

Environmental Sustainability Policy & Procedures



Koala Corporation



Purpose

The objective of this Policy is to provide the framework for expressing Koala Corporations commitment to the incorporation of sustainability principles and practices in all of its operations.

Policy

We are dedicated to preserving the marine environment in which we operate, and believe it is our duty to follow environmental practices which set a high standard of excellence and responsibility.

Environmental Sustainability Goals

Exhaust Gas Cleaning Systems

We aim to continue to improve the quality of our emissions into the air by developing, deploying and operating Exhaust Gas Cleaning systems across the fleet capable of reducing sulphur compounds and particulate matter from our ship's engine exhaust.

Wastewater Management

We are committed to continuous reduction utilising technologies and efficient control, disposal, elimination and minimisation of the waste we generate, including water to meet or exceed industry standards and regulations on board and in port. We aim to implement Advanced Wastewater Purification Systems (AWWPS) fleet wide commencing in 2020.

Ship Shore Power

Koala Cruiselines is working to secure increased availability of Ship shore power at ports that we visit. We aim to increase shore power coverage of Koala Cruiselines fleet-wide capacity in relation to future port capabilities.

Water Efficiency

Through investment in technologies such as reverse osmosis our ships are capable of producing more of the potable water required onboard without significant increases in energy usage. The use of efficient water production systems coupled with investment in water saving devices and raising awareness with our guests has enabled us to reduce our reliance on bunkering water in port. We aim to continue to improve water use efficiency of our shipboard operations, as measured by litres per person per day.

Waste Reduction

Our recycling initiatives and partnerships have put us securely on track to reduce on board operational waste. Where facilities exist, we aim to recycle as much of our waste as we can or donate items for reuse if suitable. All of our ships have on-board waste processing equipment to facilitate the segregation and correct packaging of waste for offload. Our supply chain works with suppliers to minimise packaging sent to the ships and our food and



beverage teams work hard to ensure minimal waste is produced whilst delivering our guests expectations. We want to continue to reduce waste generated by our shipboard operations, as measured by kilograms of non-recycled waste per person per day.

Carbon Footprint

Committed to sustainability and environmental protection in the communities we visit, we've effectively reduced our carbon footprint by reducing our equivalent CO₂ emissions. By continuing to invest in engine efficiency improvement initiatives we'll continue improving the quality of our air emissions.

Safeguarding the environment

Recycling

Through our commitment to reduce our environmental impact, we aim to minimise our on-board operational waste. Together with our waste vendors and ports, we aim to minimise waste being sent for un-necessary disposal, examples include turning waste fuel sludge into a useable fuel supporting local businesses or providing items for charitable re-use.

We evaluate shoreside waste facilities in advance and aim to manage any lack of recycling infrastructure by retaining waste materials on board until we reach a port offering the services we require. We seek new opportunities to reuse materials and equipment on board or find others who can use items that are in a good condition. If this is not possible, we ensure conscientious disposal including the use of certified recovery units for items such as refrigerators to reduce any Ozone Depleting Substance (ODS) releases.

We provide opportunities for our guests to assist our recycling efforts with segregated waste disposal. Our crew - in particular those directly involved in waste management operations – are rigorously trained as part of their environmental awareness and we aim to roll out standardised reporting across our fleet and ports of call to increase transparency, aid trend analysis and to continue to meet or exceed all industry regulations.

Conservation

The oceans and communities we visit boast spectacular biodiversity for guests to explore. We're committed to protecting the marine environment, minimising our impact and ensuring we use resources efficiently and sustainably.

We continue to invest in Reverse Osmosis plants onboard our fleet allowing potable water to be created from desalinated sea water. The use of RO plants significantly increases the ships abilities to create their own water, reducing the need to load water from shore supplies – especially in areas where fresh water may be scarce.

Emissions continue to decrease thanks to strategies driving fuel efficiency. We provide donations, volunteer initiatives and philanthropic programmes.

Responsible sourcing



The source of our supplies directly affects our communities and the environment, it is vital that we understand their providence and invest in sustainable development.

We work closely with Business Partners and Suppliers to implement eco-friendly initiatives such as the use of recycled materials and the minimisation of packaging, as well as the provision of responsible guest activities such as excursions.

With comprehensive training, our staff understand our expected standard of behaviour as well as our dedication to transparency and disclosure. Our risk assessments and audits also help us focus our resources on any identified compliance risks.

To protect the ecosystems and economies of the communities we visit, we've successfully reduced our carbon footprint. A part of our water is now created from desalinated sea water. We utilise our ships' fresh water holding capabilities so we can adapt our water sourcing patterns for the remainder and only bunker water from where it is abundant.

Furthermore, all of our crew and shoreside staff receive environmental awareness, ethics and diversity training. Suppliers are also required to sign up to our Business Partner Code of Business Conduct and Ethics.

Energy efficiency

Fuel provides the energy – crucial to our guests' enjoyment of on-board amenities – for our fleet's propulsion and on-board hotel power requirements. Responsible for over 97% of our emissions, fuel usage is the main contributor to our carbon footprint. As a result, we've implemented multiple energy-saving and conservation initiatives, successfully reducing emissions.

Our framework for energy management has effectively reduced overall consumption and identified fuel saving opportunities. Exhaust Gas Cleaning Systems (EGCS) use technology to remove up to 99% of sulphur oxides and well over 50% of particulate matter from engine exhaust

We've implemented a unique engine maintenance and monitoring framework to drive further gains in engine efficiency, safety and reliability. Our Fleet Operation Centres' advanced data capture systems also inform us of the optimisation and efficiency of engine conditions, emissions, fuel consumption and energy use. Ship shore power capacity is available on over 40% of our fleet. Koala Cruiselines is also working to secure increased availability on our fleet and within the ports we visit.



Clean water

Koala Cruiselines' fleet exceed international requirements for the discharge of sewerage as all waste is treated prior to discharge either via Marine Sanitary Devices or our Advanced Waste Water Treatment Systems. Our discharge policies reflect those of the Cruise Lines International Association (CLIA), these policies are significantly more stringent than those required by international law. With careful planning and strict adherence to the discharge requirements, we aim to minimise our impact on the ports we visit and within the areas we sail.

Koala Cruiselines has invested in Ballast water treatments systems. The technology uses filtration and UV treatment in a specially designed reactor to carry out biological disinfection. Our ballast systems are tested on an annual basis by an independent company ensuring that the systems are truly doing what they are designed to do.

Single use plastics

Single use plastics pose significant environmental concerns. They are not biodegradable. Instead, they break down into tiny particles and release toxic chemicals. These end up in our rivers and our oceans, where they have a serious impact. This is why Koala Cruiselines has stated an intention to remove single use plastics from hotel operations on our ships by the end of 2022. This is an important part of our overall environmental compliance plan. To achieve this, we are working with our suppliers to address items containing single use plastics, such as straws, water bottles and food packaging.

Procedures

General guidelines for sustainable environmental work practices

All employees can help protect the environment by following the guidelines below:

Reduce

- Use goods which stop waste being generated.
- Reduce waste by choosing products that have minimal packaging and can be used productively and then recycled.

Re-use

- Re-use containers, packaging or waste products, wherever possible.

Recycle

- Recycle waste material into useable products, wherever possible.

For waste that can't be avoided, reused or recycled

- Treat the waste to make it less harmful or reduce the volume of the harmful component.
- Dispose of the waste safely.



Strategies to be implemented by the Manager and Supervisors

- Consider sustainability issues when making planning and managing decisions.
- Promote and encourage environmental awareness to ensure employees are aware of their environmental responsibilities.
- Aim to continually improve environmental performance by identifying and addressing environmental risk.
- Make resources available to implement environmental risk management procedures.

Employees' responsibilities

- Comply with all policies, procedures and directives related to sustainable work practices.
- Not to carry out an activity that may cause harm without taking measures to prevent or minimise the harm.
- To inform the relevant authority and landowners when environmental harm has occurred or might occur.
- Identify and manage environmental risks associated with work activities to minimise their impact on the environment.
- Use the Employee Feedback Form to put forward suggestions.

Managing safety risks

Employees

- Be aware of workplace health and safety policies and ensure procedures are followed.
- Notify the Workplace Health and Safety Officer of specific risks or hazards by completing an Employee Feedback Form.

A safety risk assessment must be undertaken by the Workplace Health and Safety Officer at least once a year using the Workplace Safety Checklist.

Environmental purchasing guidelines

- Become informed about the environmental impacts of products purchased. Search for environmentally friendly products.
- Choose products with less packaging.
- Choose products with recyclable or reusable packaging.
- Re-use plastic bags and all types of containers if possible.
- Buy quality goods that will last.
- Buy recycled goods which have already saved resources and raw materials and help reduce the overall quantity of waste.

Paper wastage

- Buy and use recycled paper where possible.
- Make double-sided copies when printing and photocopying, wherever possible.
- Use the blank side of used paper for notepaper before recycling.



- Re-use envelopes for internal mail.

Disposal of waste

Place the following in recycle bins,

- paper
- aluminium
- glass
- steel

Follow the guidelines for the disposal of these materials to minimise the impact on the environment.

Energy

- Use these strategies to minimise energy wastage:
 - Maintain air-conditioning at a constant temperature of 23-24°C.
 - Close blinds or curtains to minimise heat build-up.
 - Maintain only security lighting after business hours.
 - Switch off equipment overnight wherever possible.
 - Repair malfunctioning utilities as soon as possible.

Related policies, procedures, forms, and documents

The following are related to this policy and procedure:

- Koala Corporation Sustainability Audit Report
- Koala Corporation Sustainability Plan Template