



# Kings Bay AS Strategy 2022 – 2025



Adopted by the Board of Directors of Kings Bay AS 6 January 2023.



## Facilitating world-leading scientific research and research-based cultural heritage management in the Arctic

Global warming is one of the greatest threats in our time. The United Nations climate report concludes that humans' effect on the climate has led to global warming taking place faster than ever before. The global mean temperature has already increased by 1.1 degree Celsius since the pre-industrial era. Climate changes are happening more quickly and becoming more intense, and some of the trends are considered irreversible. The Arctic is regarded as the part of the planet where consequences of the warming are being seen first. Studies of the trend in the Arctic are therefore important for understanding what will happen in the rest of the world.

Ny-Ålesund is particularly suited for climate and environmental research, with easy accessibility combined with a rich and diverse natural environment that has been affected little by local disturbances. This gives the location important advantages as an arena for research on fjords, glaciers, the land, the atmosphere and cultural heritage. Sustainable, responsible, safe and predictable operation and development will characterise Ny-Ålesund. The framework we offer our customers is shared infrastructure in an inspiring Arctic research destination, located amongst unique archaeological/historical monuments and sites in the world's northernmost civilian settlement.

Kings Bay AS owns, develops, operates, maintains and manages Ny-Ålesund as a modern Norwegian research platform in close cooperation with the Norwegian Polar Institute, which serves as the host in Ny-Ålesund under the research strategy. Ny-Ålesund Research Station makes it possible for Norwegian and international researchers to share knowledge and conduct outstanding scientific research in the Arctic.

The goal is for Kings Bay AS to operate the Ny-Ålesund research institution in a more efficient, climate-friendly and reliable manner. The company's sustainable operation depends on enough Norwegian and international researchers choosing Ny-Ålesund. The Research Station will become better known, more accessible and cited more often in the research communities. Kings Bay AS will encourage and arrange for shared infrastructure and thematic centres in keeping with goals adopted in the research strategy. We believe an increased presence of Norwegian researchers can positively affect the general interest in Ny-Ålesund, and it is important for Ny-Ålesund to be attractive to the next generation of researchers.

This strategy, with annual revisions, is the basis for the company's work and priorities during the period 2022–2025.



*From left: Alternate Board Member Bo Andersen, Board Member Elin Bang Tverfjeld, Deputy Chair Widar Salbuviik, Board Chair Tor Instanes, Board Member Harald Bentz Høgseth, Board Member Ellen Langeggen and Director Lars Ole Saugnes.*

### **Ny-Ålesund, 6 January 2023**

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Tor Instanes, Board Chair

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Widar Salbuviik, Deputy Chair

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Ellen Langeggen, Board Member

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Elin Bang Tverfjeld, Board Member  
Member

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Harald Bentz Høgseth, Board

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Bo Andersen, Alternate Board Member

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Lars Ole Saugnes, Director

# 1 Purpose and guidelines

## 1.1 Kings Bay AS

### Purpose

Kings Bay AS is owned by the Norwegian Ministry of Climate and Environment and is a company through which the government of Norway seeks to achieve industrial policy goals. The company's main task is to operate, protect and develop the community in Ny-Ålesund in a sustainable manner and through that provide services to research and environmental monitoring. Maintaining Norwegian communities in the archipelago in accordance with overarching Svalbard policy is also an industrial policy goal for the company.

Kings Bay AS owns and has a special responsibility for managing archaeological/historical monuments and sites within the Ny-Ålesund planning area.

### Articles of association

Kings Bay AS has the following purpose, according to the current articles of association of 14 June 2022:

*The purpose of Kings Bay AS is to operate, maintain and develop the company's properties in Svalbard and buildings and other infrastructure in Ny-Ålesund, including a special responsibility to take care of the archaeological/historical monuments and sites at the location.*

*The company will provide services and arrange for the use of the infrastructure at the location for research and scientific activity in Ny-Ålesund, as a Norwegian research station for world-class international collaboration on research.*

*Planned development and management of buildings and infrastructure will support the research strategy for Ny-Ålesund and arrange for thematic centres related to prioritised areas with equipment for shared use. Kings Bay AS also provides administrative services to Bjørnøen AS.*

### Ownership goals

The owner's formulation of goals emphasises following up the report issued by the Office of the Auditor General of Norway in December 2021 concerning the survey on how Svalbard companies handle climate change, as well as the government's Ownership White Paper's requirements for follow-up of industrial policy goals and greenhouse gas emissions, climate risk, impacts on biodiversity and ecosystems.

The government has set the following ownership goals for the company in 2023 and in the government's Ownership White Paper, Report to the Storting Meld. St. 6 (2022–2023):

- The government owns Kings Bay in order to have a Norwegian research station in Ny-Ålesund as a venue for world-class international collaboration on scientific research, which helps to support the overall objectives of Norway's Svalbard policy.
- The government's goal as owner is the most efficient possible operation, maintenance and development of the company's property, buildings and infrastructure, in order to ensure that Ny-Ålesund Research Station is a Norwegian platform for world-class international scientific research collaboration.
- The company's activities are affected by the Svalbard policy and the framework established for the development of operations in Ny-Ålesund.
- Furthermore, the government's policy for research and higher education on Svalbard, as well as the research strategy for Ny-Ålesund, set the framework for research on site, and thus also for the company's activities.
- The company receives an annual grant from the Norwegian Ministry of Climate and Environment with an accompanying grant letter related to major investments and possibly to operations.

Overarching goals for 2023:

- Goal 1: Efficient operation, planned maintenance and development of Kings Bay AS's properties and buildings
- Goal 2: Safeguard the pristine natural environment in Ny-Ålesund and reduce greenhouse gas emissions
- Goal 3: Good safeguarding of protected archaeological/historical monuments and sites
- Goal 4: Arrange for thematic centres related to prioritised areas, with equipment for shared use
- Goal 5: Be the preferred Arctic research station, with satisfied customers
- Goal 6: Be a supplier of good logistics services

The company must comply with government guidelines on executive pay in companies with a direct government ownership interest.

The government's goal for ownership of Bjørnøen

The government owns Bjørnøen in order to safeguard its ownership interests in the land on Bjørnøya (Bear Island). The government owns 100 per cent of the shares in Bjørnøen. The government's goal as owner is to safeguard its ownership interests in the land on Bjørnøya.

## 1.2 Ny-Ålesund Research Station

The research strategy for Ny-Ålesund is controlled by the Research Council of Norway. Development and management of property, buildings and infrastructure will contribute to supporting the research strategy for Ny-Ålesund.

The Norwegian Polar Institute is the host in Ny-Ålesund and is responsible for coordinating the research activity in cooperation with the Ny-Ålesund Science Manager Committee, which consists of all the research participants in Ny-Ålesund. Kings Bay AS will maintain and develop technical infrastructure and community functions, as well as provide logistics and services, so that Ny-Ålesund is utilised in the best possible way as a Norwegian platform for international collaboration on research.

A land use plan with development goals for the period 2023–2033 is being prepared. This is a key management document which will be taken into account in the strategy and will form a basis for development and land use, for example the research station's plans for alternative uses of existing and protected buildings, modified and/or new research areas and expanded need for technical infrastructure.

The Norwegian Polar Institute and Kings Bay AS have collaborated to establish a joint communications strategy, design platform and website [www.nyalesundresearch.no](http://www.nyalesundresearch.no). The Ny-Ålesund Research Station trademark is managed in accordance with the adopted communications strategy.

#### **Infrastructure in Ny-Ålesund:**

- Kings Bay AS provides electrical power, district heating, water, sewer, fire protection, port, airport, air transport, accommodation, food and beverage service, rental of research infrastructure, offices and laboratories, as well as service and assistance with sampling and field work
- Accommodation capacity for 200 guests per night including the town's 40–45 year-round residents
- The service building includes administration, reception area, mess/dining hall and other service functions in Ny-Ålesund
- Kings Bay AS provides thematic shared research infrastructure in the Marine Laboratory, the Veksthuset Terrestrial Laboratory, the Light Sensitive Cabin, the Gruvebadet Atmosphere Laboratory and the work boat MS Teisten
- Kings Bay AS manages 14 research buildings which are rented out for research activities to various institutions from 10 nations
- Buildings and installations worthy of conservation: Twenty-nine protected buildings, with 23 in active use and 6 museum buildings for communicating the cultural history. The Amundsen airship mast and a large number of technical cultural heritage monuments and cultural heritage sites from the hunting, mining and polar history in Ny-Ålesund
- In a normal year, there will be approximately 13,500 research days, with the Norwegian share of this between 3,500 and 6,500 depending on rocket launches and activity by the University Centre in Svalbard (UNIS). At any given time, there are about 150 research projects in progress

## 2 Vision and values

Our vision is for Kings Bay AS to be:

### **Facilitating world-leading scientific research and research-based cultural heritage management in the Arctic**

The following values and attitudes will be the basis for fulfilling the company's vision:

#### **What we do will be *Sustainable***

- We develop and manage Ny-Ålesund as a green research station with a superior climate profile and sustainable use of resources and ecosystem services
- We accumulate research-based expertise in the field of cultural heritage in order to ensure sustainable use and protection of the cultural heritage in Ny-Ålesund
- We protect a vulnerable natural and cultural environment in a climate undergoing rapid change

#### **We will be *Responsible***

- We are a responsible and competent community partner and landowner with a focus on developing and facilitating scientific research and research-driven cultural heritage management
- We develop and maintain robust, environmentally friendly and climatically adapted technical infrastructure and public services for the benefit of researchers, the research and the environment
- We safeguard public safety and security in Ny-Ålesund

#### **We will be *Attractive***

- We continue to develop Ny-Ålesund as a first-class research destination with high levels of service and professional quality
- We offer an attractive Norwegian research platform with Norwegian and international participation
- We are the preferred full-range provider of certified, efficient and predictable transport, logistics, operation and maintenance services

#### **We will be *Enthusiastic***

- We have a good corporate culture, development opportunities, established HSE procedures, a high level of job satisfaction and enthusiasm both internally among the company's employees and externally towards our customers

#### **We will be *Predictable***

- We have a predictable financial foundation that allows the company to perform its tasks and ensure long-term, predictable operation of Ny-Ålesund Research Station as a venue for world-class research

## 3 Company status 2022

### 3.2 Status 2022

#### Capital

- The owner has provided the company with operating and investment funding. The owner has followed up the company closely and provided constructive assistance. This has provided the basis for satisfying the going concern assumption and for strictly necessary investments in buildings and infrastructure.

#### Covid-19

- The company is back to normal operations after the pandemic.
- Customers have returned. The number of research days is on a par with 2019, which was the last normal year before the pandemic.
- There are still individual cases of infection, but these have become rarer.

#### Human resources

- Staff turnover, with concomitant loss of expertise, requisite knowledge transfer and frequent recruitment processes, is resource-intensive and underlines the need to enhance the company's HR resources.
- Planning expertise and the roll-out of the land-use plan are prioritised.
- It is more demanding to hire key skills at current salary levels.

#### Airport

- The company is working to find a new supplier for air transport. Six aviation service providers have been invited to submit quotations for the route between Longyearbyen and Ny-Ålesund.

#### Energy

- Studies are underway to find new energy solutions for Ny-Ålesund. New energy solutions must be both sustainable and have backup solutions that ensure energy continuity.

#### Land-use planning work:

- Kings Bay AS is responsible for planning, pursuant to the Svalbard Environmental Protection Act. The land-use plan will be rolled out in 2021–2023 and will be based on updated and long-term legal frameworks for implementing measures, as well as the use and protection of open spaces and buildings in Ny-Ålesund. Work on the plan has been delayed. It is now expected that the plan will be adopted in mid-2023.

#### Climate challenges

- The Office of the Auditor General of Norway has compiled a report on Svalbard companies' handling of climate challenges. Melting permafrost could damage buildings, infrastructure and cultural heritage. The company is performing structural condition

surveys to obtain a factual basis for risk assessments and proper prioritisation of measures to adapt and protect the properties. This work will be very resource-intensive.

## **4 SUSTAINABILITY**

As a publicly owned limited company, Kings Bay AS's role is to meet our industrial policy goals as efficiently as possible over time. This requires that what we do is sustainable. Kings Bay AS will balance financial, social and environmental factors in a way that contributes to long-term, sustainable value creation and legitimacy for Ny-Ålesund as a world-class research station.

Our geographical location means that the transport of people and goods to and from Ny-Ålesund cannot currently be undertaken in a fully sustainable manner. This also applies to the bulk of all human activity on Svalbard.

Within the operating frameworks that Kings Bay AS can influence, the company will ensure that sustainability permeates all aspects of the operation and development of Ny-Ålesund, to create an ever greener research station. Important factors in this context are the development of an energy supply and local transport services that generate fewer emissions.

Sustainable development involves meeting today's environmental and human needs, without spoiling things for future generations. Ny-Ålesund is easily accessible, with relatively untouched surroundings as a reference point, and is thus very attractive for Arctic scientific research and research-based cultural heritage management. But the great interest in the Kongsfjord area and Ny-Ålesund results in strong pressure on a vulnerable natural and cultural environment which, under overarching policies and laws, must be preserved as a nearly untouched environment. Measurements are made over time as a basis for assessing the environmental burden from the activities in Ny-Ålesund.

### **4.1 Sustainable development goals for the period 2022–2025**

- Environmentally certify the core of the operation by 30 June 2025
- Draw up a plan, by 31 December 2025, describing how operations in Ny-Ålesund will be climate neutral
- Prepare appropriate climate-related accounting disclosures for Ny-Ålesund by 31 December 2025

## 5 Goals for the period 2022–2025

### 5.1 Business area goals

The operation of Kings Bay AS is divided into six business areas. In addition to the company's overarching vision and objectives, goals and visions have been created through internal processes for each of these business areas.

Business area	Goal
<b>1. Leasing out of research premises and research equipment</b>	<p>Provider of competitive premises and research facilities in the Arctic</p> <ul style="list-style-type: none"> <li>• The company aims for the highest possible utilisation of leasable buildings, shared laboratories and other infrastructure</li> <li>• The company will establish a basis for more Norwegian researchers and research and educational institutions to choose Ny-Ålesund</li> <li>• The company will facilitate thematic centres; leases, buildings, infrastructure and laboratories must be designed and operated in such a way that they contribute to increased collaboration and shared use</li> </ul>
<b>2. Hotel/accommodation, provisioning and retail operation</b>	<p><i>A first-class research destination and meeting place in the Arctic</i></p> <ul style="list-style-type: none"> <li>• Guests will experience high levels of service and quality before, during and after their stays</li> <li>• Good meeting places will be arranged so that guests can meet and exchange knowledge and ideas</li> <li>• Existing buildings will be maintained and developed to meet contemporary standards and functions and to minimise the effect they have on local research</li> </ul>
<b>3. Operation and maintenance of equipment and buildings</b>	<p><i>Full-range supplier of certified operation and maintenance services</i></p> <ul style="list-style-type: none"> <li>• Kings Bay AS will be the preferred supplier of certified operation and maintenance services in Ny-Ålesund</li> <li>• Kings Bay AS will work systematically, professionally and according to plan for active use, preventive maintenance and safe operation of buildings and infrastructure in a demanding and changing climate with challenging logistics</li> <li>• Systems, methods and procedures will be developed for planning, operation, management and maintenance</li> <li>• Redundant solutions for critical infrastructure will be prioritised</li> </ul>

	<ul style="list-style-type: none"> <li>The company will work systematically to reduce emissions of greenhouse gases and other pollution from the operation of Ny-Ålesund</li> </ul>
<p><b>4. Land use and cultural heritage management</b></p>	<p><i>Responsible for land-use management and research-driven cultural heritage management. Facilitate appropriate and active use of protected buildings and cultural environment.</i></p> <ul style="list-style-type: none"> <li>Kings Bay AS will be a responsible and competent community partner, building owner and land owner in Ny-Ålesund</li> <li>The company will organise its operation according to applicable environmental goals and with an objective of avoiding negative effects on a vulnerable natural and cultural environment. The cultural heritage, history and distinctive character of Ny-Ålesund will be protected through good planning, expertise and responsible management.</li> <li>Kings Bay AS will have an updated, flexible and appropriate land-use plan and management plan that support and safeguard the planning area's protected buildings, valuable natural and cultural environment and research activity</li> <li>Through an updated preservation management plan, protected buildings will be maintained, restored and adapted for appropriate use with contemporary standards</li> <li>Active and adapted use of existing buildings will be prioritised over constructing new buildings. If new construction is appropriate, it will be adapted to the existing environment.</li> <li>Kings Bay AS will stimulate and facilitate basic research and applied research in the field of cultural heritage and sustainable use of resources in Ny-Ålesund</li> </ul>
<p><b>5. Community and settlement – infrastructure, energy and environmental management</b></p>	<p><i>Responsible and competent community partner and landowner. Protect public safety and security</i></p> <ul style="list-style-type: none"> <li>Public utility services such as water, sewer, waste removal, energy supply and communications will be operated in a cost-efficient manner and with a high degree of reliability, redundancy and quality</li> <li>Risk and vulnerability analyses together with records and good internal controls, emergency preparedness and security management systems will support daily operations and long-term planning</li> <li>The company has a goal of making energy production and other critical infrastructure and community functions in Ny-</li> </ul>

	<p>Ålesund more sustainable and more reliable, including backup solutions</p> <ul style="list-style-type: none"> <li>• The company will prioritise good framework conditions and modern standard of housing for permanent residents</li> </ul>
<p><b>6. Transport and logistics operations with aircraft, boats and fuel</b></p>	<p><i>Preferred supplier of logistics services in Ny-Ålesund</i></p> <ul style="list-style-type: none"> <li>• The transport solution for passenger traffic to the Ny-Ålesund research station will be sustainable, safe, predictable and timely, given the season and the logistics requirements of customers and employees</li> <li>• Kings Bay AS will be the preferred supplier of logistics services and fuel in Ny-Ålesund</li> </ul>