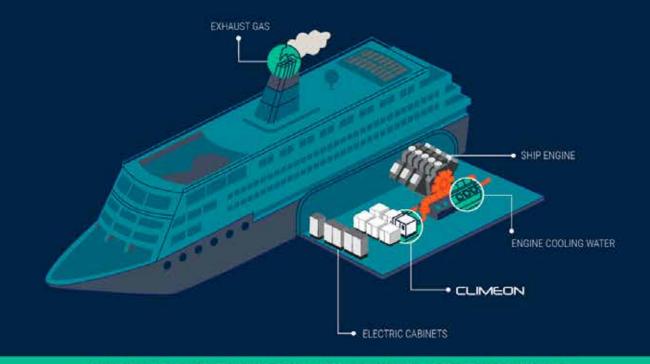
Some spaces onboard are equipped with sensors to save energy. When the spaces are unused, the lights switch off automatically. For the first time, the ship communicates directly with the reservation system, and the ventilation is automatically set to economy mode for unoccupied cabins.

AUTOMATIC MOORING

Viking Glory docks in the port using vacuum technology. The new automatic mooring system has been installed in Turku, Mariehamn and Långnäs. The system saves both time and the environment.

Automatic mooring is not only safer but also speeds up the mooring process itself. This can reduce the speed and time that main engines need to be used for port manoeuvres, saving fuel and reducing emissions. Both Viking Glory and Viking Grace, which operate from Turku, can use the automatic mooring. The system is part of the Finnish-Swedish NextGen Link project for sustainable shipping, a project coordinated by the Port of Turku with financial support from the EU.

Waste Heat Becomes Electricity

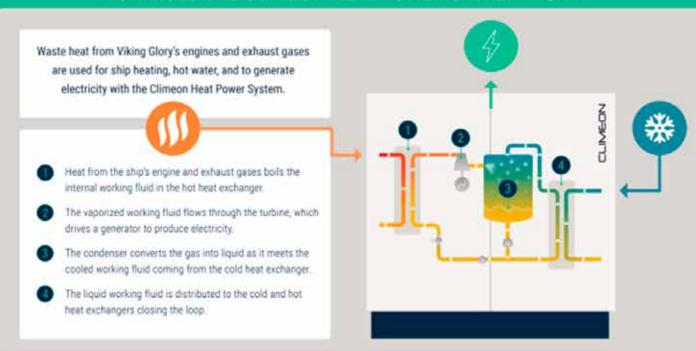


HOW DOES THE CLIMEON HEAT POWER SYSTEM WORK?

Climeon Ocean Marine

The patented technology converts hot water into electricity, reducing the vessel's fuel consumption.

The system is available on Viking Grace and Viking Glory.



Our Employees

During 2021, the number of employees in the Viking Line Group as of 31 December 2021 was 2,333 (2,195). The number of seagoing employees was 1,804 (1,561) and the number of land-based employees was 529 (634).

The subsidiary, Viking Line Buss, employed 44 people. In addition to the Group's own staff, Viking XPRS was staffed by an average of 168 (164) people.

The number of employees resident in Finland was 1,869 and the number of employees resident in Sweden was 391. A total of 67 people were resident in Estonia. The number of employees residing in other countries was 6.

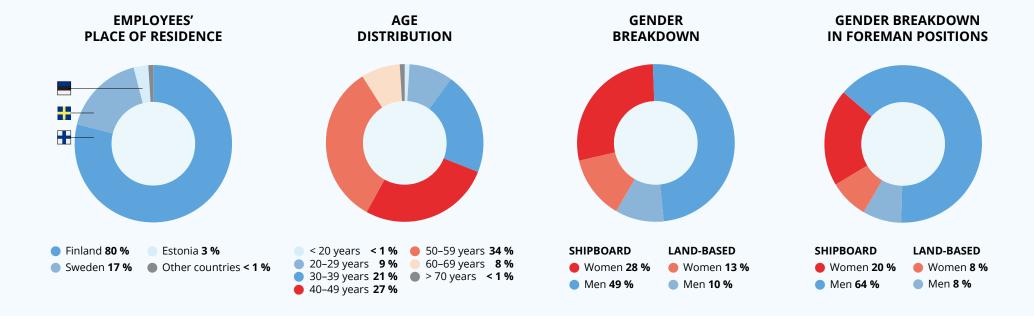
	Permanent staff	Temporary staff	Total
Maritime personnel	1 513	291	1 804
Land personnel	445	84	529
Totalt	1 958	375	2 333



The Group

		Women	Men	Total
	Board of Directors Group	1	6	7
	Management team	1	6	7
	Foremen	91	236	327
	Finnish flag	546	880	1 426
	Swedish flag	114	264	378
	Shipboard personnel	660	1 144	1 804
	Land-based personnel	303	226	529
8	Group total	963	1 370	2 333







Viking Line's operations generate economic value for the Group's stakeholders in the countries and market areas in which we operate. The most important cashflows consist of revenue from our customers, purchases from suppliers of goods and services, salaries to employees, payments to and from the public sector, dividends to shareholders, and funding costs to financiers.

In 2020, consolidated sales and other revenue totalled 190.2 million euros. The Group's purchases from suppliers totalled 145.4 million euros, and investments totalled 15.0 million euros, with 7.4 million

euros of this mainly advance payments for the vessel under construction. Viking Line employed an average of 1,640 people.

Net salaries and pension expenses totalling 71.8 million euros were paid to employees.

Viking Line paid a total of 51.3 million euros to the public sector in the form of port expenses and vessel charges, taxes on salaries, Social Security contributions and income taxes. The Group received national restitution, national state aid for maintaining freight transport and security of supply during the pandemic, and EU funding totalling 53.5 million euros. Shareholders received no dividends. The Group's income statement, balance sheet and cashflow statement are presented in their entirety in Viking Line's financial statements.

Generation of economic value, MEUR	2021	2020
Customers		
Sales, other operating revenue, financial income	289.0	190.2
Suppliers		
Procurement	-166.9	-145.4
Investments	-168.7	-15.0
Economic value generated by Viking Line	-46.6	29.8
Distribution of economic value		
Employees		
Net salary and pension expenses	-66.6	-71.8
Shareholders		
Dividends	0.0	0.0
Financiers		
Interest expenses	-3.4	-2.7
Public sector		
Income taxes	0.0	0.0
Port expenses and vessel charges	-24.3	-25.2
Taxes on salaries and social security contributions	-26.4	-26.1
Paid to public sector	-50.7	-51.3
Restitution and aid from public sector and EU funding	40.3	53.5
Public sector, net	-10.3	2.2
Economic value distributed	-80.3	-72.3



Restitution to shipping companies is repayment for preserving Finnish seamanship.

Restitution is an essential condition for enabling ferry service to be carried out under a Finnish flag and with a Finnish crew. To sustain the competitiveness of European sea transport, a restitution system was implemented in a number of EU countries, including Finland, Sweden and Denmark.

In accordance with EU State Aid Guidelines, shipping companies may be reimbursed for taxes and social security contributions paid to maintain service under their countries' own flags. This restitution system, which is often called maritime financial aid, is mainly financial aid for seafarers – not shipping companies. Most European countries therefore have a similar system.

Viking Line – Finland's largest maritime employer

As Finland's largest maritime employer, with five of the company's seven vessels under the Finnish flag, we have the highest amount of taxes and fees borne by the maritime population. For Viking Line, this restitution applies to some 1,200 Finnish seafarers. All shipping companies receive this restitution, and the size is determined by the number of seafarers employed by the company. The restitution really benefits seafarers, who get a tax exemption, but since Finland has chosen to follow the model of exception in the guidelines, the taxes are borne by the seafarers and refunded to the shipping company. In Sweden and Denmark, this restitution is not recognized as aid to enterprises, which is why it is also debated to a lesser extent than in Finland.

For Viking Line, this restitution also applies to some 340 Swedish seafarers.

The Finnish National Emergency Supply Agency is of the opinion that Finland should have a merchant fleet flying under its own flag, to secure the country's emergency supplies. The seafaring profession also provides many jobs in sparsely populated areas, particularly in archipelagos, where people can work one week on/one week off.

Shipping boosts prosperity in smaller communities

For natural reasons, the majority of our land-based employees reside close to our market units and terminals. However, among shipboard personnel, the geographic spread is much wider. We have employees who live in Lapland north of the

polar circle, in the archipelago communities of the Åland Islands and Turku, in eastern Finland close to the Russian border, in the Estonian countryside and in Sweden near the Norwegian border.

The personnel on our vessels work in shifts, with one week on/one week off or ten days on/ten days off. These extended periods of time off enable them to live away from densely populated areas. With such labour arrangements, shipping companies help to preserve the population structure in smaller communities and ensure that tax revenue goes to areas other than metropolitan regions. The hiring by shipping companies of some of these residents may be crucial to sparsely populated communities, including in archipelagos, located far from urban areas.



Regular, reliable sea transport is a vital link in the large flows of goods between Finland, Sweden and Estonia.

Finland, Sweden and Estonia are all included in the EU's so-called transport corridors, which are considered essential to the trans-European transport network. Shipping is crucial in linking together the transport infrastructure of the Nordic countries, the Baltic countries and Central Europe. Bearing in mind the importance of securing emergency supplies, it is important that Finland has its own fleet.

Our traffic enables the reliable, regular transport of large volumes of trade goods between the Nordic and Baltic countries. Our cargo customers come pri-

marily from Finland, Sweden and Estonia but also from the other Baltic countries as well as Poland, Denmark, Norway and Russia.

Demand for transport and travel for pleasure varies significantly during the year. Summer is our peak season, which is when the need for car deck capacity is also greatest. Our challenge is to utilize the capacity on our vessels in the best possible way for every single departure, every single day. The greater our capacity utilization is, the more we contribute to the sustainability of marine transport as a transport mode.

Dialogue with cargo customers

Cargo transport constitutes an important part of our transport volume and is

A total of 1,669,691 tonnes of cargo were loaded on board our vessels in 2021

a cornerstone in our work to utilize our capacity to the fullest. While summer tourism peaks in mid-July, trade goods must still be transported year-round. Seasonal variations in supply and demand for different goods create different transport needs. We maintain a continuous dialogue with our cargo customers

in order to plan for their needs with the best long-term planning possible.

Collaboration with stakeholders

Collaborating with stakeholders is an important part of our sustainability work in cargo and logistics. Our aim is to take part in discussions about national and international flows of goods. In this context, port authorities are some of our most prominent stakeholders. We maintain an ongoing collaboration with our destination ports in order to improve logistics to and from our vessels, among other aspects. Through activities such as measuring and weighing units in ports, we further improve our capacity utilization and provide the ports with important information.



ISMC

International Safety Management Code

ISPS

International Ship and Port Facility Security Code

MARPOL

International Convention for the Prevention of Pollution from Ships

SOLASSafety of Life at Sea

STCW

Standards of Training, Certification and Watchkeeping for Seafarers

The safety and security of passengers and employees is our top priority. The staff's knowledge and efforts are crucial to safety and security work, and our procedures are all developed on a continuous basis through our safety and security management system.

Safety and security efforts are based on operating vessels in compliance with the prevailing national and international regulations and standards, such as SOLAS, STCW, ISMC, MARPOL and ISPS, as well as careful internal monitoring and regulatory oversight. Continuous training in and monitoring of safety and security of the vessel crews are carried out in order to maintain and improve their skills in safety and security. Through its cooperation with various authorities, the company carries out systematic work to identify potential risk situations.

Exercises in safety and security

Each year, thousands of exercises in safety and security are carried out on board. Every week, fire safety, evacuation, rescue and security exercises are conducted on board all the vessels. In addition, special exercises are carried out with varying frequency, as are large-scale exercises on each vessel four times a year. The entire crew takes part on these occasions. A growing emphasis has been placed on acquiring equipment, developing instructions and carrying out exercises in managing difficult situations involving violence.

We maintain continuous cooperation with maritime rescue organizations, fire brigades, police, customs, border control authorities and national emergency response forces, in order to quickly and efficiently obtain adequate information during any emergency situations. Other activities, including training with the border control authorities' maritime vessel and helicopter units, are carried out in conjunction with the exercises.

The safety organization on board

The master of the vessel has the main responsibility for safety on board, and all crew members have been well trained in their safety organization duties. The crew

is divided into groups with different areas of responsibility, such as evacuation, first aid, fire-fighting and information. It is mandatory for all employees to take part in safety drills. On board, there are trained nurses and spaces outfitted with special equipment to provide care in a medical emergency.

The land-based organization is also prepared for emergency situations and can assist the vessels in taking care of passengers and crew members. The organization holds annual exercises to improve its ability to handle different emergencies that can arise in operations.

Safety checks

On-board safety equipment is checked daily. Before every departure, the ship's officers go through a checklist to verify that the vessel is seaworthy. Hatches, doors and ramps and all navigation instruments are inspected. During the voyage, the car deck, areas that are critical to operations and public areas are monitored by the camera surveillance system, while guards make regular rounds.

Maritime authorities have delegated oversight of vessels to classification societies, which inspect the vessels at least once a year.

Preventive work

Preventive safety work on board the vessels is fine-tuned and strengthened on a continuous basis by further developing procedures and processes and providing training in risk factors on car decks, such as electric cars.

Collaboration on maritime safety

We collaborate with community groups, classification societies, authorities and other shipping companies in our maritime safety work to ensure broad agreement on maritime safety issues. One such effort is NORDKOMPASS, a Nordic forum for passenger ship owners. The forum's objective is to collaborate on various maritime safety issues in Nordic passenger ship operations. In case of emergency, we also work in collaboration with the Red Cross in Finland and Sweden.



Viking Line became the first shipping company in the world to be verified by the accredited classification society Det Norske Veritas Germanischer Lloyd (DNV GL) in accordance with its My Care methodology, which affirms Viking Line's capability to manage and mitigate infection risks, including for Covid-19.

The verification is for all of Viking Line's vessels as well as its terminals in Stockholm, Kapellskär, Mariehamn, Turku, Tallinn and Helsinki.

Everyone must be able to travel safely with us

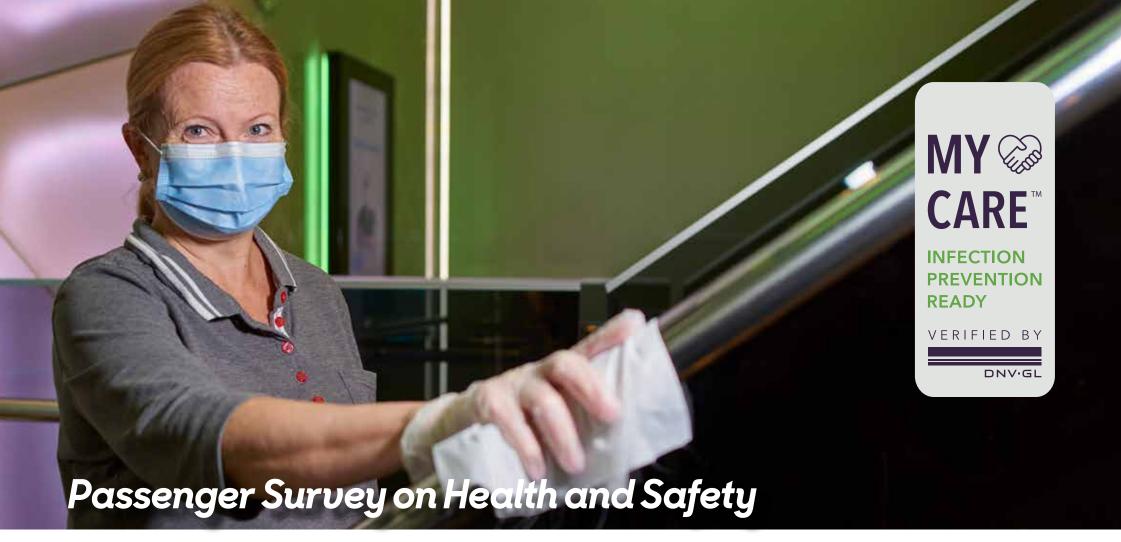
Viking Line has long carried out work to mitigate infection risks and prevent infectious diseases, and the safety of our passengers and employees is always our top priority. When the infection situation deteriorated in our service area, we chose to be evaluated by a third party, to quality-assure our work in conjunction with Covid-19.

We previously worked with DNV GL in other areas such as environmental and safety management as well as vessel class inspections, and they were again chosen as our partner. The company's My Care methodology, developed in-house, was used to



assess readiness and maturity across six different dimensions – actions, communication, strategy, governance, data analysis and continuous improvement. The methodology applies hospital-quality standards and systems.

There is currently extensive infection control work under way at the company, including on related documentation such as an infection control manual that describes everything from practical measures on board the vessels to reporting and communication between vessels and the land-based organization as well as with the authorities involved. Alongside the manual, there are separate needs-based directives and instructions aimed, for example, at sub-contractors that carry out work on board. All documentation is available to employees on the company's intranet. To promote safe travel for our customers, we have information about infection control measures available on our website and on board the vessels.



More than 90% of passengers who responded to Viking Line's survey during the pandemic felt that Viking Line's ships were safe during the pandemic.

In the spring of 2020, Viking Line started asking its passengers for their views on health and safety onboard. Of the 4,500 passengers who responded to the survey, 93% felt that it was safe to travel with Viking Line even during the pandemic and that they would be happy to travel again. More than 90% of respondents felt that the trip

met their expectations and was safe.



"Since the beginning of the pandemic, we have done everything we can to ensure that people can travel safely and with confidence and enjoy their boat trip. Two years ago, we became the first shipping company in the

world to be MyCare-certified for our work in preventing communicable diseases and infections. The staff's dedicated approach to the measures has conveyed a strong sense of security to the passengers," says Viking Line's Chief Operating Officer, **Wilhelm Hård af Segerstad.**

Many Safety Measures

Many different safety measures have been taken onboard: cleaning has been intensified, digital information screens have been used to remind people of the importance of safety distances and mouth protection, restaurant opening hours have been adjusted and serving times have been limited. In its operations, Viking Line has complied

with regulations issued by both Finnish and Swedish authorities.

Increased Interest in Boat Trips

The survey also shows an increased interest in boat trips. Around one in ten estimated that in the near future, they will spend more money than before on boat trips. Åland tourism broke all records in the summer of 2021 and our special cruises were extremely popular.



Sustainable Travel Finland

Visit Finland has granted Viking Line the right to use the Sustainable Travel Finland label for responsible travel services.



The aim of Sustainable Travel Finland is to offer businesses and destinations a sustainable development path with a concrete tool kit for sustainable tourism, to make it easier to choose sustainable practices and choices in everyday life.

The Sustainable Travel Finland label recognises the work Viking Line has done to promote responsible travel services since the 1980s. In doing so, we also support Visit Finland's goals and promote Finland's reputation as a responsible travel destination.

Sea and Archipelago Nature

The sea and archipelago nature are close to the heart of Viking Line. As an Åland shipping company, we live from the sea and promoting its well-being is important to us. We want to lead the way in using new solutions that reduce our environmental impact. The sea and the archipelago have been important to Viking Line for decades, and our environmental work has become a natural part of decision-making and daily operations.

"Our environmental work
has become a natural part of
decision-making and
daily work."



Viking Line and Ostavastuullisesti.fi

The Ostavastuullisesti.fi website offers businesses in Finland the opportunity to reach consumers interested in a sustainable lifestyle.

All product offerings on the website are approved by an independent sustainability panel consisting of a wide range of experts in sustainable production and consumption.



Thanks to the selection process carried out by Finland's leading experts, customers can be sure that the products and services on the site meet the criteria for more sustainable choices.

Viking Grace - A Sustainable Choice

Trips with Viking Grace are listed on the Ostavastuullisesti.fi website. The Viking Grace is a sustainable choice due to the vessel's lower CO2 emissions and its energy efficiency.



Viking Line supports the Pääpäivä campaign

For Viking Line, it is very important that all catering onboard is done responsibly and in line with the rules. That's why we also support the Pääpäivä campaign.

Drinking alcohol above the recommended limit affects families, friends and colleagues. The Pääpäivä campaign aims to highlight the shared responsibility to reduce alcohol-related harm. Viking Line supports this goal as part of its responsibility programme.

A cruise is a lovely way to spend time together, for example by enjoying good food and wine in moderation. If the evening continues at a nightclub, you can choose a non-alcoholic cocktail instead of a traditional one. Less alcohol, more genuine contact with others! Together we make the cruise an enjoyable experience for everyone!



In August 2021, we had sustainability as a theme on all our ships.

For us at Viking Line, sustainability means working to reduce the environmental impact of maritime traffic. In August 2021, we highlighted all the sustainable choices you can make as a traveller, both in the restaurants and in the shops onboard. We also told you about the Viking Glory, which started sailing in spring 2022 as one of the world's most climate-smart ships.

A Little More Eco, a Lot More Reco

A little more eco, a lot more reco means we strive to produce more from less. More great experiences, produced with fewer natural resources and reduced emissions.

By using shore power when ships are berthed, minimising food waste, using organic and sustainably produced products in the duty-free shops and making sustainable choices on the menus, we want to focus on smart environmental choices at sea.

Advantage of Electricity

Gabriella, Mariella (until she was sold), Viking XPRS and Rosella use shore power. This means that ships in port are connected to the shore power grid. Since we do not need to use the ship's engines to produce electricity, there are fewer emissions and less noise.

In Mariehamn, Stockholm and Tallinn, shore-side electricity is produced entirely with renewable energy.

Less Food Waste

Food waste is a problem both on land and on board. We have managed to reduce wastage in our buffet restaurants significantly, up to 40%, through a variety of measures. Many dishes are served as ready-to-eat small portions or mouthfuls and the staff serve the hot dishes on the customer's plate. The kitchen always plans meals depending on the number of guests and table settings and we choose mainly local suppliers, which also means shorter delivery distances.

On Course for the Emissions Target

The global target is to reduce carbon dioxide emissions from shipping by 40% by 2030. Viking Line is on a steady course towards this goal! From 2008, emissions

from our ships have been reduced by 30% per nautical mile. The result is a combination of investments and technical solutions, such as investment in LNG* technology on our new vessels, switching to energy-efficient LED lighting, air conditioning and temperature control based on actual needs, schedules and routes planned in a fuel-efficient way, and ongoing technical improvements in the vessels' engine rooms and public spaces.

* LNG is sulphur-free liquefied natural gas. With LNG, emissions of greenhouse gases are reduced by 15–25%.



Increased recycling reduces our climate impact.

It requires much less energy to recycle materials than to extract new ones from nature. Eco-cycles benefit the climate.

Carpet

Since 2014, nearly 85,000kg of carpet has been returned from the company's ships to carpet supplier Desso, which launched a pioneering project a few years ago to reuse used carpets from its corporate customers. The carpets are collected at the end of their life and reprocessed into raw material for new carpets.



Glass

During the year, 101 tonnes of glass packaging were collected onboard. When recycled glass is melted down to make new glass, the process consumes 20 percent less energy than starting from sand, soda ash and limestone as raw materials. Glass packaging can be recycled any number of times without deteriorating in quality.

Scrap metal

Recycling of steel, for example from food tins, consumes 75% less energy than production from iron ore. The company has collected 18 tonnes of scrap metal during the year.

Paper

Because of recycling, we do not need to cut down as many trees. A tonne of recycled paper is equivalent to about 14 trees. Paper can be recycled approximately seven times. 179 tonnes of paper/cardboard were sent for recycling from the vessels during the year.

Plastic bags

Our plastic bags contain recycled plastic, with some of the raw material coming from plastic packaging that we collect ourselves on the ships. The compound Poly-Bi has been added to the material, which allows the product to decompose if it ends up in our natural environment.



Sustainable and Clean

At Viking Line, we work to use eco-labelled products as much as possible. We also recycle old materials.

Every day, we make a whole range of conscious choices, large and small, to protect the fragile archipelago environment where our roots are.

Products and Suppliers

Old towels and sheets get a new life as cleaning cloths on board. When selecting suppliers of detergents and cleaning tools, we monitor how companies deal with environmental issues, which influences our choices.



Detergents and Soaps

On board our ships, around 90% of the cleaning products are eco-labelled. The detergents used by the laundries that wash our textiles and workwear are eco-labelled and hypo-allergenic. One ongoing project

is the replacement of microfibre cloths used for cleaning with a model made from recycled plastic bottles. The soaps used on board are eco-labelled.

New FSC*-labelled cups

The plastic cups in the cabins' toilets are replaced by FSC*-labelled cardboard cups. By choosing FSC-labelled products, we can be sure that the product comes from well-managed forests.

Dedicated Staff

Sustainability issues are always taken into account in the induction of new cleaning staff on board. We have very dedicated staff who come up with their own sustainability initiatives and ideas.



Future Plans

One proposal under discussion is to start up a recycling model for old work clothes and possibly other textiles in the future. By collecting them for delivery to a factory that recycles the material and makes new products from them, we can take another step towards a more sustainable future.

FOOD AND THE ENVIRONMENT

The fight against food waste continues

Viking Line implemented its first solid project to measurably reduce the generation of food waste on board ships in 2018. The project, which was carried out in cooperation with Mariella, gave both good results and lessons to build on. On board Viking Cinderella, a new and popular buffet concept was developed in 2021, which contributed to the fight against wasting.

"One of the lessons learned from the first project was that we got a good understanding of how and to what extent the swindle was generated in the food chain on board. During the period leading up to the project, we found that the kitchen was the largest source of waste generation and it was first and foremost the overproduction of food that made up the largest volumes of waste", reports Viking Lines' Head of Sustainability **Dani Lindberg.**

Adapted food production

Overproduction simply means that more food is produced than what is used. This

"All credit to the crew on
Viking Cinderella. They have
worked hard under difficult
circumstances during
the pandemic has and have
succeeded in creating
a product that has been
well received by our customers".

Head of Sustainability Dani Lindberg, Viking Line is done primarily to ensure quality and to ensure that the food does not run out. Nowadays, Viking Line counteracts overproduction of food by standardising recipes and serving, but above all, by adapting production to an average demand, taking into account the number of booked restaurant guests.

The second biggest source of waste food that is difficult to counteract are leftovers. The problem arises when restaurant guests are tempted to eat to more than they can, which is common to most buffet restaurants. Through Viking Cinderella's new buffet concept, the kitchen staff discouraged leftovers.





New arrangements

During the pandemic, the staff on Viking Cinderella took advantage of the guests' acceptance of changes in arrangements by creating a hybrid buffet. The focus continues to be on a high quality, but the food is portioned to the guests by the kitchen staff. 30% of the total is served in portioned glasses or bowls. Desserts are served to the customer's table. All food is prepared directly to the lines, which means extra fresh

food and less waste. The new approach has helped reduce food waste by up to 40%. Benefits are achieved throughout the chain, from the savings in provisioning to the pride that staff take in a tasty and sustainable product.

"We have been working with the buffet for a long time on Viking Cinderella", says **Kim Birk**, the chef.

"The aim has been to raise and refine the quality of both the food and the service,

giving guests an even better dining experience in the popular buffet. The number of restaurant guests in the buffet has been limited from 250 to 90 every 30 minutes, in order to ensure the level of hygiene and at the same time eliminate the queues in the restaurant. Thanks to these measures, many guests have experienced the restaurant visit as more exclusive and the response has been very positive", says Birk with a broad smile.

Edrington challenges Viking Line

Scottish Edrington, one of Viking Line's onboard retail partners, challenged Viking Line in 2021 to reduce food waste on board. As a gesture, Edrington agreed to donate up to € 10,000 to an environmental organisation in the name of Viking Lines if the targets were met.

Viking Line and Edrington decided that Viking Line would aim for a 30% reduction in food waste on one of the ships in service. Viking Cinderella's buffet change, which helped reduce food waste in up to 40%, rose to the challenge. In December 2021, Edrington donated the agreed sum to the John Nurminen Foundation, a long-standing partner of Viking Line, which works to reduce eutrophication in the Baltic Sea, among other things.

Edrington's business model is unique in the industry. The company's main shareholder, The Robertson Trust, uses the Edrington dividend to achieve the potential of people and communities internationally and to improve their quality of life.





Nitrogen oxides (NO₂)

Nitrogen oxides is an umbrella term for nitric oxide and nitrogen dioxide, which form when oxygen in the air and nitrogen react at high temperatures. Nitrogen oxide emissions are thus closely linked to combustion processes. Nitrogen oxides are toxic and also contribute to the formation of ozone together with organic pollutants (source: Swedish Environmental Protection Agency).



Sulphur oxides (SO_x)

Sulphur dioxide is a colourless gas that causes coughing. It is produced in the burning of fossil fuels and other materials containing sulphur but also through natural processes, such as volcanic eruptions. Sulphur dioxide is oxidized in the atmosphere and forms sulphuric acid, which contributes to acidification (source: Swedish Environmental Protection Agency).



Carbon dioxide (CO₂)

The main cause of global warming is the change in the chemical composition of the atmosphere caused by humans through the emission of greenhouse gases, primarily carbon dioxide. Greenhouse gases enhance the ability of the atmosphere to capture energy emitted by the Earth's surface, thereby reinforcing the so-called greenhouse effect (source: Swedish Environmental Protection Agency).

VIKING LINES SHIP	2021	2020	2019
Volumes			
Passengers	2,315,137	1,927,302	6,300,480
Passenger cars	442,484	356,809	714,006
Freight units	129,278	125,693	133,940
Total distance (thousand km)	877	802	1,159
Resource consumption			
Oil (tonnes)	51,003	51,698	76,210
Lubricating oil (m³)	432	398	737
Urea (m³)	151*	240*	240
Fresh water (m³)	133,832	125,663	309,922
LNG (tonnes)	12,523	14,609	15,058
Emissions (tonnes)			
Nitrogen oxides (NO _x)	2 909	2 532	3,413
Sulphur oxides (SO _x)	104	93	137
Carbon dioxide (CO ₂)	217,418	203,074	281,562
Residual products (tonnes)			
Solid waste for incineration	1,030	1,065	2,948
Waste to landfill	31	67	125
Waste for recycling	388	464	1,396
Biowaste	494	470	1,199
Hazardous waste	18	36	41
Waste water pumped ashore (m³)			
Grey and black water	131,116	120,717	280,576
County water	5,409	7,148	9,725
Waste oil (m³)	1,058	977	1,462

^{*} Given in tonnes

VIKING LINE BUSS AB	2021	2020	2019
Number of kilometres driven	655,987	681,084	786,943
Amount of diesel consumed (litres)	204,650	196,870	244,916
Lubricating oil (m³)	274	325	328
Garage electricity consumption (kWh)	65,584	67,935	64,537

Viking Line's environmental journey

1980s

End of using toxic paint for the bottoms of vessels. Beginning of **brushing of vessels' bottoms** with the help of divers.



Beginning of waste recycling on board the vessels.



Mariella gets a land-based power supply in Stockholm.

1990s

Switch to fuel with low sulphur content (< 0.5 per cent by weight) on all vessels to reduce sulphur oxide emissions.

Grey and black water are **pumped ashore** to municipal wastewater treatment plants.

Dosage devices are installed to **reduce the use of chemicals** on board.



Sea water is used to cool the vessels' ventilation air. Exhaust gas boilers are installed and used to heat the vessels' ventilation air with the help of energy recovered from flue gases.

2000s

All vessels and the main office are certified in compliance with ISO 14001 environmental management standards (2001–2002). Humid air motor (HAM) technology is installed on Mariella.

HAM is the only method of its kind in the world and reduces nitrogen oxide emissions by reducing the combustion temperature of the vessel's main engines.

Catalytic (SCR) converters are installed

onverters are installed on Viking Cinderella to to reduce nitrogen oxide emissions.

Processed bilge water is pumped ashore to municipal wastewater treatment Recycling of biowaste

begins on Viking XPRS (2008), Mariella (2010) and Viking Grace (2013). The biowaste is transported to anaerobic digestion facilities to produce biogas.

2010s

Viking Line Abp's subsidiary
Viking Line Buss Ab is certified in compliance with

ISO 14001 environmental management standards (2012).

All of Viking Line's vessels are issued ballast water certificates as proof that the vessels comply with the requirements set out in the Ballast Water Management Convention



Viking Grace is the first passenger vessel of its size class to use **entirely sulphur-free**, **liquefied natural gas** (LNG) as fuel. Compared to oil, nitrogen and particulate matter emissions are cut by 85% and greenhouse gas emissions are cut by 15%.

The environmental performance of four of the company's vessels – Viking Grace, Mariella, Viking Cinderella and Gabriella – is certified under Clean Shipping Index standards (2017).

Viking Grace is equipped with a rotor sail and is the world's first hybrid vessel to run on both LNG and wind power (2018). Mariella gets a land-based power supply in Helsinki. Gabriella gets aland-based power supply in both Helsinki and Stockholm.

plants.

In late 2014, all of
Viking Line's vessels
except Viking Grace
switch to **diesel oil**vith a sulphur content of
less than 0.1
per cent by weight.

energy recovery system
is installed on
Viking Grace. Heat
is converted into
electricity using a
unique vacuum
process.

The Ocean Marine

Rosella gets a land-based power supply in Mariehamn.

Public disclosure of carbon dioxide emissions and fuel consumption is compulsory under the EU's MRV Regulation (2018).

2020s



Viking XPRS gets a **land-based power supply** in Tallinn

Viking Glory, the company's other LNG-powered vessel, is delivered to Viking Line.





The bus company Viking Line Buss, which belongs to the Group, is environmentally certified according to ISO 14001.



Viking Line Buss works continuously to reduce the environmental impact of its operations.

During the year, the bus company replaced two of its older buses with two newer models. One of the new acquisitions is a brand new 2021 bus.

Environmental Policy

Viking Line Buss is committed to reduce emissions to air, water and land and to continue to work on improvements in these areas.

Specific measures:

- We sort waste from our buses as well as waste generated at our depot.
- We buy green electricity and have installed motion sensors for the lighting at our depot to minimise electricity consumption.
- When purchasing, we prefer eco-labelled products wherever practical.
- We continuously train/inform our staff on environmental issues.
- We follow the development of new technological solutions that contribute to reducing our climate impact.

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