



Prime Minister of Norway Erna Solberg was present for the signing at the ship yard in Brevik, Norway today

Aug 15, 2018 17:01 BST

Kongsberg Maritime: YARA selects Norwegian shipbuilder VARD for zeroemission vessel Yara Birkeland

Brevik, August 15. 2018: The world's first autonomous and electric container vessel is one step closer to launch, as YARA signs a deal with VARD worth appr NOK 250 million to build the vessel. VARD will deliver Yara Birkeland for launch in early 2020, and the vessel will gradually move from manned operation to fully autonomous operation by 2022.

partnership to build the world's first autonomous, electric container vessel. Replacing 40,000 truck journeys a year, Yara Birkeland will reduce NOx and CO2 emissions and improve road safety in a densely populated urban area. Now the shipyard has been selected and construction will begin.

"A vessel like Yara Birkeland has never been built before, and we rely on teaming up with partners with an entrepreneurial mindset and cutting edge expertise. VARD combines experience in customized ship building with leading innovation, and will deliver a game-changing vessel which will help us lower our emissions, and contribute to feeding the world while protecting the planet," says Svein Tore Holsether, President and CEO of YARA.

VARD is a leading global shipbuilder of specialized vessels. Yara Birkeland is scheduled to be delivered from Vard Brevik in Norway in Q1 2020. The hull will be delivered from Vard Braila in Romania.

Mr. Roy Reite, CEO and Executive Director of VARD, commented: "We are honored to be chosen as Yara's partner in this innovative and exciting project. With a longstanding experience in building state-of-the-art and tailor-made specialized vessels, we are excited to be given the opportunity to build the world's first autonomous and electric-driven container vessel. It is a pleasure to welcome Yara and Kongsberg to VARD, and we look forward to working closely with all parties involved."

The project has received NOK 133.6 million in support from the Norwegian government enterprise ENOVA. Prime Minister Erna Solberg was present for the signing at the ship yard in Brevik, Norway.

"This is a good example of how Norwegian industry can collaborate to create new solutions and green jobs. YARA, KONGSBERG and VARD have built on their knowledge about technology, logistics and ship building with an ambition to create sustainable innovation together. The result is exciting pioneer projects like this one. I am proud that the Government has supported the development of Yara Birkeland through ENOVA and send my best wishes for the construction," says Prime Minister Solberg.

Technology company KONGSBERG is a key partner in the project, responsible for the enabling technologies including the sensors and integration required for remote and autonomous operations. The company is leading the way in an industry transformation which at first will impact short sea and inland waterway operations, and holds potential for further segments.

"Yara Birkeland represents an important next step for the entire maritime industry, representing a major technological and sustainable advancement. The Norwegian maritime cluster has taken a leading position within technology, design, legislation, testing and all other aspects of the development," says Geir Håøy, CEO of KONGSBERG.

The project was initiated in an effort to improve the logistics at Yara's Porsgrunn fertilizer plant. Every day, more than 100 diesel truck journeys are needed to transport products from Yara's Porsgrunn plant to ports in Brevik and Larvik where the company ships products to customers around the world. With this new autonomous battery-driven container vessel YARA moves transport from road to sea and thereby reduces noise and dust emissions, improves the safety of local roads, and reduces NOx and CO₂ emissions.

YARA Birkeland animation:<u>https://www.youtube.com/watch?v=Y4RTJpxz9hM&t=1s</u>

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About YARA

In collaboration with customers and partners, YARA grows knowledge to responsibly feed the world and protect the planet, to fulfill its vision of a collaborative society, a world without hunger and a planet respected.

Our crop nutrition solutions and precision farming offerings allow farmers to increase yields and improve product quality while reducing environmental impact. Our environmental and industrial solutions improve air quality and reduce emissions, and are key ingredients in the production of a wide range of products. We foster an open culture of diversity and inclusion that promotes the safety and integrity of our employees, contractors, business partners, and society at large.

Founded in 1905 to solve emerging famine in Europe, YARA has a worldwide presence with more than 17,000 employees and operations in over 60 countries. In 2017, YARA reported revenues of USD 11.4 billion. www.yara.com

About VARD

Vard Holdings Limited ("VARD"), together with its subsidiaries (the "Group"), is one of the major global designers and shipbuilders of specialized vessels. Headquartered in Norway and with 9,000 employees, VARD operates nine strategically located shipbuilding facilities, including five in Norway, two in Romania, one in Brazil and one in Vietnam. Through its specialized subsidiaries, VARD develops power and automation systems, deck handling equipment, and vessel accommodation solutions, and provides design and engineering services to the global maritime industry.

VARD's long shipbuilding traditions, cutting-edge innovation and technology coupled with its global operations and track record in constructing complex and highly customized vessels have earned it recognition from industry players and enabled it to build strong relationships with its customers.

VARD was listed on the Main Board of the Singapore Exchange on 12 November 2010. The majority shareholder of VARD is Fincantieri Oil & Gas S.p.A., a wholly owned subsidiary of FINCANTIERI S.p.A. Headquartered in Trieste, Italy, FINCANTIERI is one of the world's largest shipbuilding groups and has, over its 200 years of maritime history, built more than 7,000 vessels. www.vard.com

About KONGSBERG

KONGSBERG (OSE-ticker: KOG) is an international, knowledge-based group delivering high-technology systems and solutions to clients within the oil and gas industry, merchant marine, defence and aerospace. KONGSBERG has 7,000 employees located in more than 25 countries and total revenues of NOK 14.5 billion in 2017. Follow us on Twitter: @kongsbergasa. www.kongsberg.com