



ESG Report

2022



Key Performance Figures

EMISSIONS

CO₂

Metric tonnes CO2

351 417
Shipping

SICK LEAVE



% of available hours

2.0%
Group HQ^a

GENDER BALANCE



Female employees

52%
Group HQ^a



Contents

- CEO STATEMENT
- ABOUT THE BLYSTAD GROUP
- SHIPPING
- REAL ESTATE
- INVESTMENT

ABOUT THIS REPORT

This report presents the environmental, social and governance (ESG) performance of the Blystad Group for the period January 1 to December 31, 2022.

The report has been based on the SASB standard (2018) for marine transportation, and for the real estate area indicators are derived from Norsk Eiendom and Grønn Byggallianse.

The report includes the three business units of Blystad Group: Songa Ship Holding, Songa Eiendom and Songa Invest. As this is our first ESG report some disclosure metrics are not complete, please see the Disclaimer for details.

For further information please contact gn@blystad.no



CEO Statement

Ever since the Group was involved in the textile industry in the early 1900s, we have managed to adapt to the changing circumstances surrounding us. This include new technologies, regulations and expectations from stakeholders. We embrace these changing circumstances and have flourished as a result. This embrace of change is something we carry with us when adapting to the ever-changing ESG landscape and agenda.

The Blystad Group today is a testament of creating value through longevity by embracing ingenuity. Embracing ingenuity is about being willing to take the next step when others dare not. As a result, the Blystad Group is today a Nordic powerhouse with a global presence.

Longevity, on the other hand, is defined not by what happened in history, but by what happens next. Guided by our experience, we shape our future course together with our partners, colleagues and investment projects. All based on the same set of sound Norwegian family values with the local and global scene as our operating landscape. Going forward, we aim to include long-term sustainability considerations in our business decisions.

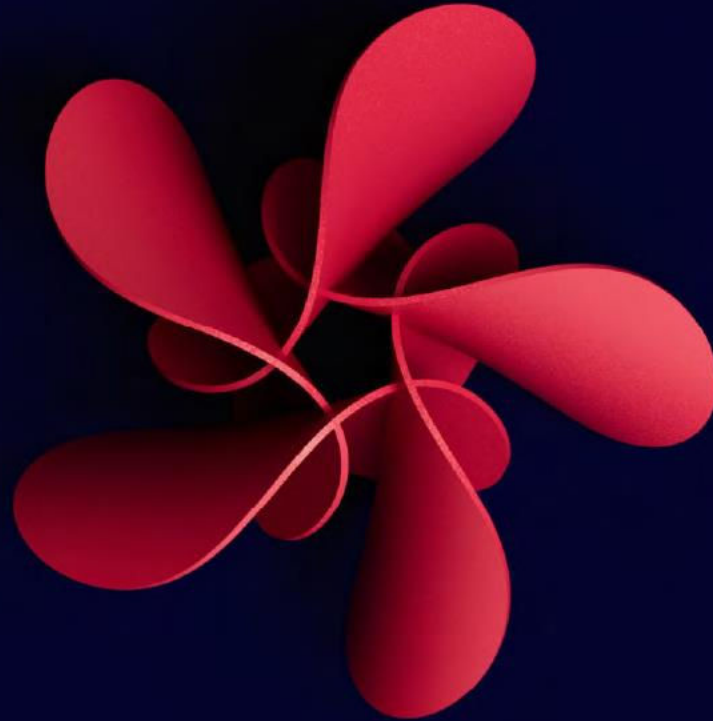
We create value off our core values, combining industrial expertise with capital markets. We make every effort to be dynamic by cultivating opportunities, and solid by obtaining your trust as a partner. Going into the next decade, we will continue our strive to be your trusted partner, colleague and teammate. Longevity will be created by our shared future.

Fredrik Platou – CEO





About the Blystad Group





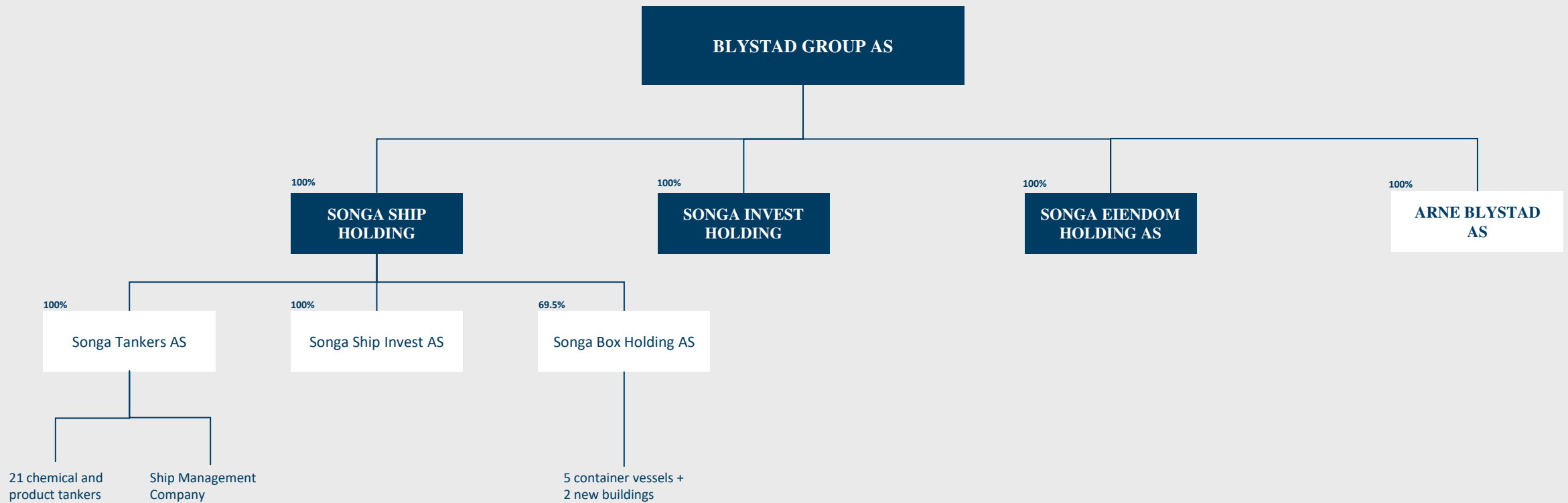
The Blystad Group

The Blystad Group has investments in various shipping segments such as container vessels, offshore supply vessels and various listed companies within the maritime and energy sector. The group is further invested in real estate in the Nordics and holds various other portfolios in stocks and equity investments.

The group is 100% owned and controlled by Mr. Arne Blystad and his immediate family. Mr. Blystad is a second-generation ship owner following in the footsteps of his father Mr. Arne Blystad Sr., who acquired his first vessel in the late 1940s.



Organisational Chart





Our People

EMPLOYEES:

Blystad Group	22 – Oslo office
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Shipping	3
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Real Estate	3
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Investment	3
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Shipping	50 – Glasgow office 1 100 – Seafarers
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Our People^a

HEALTH AND SAFETY

Sick Leave

2.0%

DIVERSITY

Gender Balance

52% women
48% men

Parental Leave

54 weeks

Part-time

2 employees



ESG Management

The Blystad Staff Handbook guides our approach to ESG issues. It includes the Company's ethical guidelines, environmental considerations and social issues.

In alignment with the Staff Handbook, all employees, including temporary and hired workforce, have the right and are encouraged to report poor working conditions and unethical behaviour. The routines for reporting are set forth in the Handbook, and allows for both open and anonymous reports.

The CEO and the Chairman of the Board are responsible for handling reports according to the set routines. Reports can also be made to official authorities.

GOVERNING DOCUMENTS

Group level

- Staff Handbook

Shipping

- Anti-bribery and Corruption Policy and Procedures
- Ethical Business Conduct
- Green Ship Recycling Policy
- Environmental Policy
- Health and Safety Policy
- Security Policy
- Quality Policy

For more information visit:
<https://www.songashipmanagement.com/>



Human Rights

We are committed to respecting human rights and conducting business with the highest ethical standards, and we require the same from our partners. We have completed a human rights risk assessment and identified that the Company's biggest risks are found in the shipping and real estate segments.

The key areas of focus within the shipping segment are employees (crewing), third-party suppliers and shipyards. We have established a framework of considerations and policies to ensure the protection of employees' rights, and processes for supplier approvals and procedures for cases of non-compliance. The same is true for our cooperation with shipyards.

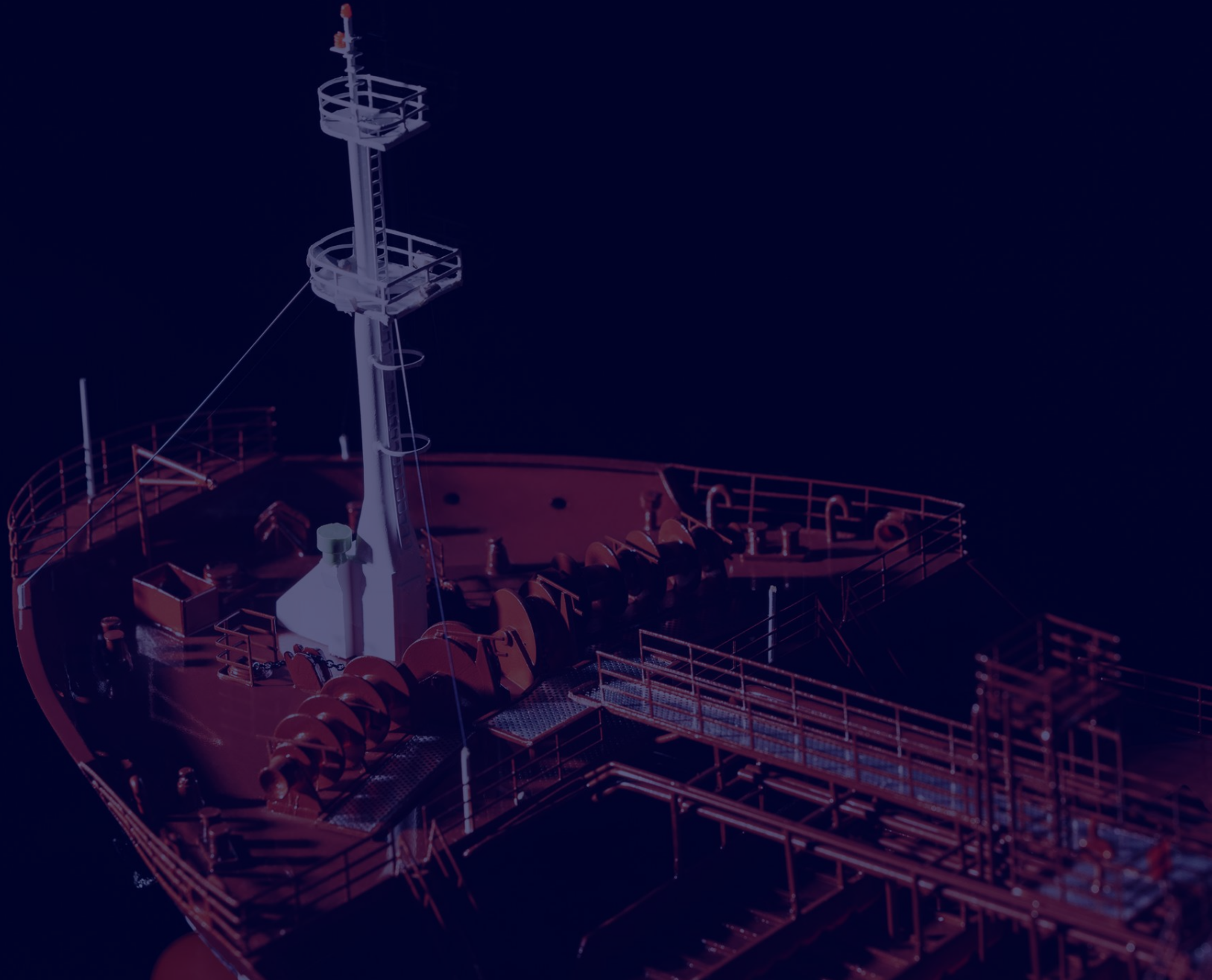
For the real estate segment, the main risks identified lies with our contractors, their subcontractors and suppliers. We require from our contractors to disclose information about their subcontractors, as well as their procedures for fulfilling the obligations of the Transparency Act.

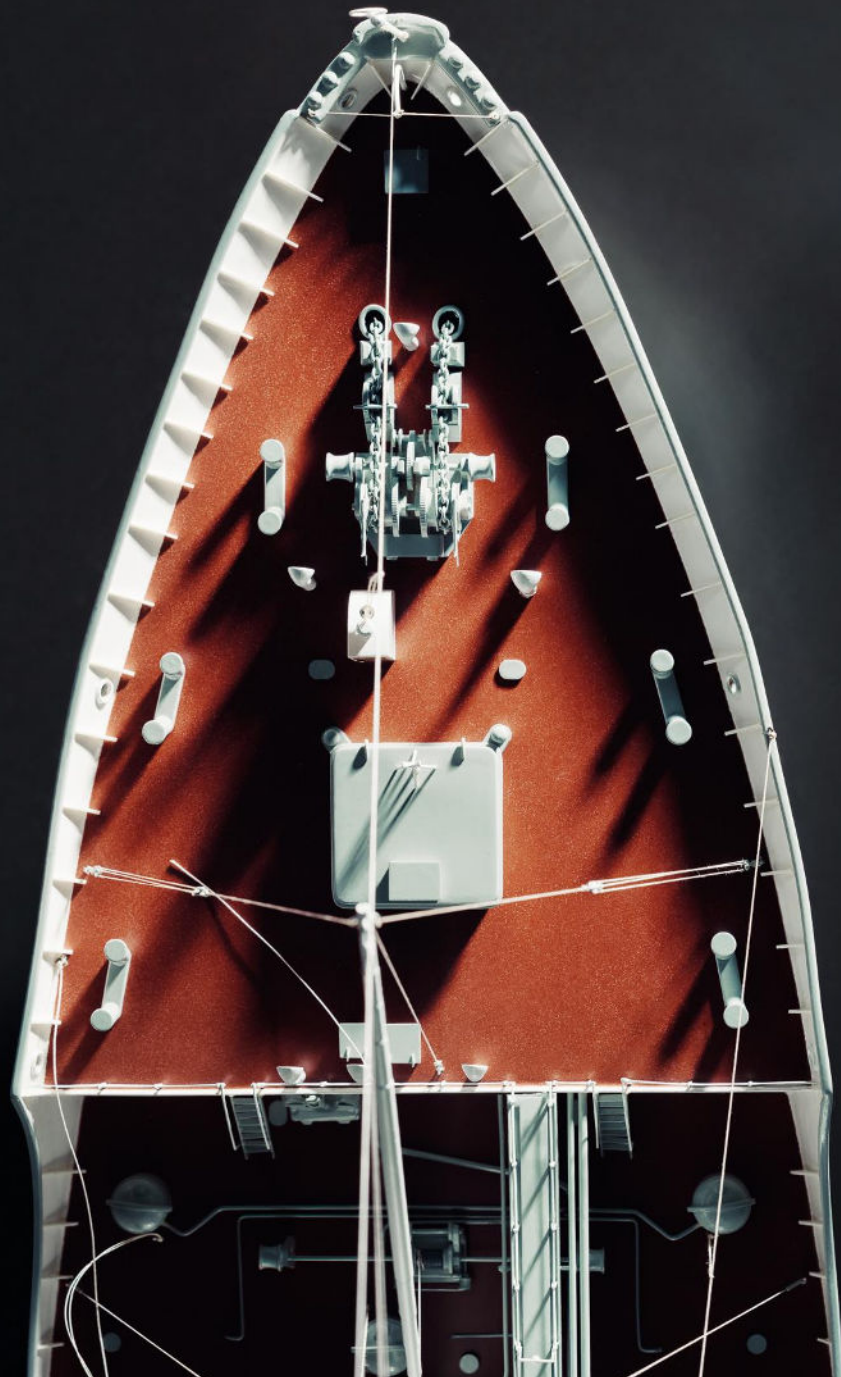
Going forward, we will work to further strengthen our efforts to safeguard human rights and decent working conditions by implementing a code of conduct at group level and continue to publish due diligence accounts in accordance with the Transparency Act.

The Blystad Group's full Transparency Act Statement can be found on our website.

Shipping

Songa Shipholding





Environment

We are committed to the protection of the environment and to continued improvement of our environmental performance. We work to ensure prevention of pollution and the reduction of emissions, and we promote a zero-spill culture onboard our vessels. The overall objective of our Environmental Policy is to ensure avoidance of damage to the environment, and our Environment System Manual sets out the framework for managing these objectives.

Energy Efficiency

Ships are required to calculate their Energy Efficiency Ship Index (EEXI) to determine their energy efficiency, and their annual Carbon Intensity Indicator (CII) as a stimulus to reduce the carbon intensity of all ships by 40% by 2030 compared to the 2009 IMO baseline. We use the CII rating to assess the efficiency of our fleet and as a basis for decision-making regarding emission reduction and energy efficiency.

Ship Recycling

The Company's Green Ship Recycling Policy aims to facilitate the Hong Kong Convention. The Purpose of the Policy is to reduce, minimise, prevent and to the extent practicable, eliminate adverse effects on the environment and human health caused by ship recycling.



Emissions and Ecological Impacts

		2022
Scope 1 GHG Emissions (financial control)	Metric tonnes CO2	351 417
CII/AER (simple average)	Grams of CO2 per ton-nautical mile	13.92
Implemented Ballast Water	Exchange	48%
	Treatment	52%
Spills and Releases to the Environment	Number	0
	Aggregate number	0m ³





Social

Health and Safety

The safety of our personnel is of outmost importance. We have a Health & Safety Policy design to provide adequate control of the health and safety risks arising from our work activities. We are committed to fulfil all applicable legal requirements and industry standards; eliminate hazards and reduce H&S risks; continual improvement of the H&S management system; consult and participate with all personnel; safe handling and use of substances; and strive to be a zero incident company.

Diversity

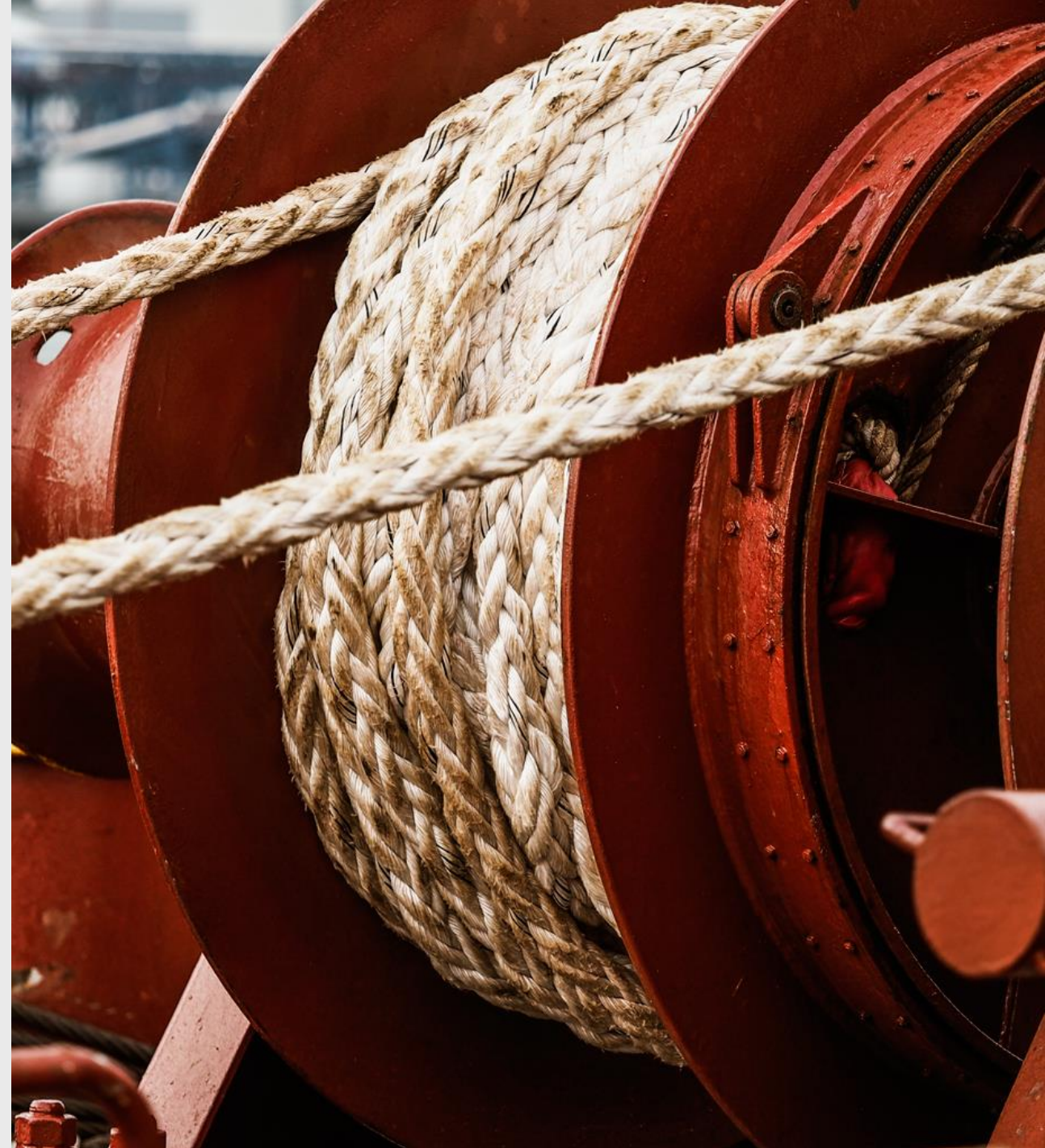
Our Staff Handbook presents how we manage issues of discrimination. We aim to have zero cases of gender and ethnicity based discrimination, which has been the case in 2022.

Employee Development

We are committed to developing the capabilities, skills and competencies of our personnel. The Staff Handbook stipulates that employee appraisals are to be conducted once per year, during which feedback is provided, and development goals and plans discussed.

Freedom of Association

We provide, at minimum, equal terms and conditions as the relevant collective bargaining agreements (CBA), whilst most of our conditions far exceeds the CBA standards.





Health and Safety

		2022
Marine Casualties	Incidents	0
	Very serious marine casualties	0%
Conditions of Class or Recommendations	Number	4
	Deficiencies (rate)	0.52
Port State Control	Detentions	2
	Lost time incident rate (LTIR)	0.05
Lost Time Incident	Lost time incident frequency (LTIF)	0.26





Governance

Quality

We are committed to achieving the highest standards of ship management and pursuing quality excellence. We aim to operate in full compliance with applicable requirements, relevant legislation, guidelines and standards - incorporating best practice into everything we do.

Security

With ever increasing threats to ships' security, we take all possible measures to reduce the risk of these threats to an acceptable level. We are committed to maintain and improve security onboard all ships, in line with our Security Policy. All the ships in our fleet are provided with a Ship Security Plan (SSP). Using the SSP as a base, we promote security through training, drills and commitment at all levels.

Anti-corruption and Bribery

We have a zero tolerance for bribery and corruption, as stipulated in our Anti-bribery and Corruption Policy. Still we recognise that we are not immune to the threat of corruption, as we operate in a variety of countries and a number of high-risk areas. Because of this, we have a robust Anti-bribery and Corruption Procedure in place.



Business Ethics

		2022
Corruption Index	Number of port calls	0
Corruption	Total amount of monetary losses	0
Facilitation Payment	Number of incidents	0
Fines	Monetary value of significant fines	0
Anti-corruption and Bribery Training for Seafarers	Completion rate	100%





Real Estate

Songa Eiendom Holding



Environment

With no restrictions when it comes to capital allocation, we seek the best investment opportunities and risk-reward independent of segment. Environmental considerations affect real estate in all segments and increasingly this has implications for how we buy, sell, use and value real estate.

We analyse a range of environmental aspects when assessing a prospective location or building, i.e.: impact on the immediate environment; contamination of soil; energy classification; heating and cooling sources; and local regulations. These factors affect the value and the ongoing management of land and properties.

2022 represents our first year of structured ESG reporting for our entire portfolio. We have experienced that it is challenging to collect data retrospectively, however, we still report on all relevant ESG metrics, specifying the scope covered (see footnotes/Disclaimer). For the next reporting cycle, we will enhance the data compilation process to make the 2023 report more complete.



Property Development: Energy, Water and Waste

		2022
Energy Consumption^b	kWh/year	-
Main Sources of Heating/Cooling^c	District heating	87.5%
	Electricity	12.5%
Energy Consumption by Source	District heating	79.15%
	Electricity	20.85%
Waste^d	Sorting rate	85.68%



Property Management: Energy

2022		
Energy Consumption ^e	kWh/year	17 117 774
Main Sources of Heating/Cooling ^f	Electricity	50%
	District heating	37%
	Biomass boiler	7%
	Air-water	6%
Energy Consumption by Source ^g	District heating	43.96%
	Electricity	44.73%
	Other	11.04%
	Oil	0.27%



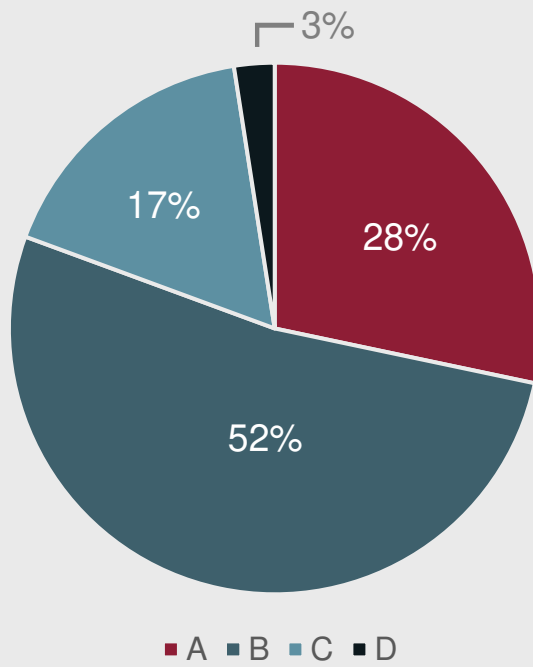
Property Management: Energy, Water and Waste

		2022
Energy Efficiency Investments ^h	% of total investments	38%
	kWh saved	6 362
Water Intensity ⁱ	m ³ per m ²	0.31
Waste ^j	Sorting rate	47%

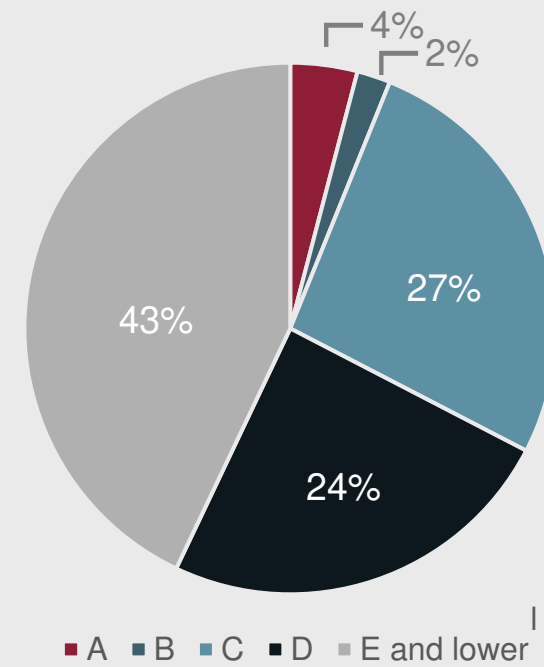


Energy Certification Level^k

— PROPERTY DEVELOPMENT



— PROPERTY MANAGEMENT





Social

Health and Safety

We are committed to secure the health, safety and wellbeing of the employees in all the companies that contribute to the development and management of the projects.

Diversity

Our Staff Handbook presents how we manage issues of discrimination. We aim to have zero cases of gender and ethnicity based discrimination, which was the case in 2022.

Employee Development

We are committed to developing the capabilities, skills and competencies of our personnel. The Staff Handbook stipulates that employee appraisals are to be conducted once per year, during which feedback is provided, and development goals discussed.

Local Communities

We aim to invest in buildings that contribute to sustainable and inclusive local communities. The Group currently holds real estate investments within a variety of segments, including residential housing and office buildings. The handling of development projects affects the local community around the construction sites, as well as future users of the areas under development. While the majority of our real estate investments are located in the Oslo area, we have a diverse portfolio, which also include selective investments throughout the Nordic countries.





Governance

The portfolio consists of different ownership structures, covering the range from 100% owned direct investments to JVs, club deals and holdings in industrial real estate developers.

We have carefully selected and trusted partners in every location of investment outside of Norway.

We have a zero-tolerance for bribery and corruption in alignment with our Staff Handbook.

Investment Songa Invest Holding





Songa Invest

Our key areas of investment are:

- Energy
- Utilities
- Financial institutions
- Leasing providers
- Technology
- Shipping and offshore
- Consumer financing

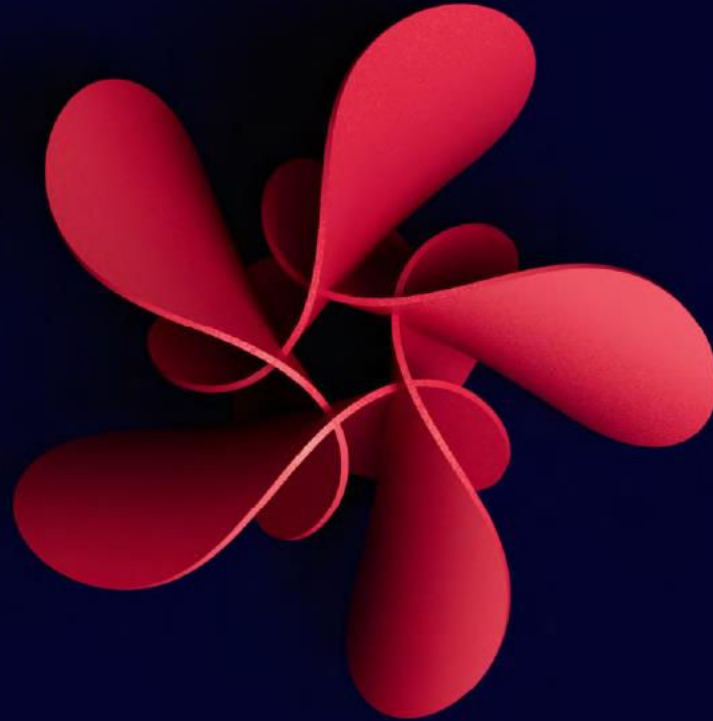
We hold a variety of investments in different sectors working closely with the founders, management, customers and different stakeholders. We value our partnerships and build trust to create long-term values for everyone involved.

When it comes to allocation, we seek the best investment opportunities and risk-reward, whilst including long-term sustainability considerations.





Appendix





Data Summary

Shipping			
Emissions and Ecological Impacts	Scope 1 GHG Emissions	Metric tonnes CO2	351 417
	CII/AER	Grams of CO2 per ton-nautical mile	13.92
	Implemented Ballast Water	Exchange Treatment	48% 52%
	Spills and Releases to the Environment	Number Aggregate number	0 0m3
Health and Safety	Marine Casualties	Incidents Very Serious Marine Casualties	0 0%
	Conditions of class or Recommendations	Number	4
	Port State Control	Deficiencies (rate) Detentions	0.52 2
	Lost time Incident	LTIR LTIF	0.05 0.26
Business Ethics	Corruption Index	Number of port calls	0
	Corruption	Total amount of monetary losses	0
	Facilitation Payment	Number of incidents	0
	Fines	Monetary value of significant times	0
	Anti-corruption and Bribery Training for Seafarers	Completion Rate	100%

Real Estate			
Property Development	Energy Consumption	kWh/year	-
	Main Sources of Heating/Cooling	District heating Electricity	87.5% 12.5%
	Energy Consumption by Source	District Heating Electricity	79.15% 20.85%
	Waste	Sorting Rate	85.68%
Property Management	Energy Consumption	kWh/year	17 117 774
	Main Sources of Heating/Cooling	Electricity District Heating Biomass Boiler Air-Water	50% 37% 7% 6%
	Energy Consumption by Source	District Heating Electricity Other Oil	43.96% 44.73% 11.04% 0.27%
	Energy Efficiency Investments	% of Total Investments kWh	38% 6 362
	Water Intensity	m ³ per m ²	0.31
	Waste	Sorting Rate	47%



Disclaimer

- a. Group total includes the employees working in Blystad Group at the Oslo office.
- b. Data on energy consumption is incomplete for the reporting year 2022. Data will be gathered for 2023 and reported in the Company's ESG Report 2023.
- c. Data available for 4 of 8 projects. The properties accounted for forms the Grand Quarter.
- d. Waste sorting rate according to the Blystad Group's ownership share of the properties.
- e. Energy consumption according to the Blystad Group's ownership share of the properties. Data available for 29 of 60 properties.
- f. The split between main sources of heating/cooling is based on data from 54 of 60 properties.
- g. The split between energy consumption by source is based on data from 25 of 60 properties.
- h. Energy efficiency investment data available only for one property: Haakon VII's gate 1. The property is 100% owned by the Blystad Group and houses the Company's office.
- i. Water intensity according to the Blystad Group's ownership share of the properties. Data available for 40 of 60 properties.
- j. Waste sorting rate according to the Blystad Group's ownership share of the properties. Data available for 30 of 60 properties.
- k. Energy certification levels according to the Norwegian Energimerkeforskriften, based on the EU Directive 2002/91/EC on the Energy Performance of Buildings. This is a scheme for assessing the energy quality of buildings, A being the highest score.
- l. Data on energy certification levels for existing properties are available for 49 of 60 projects.

