

Sustainability-linked finance progress report 2021

Comment from Chief Sustainability Officer

In January 2022 Wallenius Wilhelmsen published its [Sustainability-linked financing framework](#) (“the Framework”). In April, we issued our first senior unsecured sustainability-linked bond (see Appendix I). This is a progress report on the status of the Key Performance Indicator (KPI) and should be read in conjunction with the Planet chapter on page 69 in our [2021 annual report](#).

The Framework allows us to link our financing with Wallenius Wilhelmsen’s target to reduce our CO₂ intensity by 27.5% from 2019 to 2030. The chosen KPI for the Framework is the fleet weighted average CO₂ intensity. This report discloses the performance of the KPI of the Framework for the calendar year 2021.

In 2021 we did not meet the targeted CO₂ intensity due to market conditions and supply-chain disruptions. The KPI result was 5.89 gCO₂ per GT.nm compared to a target of 5.80. The shortfall does not impact our commitment to the 2030-target and our focus remains to cut emissions every day through implementing the initiatives as described in the Framework.

The reason for the increase in the KPI in 2021 was the rapid rebound in transported volumes following lower activity due to the Covid-19 outbreak in 2020. The rebound led to an increase in sailing speeds and a tight global fleet market. Furthermore, significant supply-chain disruptions including pandemic lockdown measures and port congestions around the world negatively impacted our trade routes and vessel operations. The conditions caused higher fuel consumptions as the vessels had to speed up to make up for delays. These dynamics have continued into 2022 and we are continuously monitoring the development.

Whilst our carbon emissions are crucial, our sustainability ambitions extend beyond planet and climate, and we are also strengthening our impact on the pillars of governance, people and prosperity. Please refer to our [2021 annual report](#) for insight into our management and performance of our material sustainability aspects.

Fleet composition for the Controlled Fleet

Our Controlled Fleet included 125 vessels per 31 December 2021. This represents an increase of 6 vessels compared to our base year of 2019. The fleet grew due to the delivery of two new vessels to our owned fleet, M/V Tannhauser and M/V Nabucco, in addition to an increased number of long-term chartered vessels. Two vessels were responsibly recycled in 2020 and one in 2021.

Please see Appendix II for complete list of vessels that are included in the IMO DCS reporting for the reported period.

We confirm that for 2021 we hold valid DCS Fuel Oil Consumption Reports as issued for all vessels of our Controlled Fleet, or which were previously part of our Controlled Fleet during the year.

Update on our strategy and regulations relevant to the KPI and SPT

There are no updates compared to the Framework dated January 2022.

KPI Performance compared to Trajectory

The relevant information for our Controlled Fleet for the calendar year 2021, has been verified by DNV. The verification can be found here [Investors Relations – Wallenius Wilhelmsen](#):

Period:	1 January – 31 December 2021
No. of vessels included in the Controlled Fleet:	125
Total CO ₂ emissions, mt:	4 402 327
Total gross tonnage, GT:	7 922 463
Total distance travelled, nm:	11 784 929
Key Performance Indicator, gCO₂ / GT.nm / Δ% from 2019:	5.89 / 1.9%
Change in Key Performance Indicator versus 2019:	0.11
Trajectory target 2021 – Interim KPI / Δ% from 2019:	5.80 / 0.3%
Trajectory Adjustments:	None
Alignment with the Trajectory target 2021:	Not reached

We confirm there are no changes to the baseline year 2019 and no Trajectory Adjustments. The relevant information for our Controlled Fleet for the calendar year 2019:

Period:	1 January – 31 December 2019
No. of vessels included in the Controlled Fleet:	119
Total CO ₂ emissions, mt:	4 416 853
Total gross tonnage, GT:	7 535 981
Total distance travelled, nm:	11 971 458
Key Performance Indicator:	5.78

Oslo, 30 June 2022



Anette Rønnov
Chief Sustainability Officer
Wallenius Wilhelmsen

Appendix I : Financial instruments and loans under the Framework

Instrument: Sustainability-linked bond (ISIN NO N00012495912)

Volume: NOK 1,250 million

Issued: April 2022

Maturing: April 2027

Target Observation Date: 31.12.2025

Applicable Interim SPT: -10.1% vs 2019 / KPI level 5.20

Appendix II: Controlled Fleet

Vessel Name	Type	Build year	GT
Aniara	LCTC	2008	71 673
ARC Commitment	LCTC	2011	74 255
ARC Independence	LCTC	2007	72 118
ARC Integrity	LCTC	2008	72 118
ARC Resolve	PCTC	2006	60 942
Asian Captain	PCTC	1998	71 383
Asian Dynasty	PCTC	1999	55 719
Asian Emperor	PCTC	1999	55 729
Asian Empire	PCTC	1998	71 383
Asian Majesty	PCTC	1999	71 383
Asian Trust	PCTC	2000	55 719
Asian Vision	PCTC	1997	55 680
Bess	PCTC	2010	58 750
Boheme	PCTC	1999	67 264
Carmen	LCTC	2011	74 258
Don Carlos	PCTC	1997	67 141
Don Juan	PCTC	1995	55 598
Don Pasquale	PCTC	1998	67 141
Don Quijote	PCTC	1997	67 141
Elektra	PCTC	1999	67 264
Endurance	RORO	1996	72 708
Fidelio	LCTC	2007	71 583
Figaro	LCTC	2011	74 258
Freedom	PCTC	1997	49 821
Grand Dahlia	PCTC	2009	59 217
Grand Pavo	PCTC	2005	59 217
Grand Quest	PCTC	1999	50 309
Grand Sapphire	PCTC	2007	59 217
Grand Uranus	LCTC	2012	72 408
Honor	PCTC	1997	49 821
Liberty	PCTC	2006	61 321
Manon	PCTC	1999	67 264
Mignon	PCTC	1999	67 264
Morning Calm	PCTC	2004	57 692
Morning Calypso	PCTC	2013	59 580
Morning Camilla	PCTC	2009	60 876
Morning Capo	PCTC	2013	59 615
Morning Cara	PCTC	2011	59 454
Morning Carina	PCTC	2007	60 876
Morning Carol	PCTC	2008	57 542
Morning Caroline	PCTC	2008	60 876
Morning Catherine	PCTC	2008	61 002
Morning Cecilie	PCTC	2008	60 876
Morning Celesta	PCTC	2008	57 542

Morning Celine	PCTC	2009	60 931
Morning Cello	PCTC	2007	57 542
Morning Champion	PCTC	2005	57 692
Morning Chant	PCTC	2014	59 615
Morning Charlotte	PCTC	2007	61 002
Morning Cherry	PCTC	2014	59 525
Morning Chorus	PCTC	2007	57 536
Morning Christina	PCTC	2010	59 601
Morning Cindy	PCTC	2012	59 580
Morning Claire	PCTC	2012	60 928
Morning Clara	PCTC	2009	60 213
Morning Composer	PCTC	2008	57 542
Morning Concert	PCTC	2006	57 415
Morning Conductor	PCTC	2008	57 542
Morning Cornelia	PCTC	2010	61 002
Morning Cornet	PCTC	2007	57 542
Morning Courier	PCTC	2005	57 692
Morning Crown	PCTC	2005	57 692
Morning Crystal	PCTC	2011	59 524
Morning Lady	LCTC	2010	70 853
Morning Laura	LCTC	2010	70 853
Morning Lena	LCTC	2010	70 853
Morning Lily	LCTC	2011	70 687
Morning Linda	LCTC	2008	68 701
Morning Lisa	LCTC	2008	68 701
Morning Lucy	LCTC	2009	68 701
Morning Lynn	LCTC	2009	68 701
Morning Margareta	PCTC	2008	51 917
Morning Menad	PCTC	2007	41 192
Morning Midas	PCTC	2006	46800
Morning Ninni	PCTC	2008	51 917
Morning Peace	PCTC	2017	66 802
Morning Pilot	PCTC	2014	65 276
Morning Post	PCTC	2014	65 276
Morning Pride	PCTC	2014	65 424
Morning Prosperity	PCTC	2017	66 802
Nabucco	PCTC	2021	73358
NOCC Atlantic	PCTC	2009	60868
Oberon	LCTC	2008	71 673
Parsifal	RORO	2011	75 251
Patriot	PCTC	2006	60 979
Porgy	PCTC	2009	58 752
Resolve	PCTC	1994	49 443
Salome	RORO	2012	75 251
Taipan	PCTC	2006	57 692
Talia	PCTC	2006	57 692
Talisman	RORO	2000	67 140

Tamerlane	RORO	2001	67 140
Tamesis	RORO	2000	67 140
Tannhauser	PCTC	2020	73 358
Tarago	RORO	2000	67 140
Tarifa	PCTC	2007	57 692
Thalatta	PCTC	2015	75 283
Theben	HERO	2016	75 283
Themis	HERO	2016	75 283
Thermopylae	PCTC	2015	75 283
Thruyton	PCTC	2018	72684
Tijuca	LCTC	2009	71 673
Tirranna	LCTC	2008	71 673
Titania	LCTC	2011	74 255
Titus	PCTC	2018	73 358
Toledo	PCTC	2005	61 482
Tomar	PCTC	2008	61 328
Tombarra	PCTC	2006	61 321
Tongala	PCTC	2012	61 106
Toreador	PCTC	2008	61 328
Torino	PCTC	2009	61 328
Toronto	PCTC	2004	61 482
Torrens	PCTC	2004	61 482
Tortugas	PCTC	2006	61 321
Tosca	PCTC	2013	61 106
Toscana	PCTC	2009	61 328
Traviata	PCTC	2019	73 358
Treasure	PCTC	1999	58684
Tugela	LCTC	2011	72 295
Tulane	LCTC	2012	72 295
Turandot	PCTC	1995	55 598
Tysla	RORO	2011	75 251
Tønsberg	RORO	2011	75 251
Undine	PCTC	2002	67 378
Viking Princess	PCTC	1996	9 827