



SEATRANS

SUSTAINABILITY REPORT 2023

CARE

INVOLVEMENT

INNOVATION

PERFORMANCE



This is the Seatrans Group

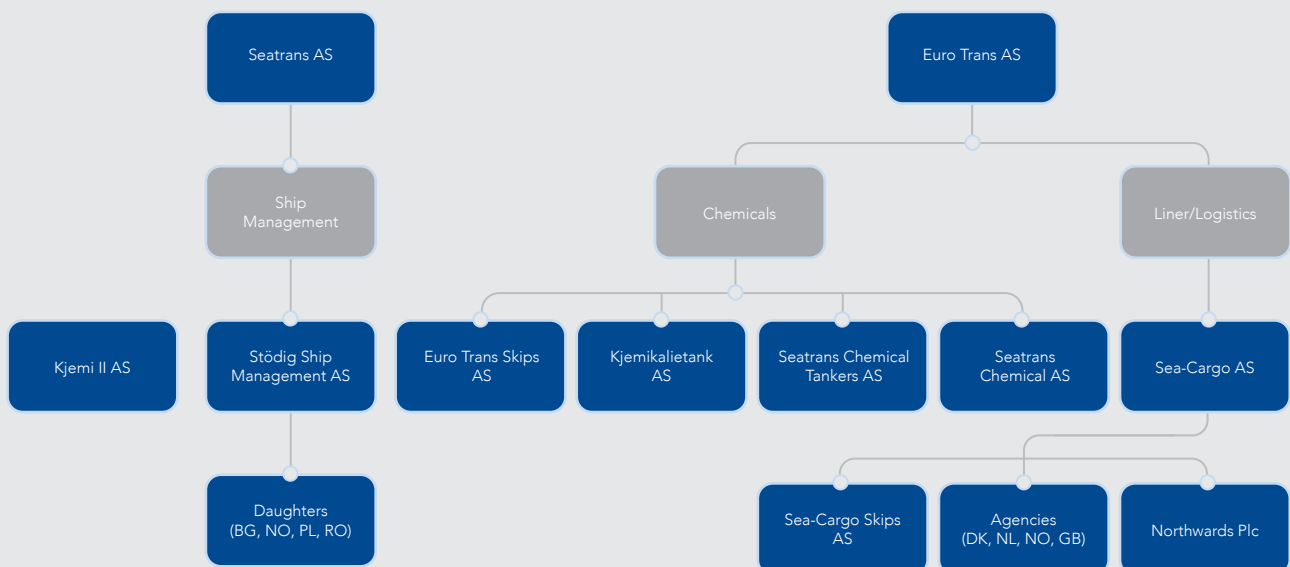
The Seatrans Group is a fully integrated group of shipping- and logistic companies. The group's activities are within two main market segments: The ownership, chartering and operation of chemical tankers, mainly in regional transportation within Europe, and ownership, chartering and operation of RoRo and multipurpose vessels in the North Sea, including ownership and operation of agencies in the main ports. Additionally, we are involved in land transportation in the northern part of the United Kingdom. Ship management is also an important part of the group, where we are increasingly focusing on third party management.

The main part of the Seatrans Group is included in the Euro Trans AS conglomerate. The mother company Euro Trans AS has no employees and its only function is to be the owner of the conglomerate. As Euro Trans AS has no employees, its management is taken care of through a management agreement with Seatrans AS.

Both Euro Trans AS and Seatrans AS are privately owned limited liability companies, where the majority owners are companies controlled by two families together. Seatrans AS is itself the mother company of Stödig Ship Management AS, which is responsible for the ship management, crewing, technical management, and marine operation

of all the vessels in the Seatrans Group, in addition to the same for external clients. In addition to Euro Trans AS and Seatrans AS the ship owning company Kjemi Trans II AS is also part of the Seatrans Group.

The Seatrans Group head office is in the city of Bergen in Norway. Here, the top management of the companies in the Seatrans Group are located. In addition to the main office the Seatrans Group has activity in other locations both domestic and abroad. The group has a presence in England, Scotland, Shetland, Orkney Island, Denmark, the Netherlands, Poland, Romania and Bulgaria.



Contents

| | | | |
|--|---|---|---|
| 02 This is Seatrans Group | 07 environment | 16 social Building and maintaining a robust safety culture at sea | 22 governance Corporate governance and business ethics |
| 04 Shipowners' message | 08 Environmental policy | 18 HSE performance | 23 Ensuring sustainable supply chains |
| 05 Technological developments | 09 A revised environmental strategy | 19 PSC performance | Emergency response |
| 06 What is the materiality assessment | 14 Emissions to air and sea | Vetting Performance | 24 performance Performance indicators |
| | 15 Improving efficiency by increased usage of RoRo | 20 Mental Health focus on-board | 28 Fleet list |
| | | 21 Mental Health focus on-shore | |

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Shipowners' message

The maritime industry is experiencing significant regulatory changes both now and in the years to come. Key developments include the Carbon Intensity Indicator (CII) and the Energy Efficiency Existing Ship Index (EEXI) from 2023, the incorporation of the EU Emissions Trading System (ETS) from 2024, and the FuelEU Maritime from 2025. Furthermore, we must prepare for the upcoming Corporate Sustainability Reporting Directive (CSRD) which will affect our group from 2025, while expecting even more regulatory changes.

2023 has been eventful. After being enforced from January 2023, the CII and EEXI have become an integral part of our business. Some of our vessels have undergone technical changes as a result of this, but we are still competitive. We have been preparing for the EU ETS, reaching agreements between owners, managers, commercial operators, and charterers. Our fleet of chemical tankers have been expanded by three more vessels, whereof one is owned by the Seatrans Group and two are new builds on time charters. We are looking at further changes to our fleets, both in terms of tonnage and in investments concerning efficiency. Stödig Ship Management is also taking on more clients and have made a footprint in the offshore wind segment.

Looking forward, we see further changes on the horizon. 2025 will be the first year where we must pay close attention to the full value chains of the fuels we use to power our vessels. The FuelEU Maritime is the latest EU response to growing environmental concerns and the need to reduce greenhouse gas emissions. This program aims to accelerate the adoption of sustainable and low-carbon fuels within our industry.

This means we need to have clear strategies concerning fuels and energy.

Moreover, the implementation of CSRD calls for changes to how we work with and report on sustainability. This directive is instrumental in promoting transparency, enhancing corporate responsibility and empowering stakeholders on environmental, social and governance (ESG) matters. For us, this will have a high priority moving forward into 2024.

Coping with changes is not only about compliance. Sustainable business is embedded in our core values, we see opportunities in changes, and we shall contribute to the transition of both our company and the industry to cause less harm to the environment and societies. We will work hard to protect and preserve the environment, keeping our employees safe, and maintaining strong ethics wherever we do business.

Johan Gustav Hvide
Ship Owner - Seatrans



Lars Helge Kyrkjebø
Ship Owner - Seatrans





We are continuously evaluating products or measures that can help us improve.

Technological developments

In recent years, the marine industry has been experiencing a transformative technological shift, with many noteworthy advancements reshaping the sector. Among these, new propulsion technologies, digitalisation and data analytics stand out as some of the most crucial developments. With only 26 more years until the deadline for our net-zero target, the decisions we make today will have an impact on where we will stand in 2050. Strategies concerning fleet, fuels and energy efficiency must be a priority moving forward. Staying in touch with the most promising trends in the global technological development is therefore also of utmost importance.

We are actively paying attention to technological developments. We firmly believe that in order to reach ambitious targets, we must utilise these developments in smart and well-thought ways. The technology that will pave the way for a safe future for our next generations might already be here, but the technology will need infrastructure and solid value chains to prevail.

Different propulsion technologies have gained prominence due to the increasing focus on reducing the environmental impact of maritime operations. From propeller technology to wind assisted propulsion and engines capable of using low-carbon or zero-carbon emission fuels, the industry is actively exploring alternatives that produce less emissions and align with global sustainability goals. We are paying close attention to these developments, and we are glad to witness the advancements and commitments in our industry.

Digitalisation and data analytics have unlocked improvements to vessels operational and fuel efficiency, as well as enhanced safety and maintenance. Artificial intelligence is widely used in applications ranging from niche software to autonomous vessels. A digital forest of products claiming improvements are available, and to keep track of what is what can be a challenge.

To stay in touch with the development and variety of technological advancements, the Seatrans Group is well underway with our Energy Efficiency Work Group (EEWG). Comprised of key personnel from different parts and departments in our group, we are continuously evaluating products or measures that can help us improve. This is not only as a part of our obligation to comply with regulatory requirements but is also an extension of our core values and commitment to continuously improve and protect the environment. Throughout 2023, several products and measures have been evaluated, and some, such as ultrasonic propeller anti-fouling and weather routing, have been tested or implemented.

We firmly believe in innovation and co-operation being keys to reaching our targets. Tracking development and sharing knowledge must therefore be prioritised moving forward. The rapid changes on the technological and regulatory arenas call for organisations being able to manage change, and to build and maintain the capacity to do so. Observing and taking part in the commitment so far leads us to believe that we can do this – but only together.



What is the materiality assessment?

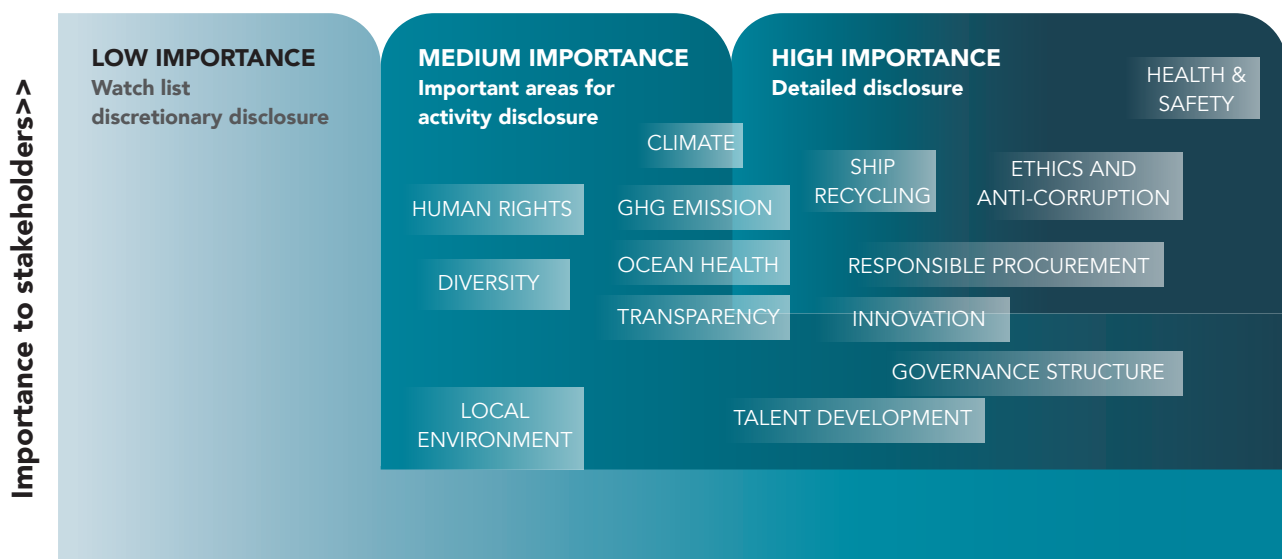
For the Seatrans Group, the Materiality Assessment is a strategic process to identify and prioritise the environmental, social, and governance (ESG) issues that have a significant impact on our operations and are of concern to stakeholders. The assessment is instrumental in enhancing corporate sustainability, transparency, and accountability.

The process involves two key steps: identification and prioritisation. In the identification phase, we identify our various stakeholders, such as investors, employees, customers, and community groups. We gather insights into the ESG topics that is of particular interest and concern to them. Internally, we also assess our operations and value chain to identify ESG issues that may pose risks or present opportunities.

Once we have identified the potential material topics, they are prioritised. We have done this through a materiality matrix, where each issue

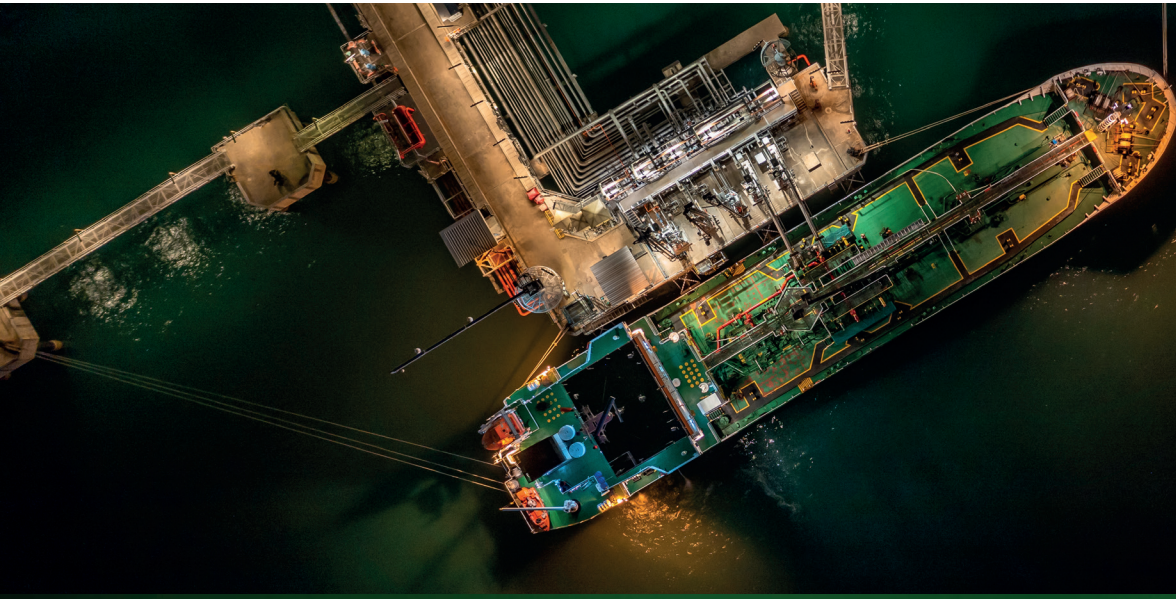
is evaluated based on its significance to stakeholders and its impact on our business. Topics that fall in the high-impact, high-significance quadrant are considered material and become a focus for reporting, strategy development, and risk management.

A well-executed Materiality Assessment serves as a roadmap for our business, guiding us in allocating resources, setting our sustainability goals, and reporting ESG performance. The Materiality Assessment is an ongoing process where the focus naturally will change over time.



Importance to Seatrans >>>

environment



"The fact is that no species has ever had such wholesale control over everything on Earth, living or dead, as we now have. That lays upon us, whether we like it or not, an awesome responsibility.

In our hands now lies not only our own future, but that of all other living creatures with whom we share the Earth."

Sir David Attenborough

Environmental policy

We are dedicated to being environmentally responsible. We have identified emissions to air, marine pollution, and waste generation as our significant environmental aspects, where we will have our focus.

We will maintain compliance with environmental laws and regulations. As part of our commitment to sustainability, we recognise and support the United Nations Sustainable Development Goals. Our practices shall align with these global ambitions, aiming to contribute positively to the well-being of the planet, its people, and the prosperity of all communities.

We shall work to reduce energy consumption and pursue production of renewable energy. When working to lessen our greenhouse gas footprint, we will do so from a well-to-wake perspective. Our approach to zero-emission fuels assumes that they will not be a realistic alternative for the maritime industry anytime soon. The oceans and its ecosystems shall suffer minimum impact from our operations, and we shall keep waste to a minimum by proper management of resources and a focus on circular economy.

We shall have ambitious and realistic targets, and we shall communicate our performance on our significant environmental aspects. We will remain open to feedback and suggestions from our stakeholders, valuing their input in our sustainability efforts.

We commit ourselves to:

- *Work actively with environmental management.*
- *Emphasise sustainability in decision-making.*
- *Promote environmental health both outside and within our organisation.*
- *Communicate our environmental performance.*
- *Protect and preserve the environment from our activities.*



A revised environmental strategy

In a time where environmental consciousness is at the forefront of global concerns, we find ourselves at a crossroad. As part of an industry that is a significant contributor to environmental degradation, we also need to achieve a balance between commercial realities and environmental protection. This is paramount for sustainable growth and a green future.

We have decided to revise our environmental strategy. Based on our new environmental policy, we commit to protect and preserve the environment from adverse effects from our activities. Through this policy we also communicate our alignment with UN ambitions, and the need to focus on the complete value chain. We believe this revised policy will guide and inspire us to reach our targets and ambitions.

We have started by focusing on our primary business – sea freight. This part of our business is responsible for more than 95% of our emissions and has the highest risk of other pollution. We will address our land-based operations in 2024.

We have identified emissions to air, marine pollution, and waste as the significant environmental aspects. We take our responsibility to work to reduce our footprint from activities in these aspects seriously.

We have revised our environmental targets and harmonised them with our new environmental policy. We have declared the following objectives:

Objective 1: Protect the environment from climate change

Ambition

We are committed to achieve net-zero emissions by the year 2050.

We shall reduce global warming by reducing our footprint of greenhouse gas emissions, and pursue net-zero emissions.

We will be tracking our progress using one single KPI: Our Well-to-Wake GHG intensity. We will apply a linear transition to reach this target. Many might consider reaching this target as the greatest challenge since the dawn of industry, but it will also be the greatest achievement when the target is reached. We firmly believe that this is possible, and we have a plan to get there.



Affordable and sustainable energy

To enable investments and a financially sustainable business,

the energy we purchase must be affordable and available on demand. We cannot commit to using fuels or other energy sources where the energy cost would make our business unviable. Furthermore, we must be convinced that alternative fuels are sustainable throughout the value chain and not compromising other sustainability goals before we put them to use.

At this time, we only see fossil fuels as a realistic option when procuring energy. Shore power has not been sufficiently established for us to utilise. When sustainable energy other than fossil fuels are available, we will be looking closely at making a transition.

E-fuels are emerging zero-emission fuels where one store electrical energy from renewable resources chemically in the fuel. On a Well-to-Wake basis, these fuels require between 4 to 7 times more energy input than what it provides on output. In comparison, the same ratio for conventional marine fuels is 2.4. It is therefore our argument that the immense amounts of renewable energy needed for e-fuels is much better spent elsewhere, where the energy efficiency is far better.

Furthermore, and specifically for liquid hydrogen, the input/output energy ratio is 5.0 when produced as an e-fuel. Even when produced from natural gas as grey hydrogen the ratio is 4.5, with a spiking carbon footprint in the Well-to-Wake perspective, although one can account zero Tank-to-Wake emissions. The climate footprint from grey hydrogen must therefore be considered as directly irresponsible.

An uptake of liquid hydrogen or ammonia in the fuel mix today would thus only increase global emissions, either from directly increasing our Well-to-Wake emissions, or from poor utilisation of green energy and thus moving the emissions elsewhere.

Fuel energy input/output ratios are found in Lindstad et al., "Reduction of maritime GHG emissions and the potential role of E-fuels", 2021. WtW emissions for grey hydrogen found in Regulation EU 2023/1805.



Energy saving

We need to reduce our energy consumption. This not only mitigates environmental impact but also enhances economic viability.

We believe that fossil fuels will prevail in the marine industry for decades, and by becoming more energy efficient we can provide more benefit to the society for each molecule of greenhouse gases we emit. Transitioning to renewable fuels will create shortages of renewable energy, and reducing our demand will be essential.

Investments and research in energy saving technology and measures will therefore stay as a key part of our plan for de-carbonisation. We will work to achieve a 1% reduction in carbon intensity from such measures per year, measured as a three-year moving average. We shall therefore explore and source knowledge about technologies, and we shall seek and find how we can improve our technical and commercial operations. Furthermore, investment in new tonnage will be a crucial part of moving forward, as well as phasing out older tonnage with less beneficial design in terms of energy consumption.

Energy saving is not only about maintaining our vessels and optimised operation. Energy converters such as internal combustion engines (ICE) have limitations, and although continuous improvements are demonstrated in engine design, there are thermodynamic limitations that we just cannot overcome. Therefore, we also need to consider unconventional alternatives. Solid Oxide Fuel Cells (SOFC) is an example on such alternatives, where the energy efficiency can surpass the conventional ICE. We shall actively pursue unconventional alternatives.





Renewable energy production

We recognise the need to reduce our energy consumption, but we need energy to operate our vessels and provide transportation services.

We see an opportunity to produce much of this energy ourselves from renewable resources. Wind and solar are two energy sources we are currently exploring. We have set a target to have at least 5 of our vessels equipped with wind assisted propulsion systems before the end of 2026. Harnessing the energy in wind is the most sustainable force of propulsion as we see it today: It has zero well-to-tank emissions, and 100% of the wind energy is utilised for propulsion, without having to consider the propeller efficiency. Support systems will of course need electrical energy that need to be produced or stored on-board, but the total environmental footprint of such wind propulsion will be near zero when using fossil fuels, or zero when based on green electricity from shore or green fuels.

We also see potential in installing solar panels on ships. Solar energy creates completely renewable energy that can be either directly consumed or stored temporarily on board using batteries. We are currently evaluating the feasibility of installing solar panels on our vessels and will continue to assess the benefits of this technology.



Carbon capture

As we believe that a carbon footprint from powering our vessels will be a fact over the foreseeable future, we need to investigate all solutions to

de-carbonise. Carbon capture technology is something that we consider as a promising solution. With a viable and sustainable value chain, we will be able to fit our new builds, or even retrofit our existing vessels, with such technology.

We can see scenarios where utilisation of such technologies might even have a negative carbon footprint. We anticipate that, in the not too distant future, we will equip one or more of our vessels with carbon capture.



Alternative fuels

At some point in time, alternative fuels such as e-fuels and biofuels with low well-to-wake emissions will become commercially available

in sufficient quantities. E-fuels are having large energy losses in production and distribution, and with a scarce supply of green energy for this production, it is not sustainable now. There are several other challenges, such as safety, distribution and economy of scale. Therefore, we will not commit to use such fuels at this time. We do however believe that there will be a sustainable market for e-fuels at some point and we will be ready to use such fuels when that time comes.

Tracking our progress

In addition to our net-zero target, we also need targets for our short-term progress. We shall therefore annually target the linear interpolation between our baseline and our 2050 net-zero target. This progress is tracked with our main KPI, the Well-to-Wake GHG intensity. Recognising the IMO's strategy being measured in CO₂ intensity and the Annual Efficiency Ratio (AER), we will be measuring this against a 2008 baseline. We will also pay attention to other performance indicators, such as our total GHG emissions in different scopes, energy intensity and renewable share.

Emission baselines

The Seatrans Group have established two baselines: a Well-to-Wake GHG intensity baseline for 2023, and a CO₂ intensity (Annual Efficiency Ratio – AER) baseline for 2008.

For the 2008 CO₂ intensity baseline, we do not have sufficient data from 2008 to precisely establish a baseline for the company. Hence, an assumption on the CO₂ intensity for this year had to be established. Recognising methods used by other relevant companies, we apply the guidelines and methods for calculating the IMO Carbon Intensity Indicator to estimate the baseline. These guidelines are derived from the Fourth Greenhouse Gas Study and documented and published by the IMO in MEPC.336(76), MEPC.337(76) and MEPC.338(76). Furthermore, we use the Seatrans Group's actual fleet from 2008 as reference. We measure the performance against the baseline as the fleet weighted average AER.

We have estimated our 2008 CO₂ intensity baseline to 29.0 g CO₂ per DWT*Nm. In 2023, the Seatrans Group performed with 19.4 g CO₂ per DWT*Nm, resulting in a relative reduction of -33% against the baseline.

However, since we will measure our performance using our Well-to-Wake GHG intensity moving forward, we will be looking away from the Tank-to-Wake approach that the AER provides. For the Well-to-Wake GHG intensity we apply the methods found in Regulation EU 2023/1805 (FuelEU Maritime) to pinpoint the Well-to-Wake emissions, using actual fleet performance from 2023. The same method will apply to measuring the performance in our main KPI. The denominator in the calculation is the deadweight transport work, as also used in the AER.

We have established our 2023 Well-to-Wake GHG Intensity baseline at 23.2 g CO₂e per DWT*Nm.

Target Summary

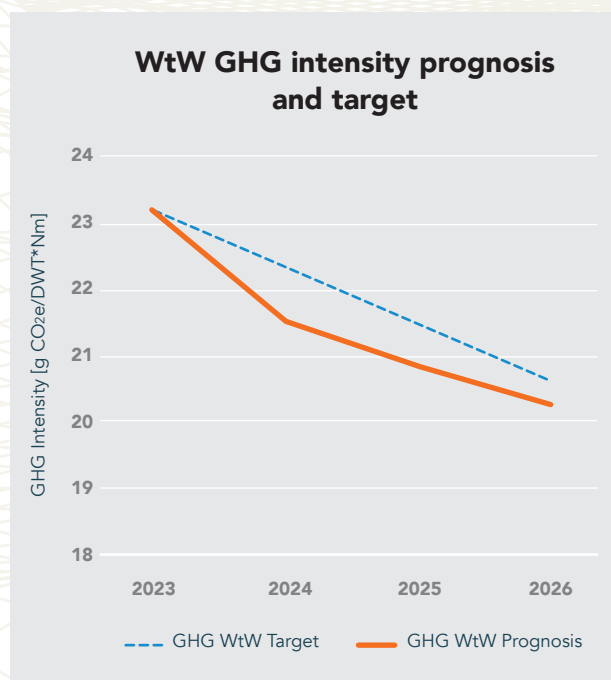
The Seatrans Group has established the following targets under the objective:

"Protect the environment from climate change"

- **Target 1:** Reach net-zero GHG emissions within 2050.
- **Target 2:** Reduce the Well-to-Wake GHG emission intensity to 22.3 in 2024, 21.5 in 2025 and 20.6 in 2026, with a relative reduction of -11% in 2026 from our baseline.
- **Target 3:** Have 5 vessels equipped with wind assisted propulsion within 2026.

Prognosis

We present our prognosis and ambition for Well-to-Wake GHG emission intensity in the following chart.



The Well-to-Wake greenhouse gas emission prognosis and target for the Seatrans Group to 2026.

Objective 2: Preserve the environment

Background

We shall consider ourselves as caretakers of the oceans, and protect the sea and soil from substances and waste that can be harmful to the environment and its ecosystems. Life both below and above water depends on the quality of the water and its surroundings. It is our responsibility as the users of the waterways to ensure that we do no harm and manage the risk properly.



Environmental spills and recycling of ships

Reviewing past incidents such as the Amoco Cadiz and Exxon Valdez groundings, spills from ships can become environmental catastrophes. Being oil, chemicals, or other substances, we are therefore continuously focused on having zero spills to the environment. This also includes responsible ship recycling, where we are committed to prevent harm to the environment and to ensure proper management of hazardous materials.



Invasive species

We also need to mitigate harmful effects from introducing invasive species to marine ecosystems where they do not belong. Ballast water is one of the most critical carriers of such species, and we treat the ballast water before discharge into the sea.



Waste intensity

Waste generated in our operations is under scrutiny.

By reducing waste, we prevent pollution, preserve natural resources, and reduce energy needs in the value chain. Reducing waste can also have the benefit of cost savings. We already have strict garbage management plans in place to prevent pollution and control segregation, but we believe that we can still improve on the amounts of waste that we create. We are therefore targeting a 10% decrease in waste intensity over the next five years.

Target Summary

The Seatrans Group has established the following targets under the objective:

"Preserve the environment"

- **Target 1:** Zero spills of harmful substances to sea.
- **Target 2:** Reduce our waste intensity by 10% within 2028.

From words to actions

While being focused on these environmental aspects, we are still involved in commerce and trade. We need to pave the middle-way from the crossroads we find ourselves at, by embracing sustainable practices in collaboration with the entire industry. We need to be innovative and open-minded, and to foster a culture where awareness and responsibility are the top priorities, while also contributing to the economy. Although this balance might be perceived as a delicate task, especially when working on reaching a revolutionary target in 2050, we believe that it can be achieved. To fulfil our objectives and targets, we have established an action plan. This plan will be reviewed annually.



Emissions to air and sea

Approach to emissions accounting

Until now, we have stated emissions using a financial control approach. Starting from 2023, we will be stating these disclosures using an operational control approach. This is a necessary change since there is an increasing number of time-chartered vessels in our fleet, and we claim ownership to the emissions from these vessels.

Scope 1 emissions

We see a positive development in our emissions to air. Our total Scope 1 emissions was 196,770 Mt CO₂e, yielding a year-on-year (YoY) improvement of -11 %. Our Well-to-Wake GHG emissions intensity baseline has been established at 23.2 g CO₂e/t*Nm, which is our new primary reference to our emission reduction. We will continue working on reducing the emissions further and in accordance with our environmental strategy.

Scope 2 emissions

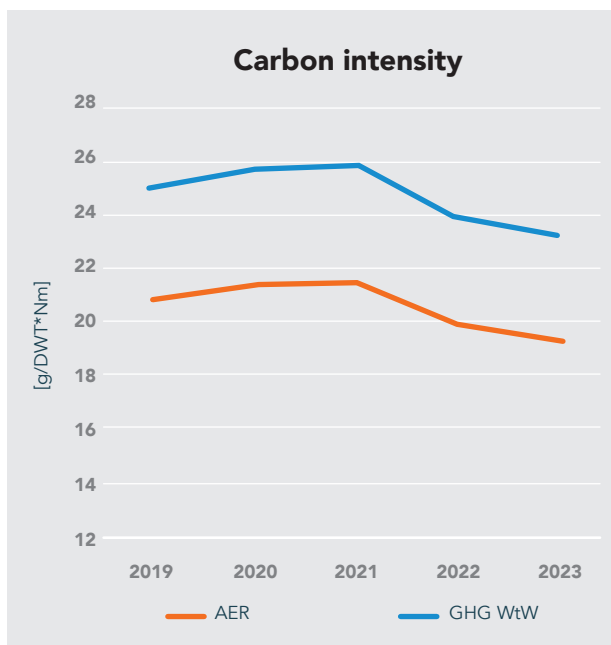
For locations with available Scope 2 relevant data, we have calculated the total emissions to 456 Mt CO₂. This includes electricity and heating for 11 of our 12 locations, with a location-based method.

Scope 3 emissions

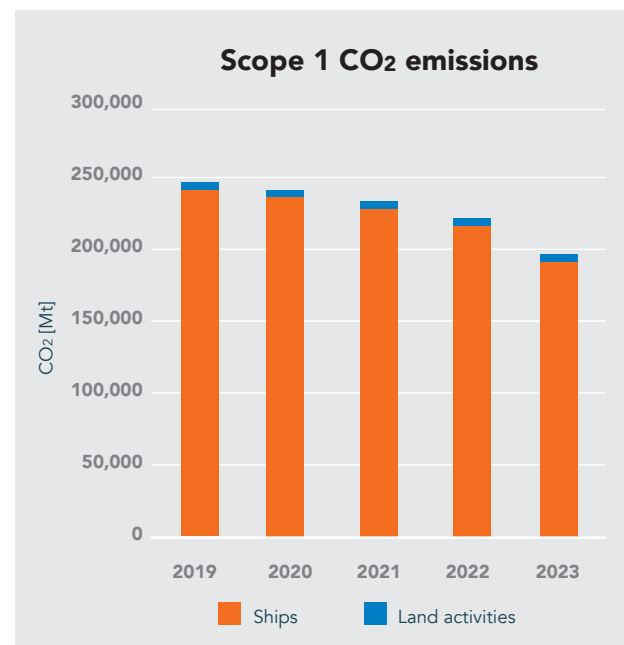
The Seatrans Group is presently only tracking Scope 3 emissions for purchased fuels. The total emission from this category is estimated to 35,303 Mt CO₂e.

Spills to sea

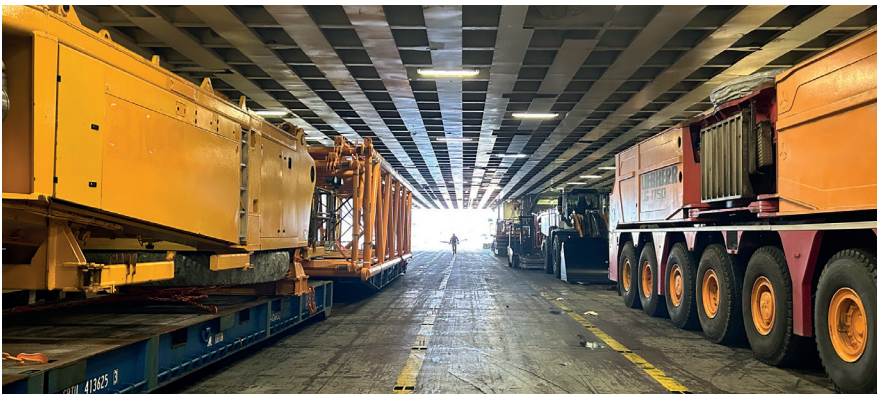
During 2023, we have had one incident of spill to sea, where 300 litres of a tank cleaning agent was leaked from a chemical tanker. The tank cleaning agent is however not harmful to the environment, but the incident has been analysed and preventive measures has been taken to avoid reoccurrence.



The Annual Efficiency Ratio (AER) and the GHG Well-to-Wake intensity.



The Scope 1 CO₂e emissions for the Seatrans Group. This includes emissions from vessels & from land activities.



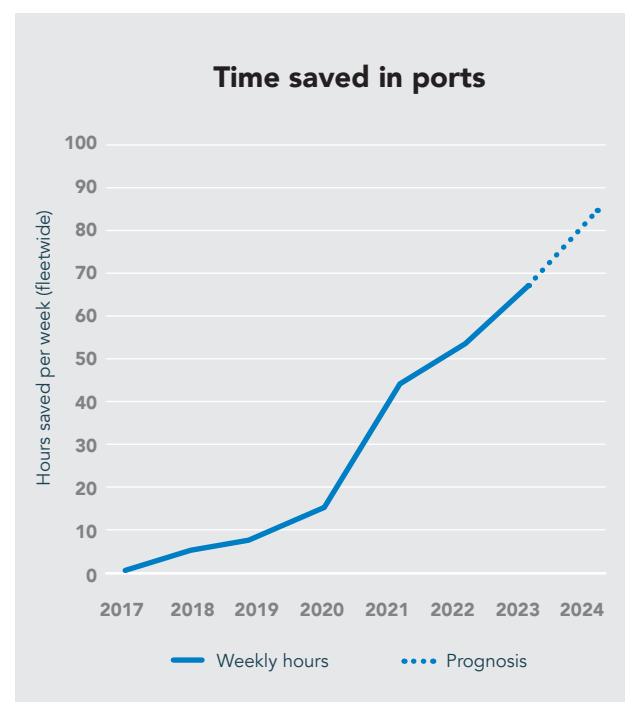
Improving efficiency by increased usage of RoRo

Sea-Cargo has implemented a strategic shift by significantly increasing roll-on/roll-off (RoRo) operations at the expense of conventional operation with extensive manual handling using forklifts and cranes. This deliberate move has showed substantial positive outcomes, enhancing both operational efficiency and environmental sustainability. The transition to RoRo has led to reduced port times, increased overall efficiency, and reduced environmental footprint.

The adoption of unitising the cargo to cassettes has revolutionised the operation. The time spent in ports has decreased significantly by enabling cargo to be prepared and secured on cassettes prior to the arrival of the vessel. Over the last seven years, the average port times have seen a remarkable overall reduction of 30%, resulting in expedited deliveries and improved service reliability. In some ports the reduction is more than 70%. This efficiency has not only pleased the customers but has also resulted in more time being spent at sea rather than alongside in the ports. One of the most significant achievements of the increased efficiency has been the notable positive impact on the environment. The efficiency in port operations translates to more time available for sea passage and thus lower speed, resulting in a decrease in the overall carbon footprint, expected to be more than 15%. Additionally, the utilisation of RoRo has allowed for optimising shipping routes and further minimising environmental impact.

The improvements in operational efficiency, reduced port times, and environmental performance have not only optimised the processes but have also positively impacted the financial performance and reliability in the industry.

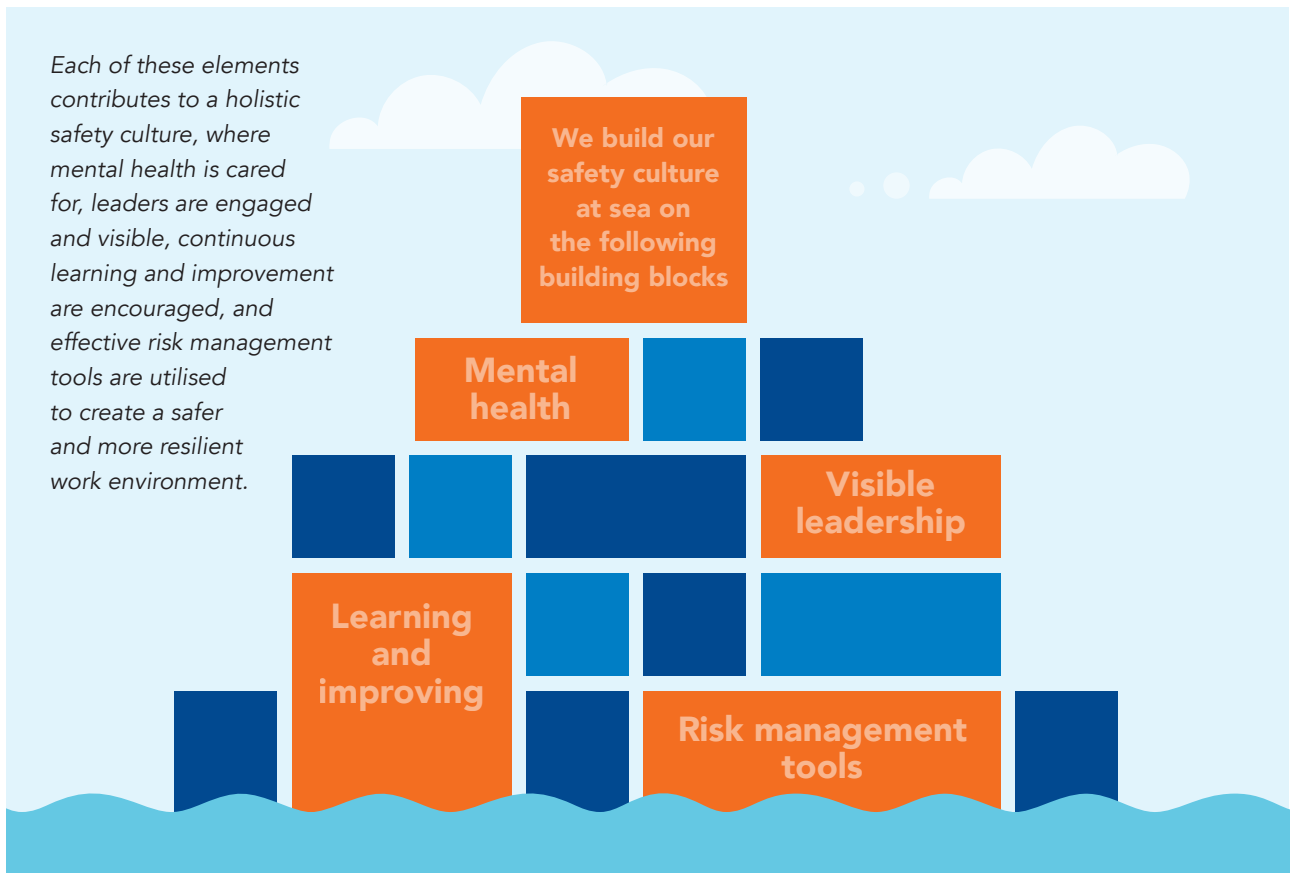
Moving forward, Sea-Cargo aims to continue to unitise even more of the cargo and increase the efficiency to further enhance the operations.



Total time saved during port operations from baseline year 2017 and onwards.

social

Each of these elements contributes to a holistic safety culture, where mental health is cared for, leaders are engaged and visible, continuous learning and improvement are encouraged, and effective risk management tools are utilised to create a safer and more resilient work environment.



Building and maintaining a robust safety culture at sea

Building and maintaining a robust safety culture requires continuous efforts and commitment from all levels of our organisation. It goes far beyond following rules and regulations. It involves a deep-rooted belief that safety is non-negotiable and is a top priority.

Mental health

Prioritising mental health and well-being is an integral part of our work with the safety culture. Ensuring that employees have access to mental health resources, support systems, and other programs contributes to a healthy and resilient workforce.

Visible leadership

Leadership sets the tone for safety. Our leaders shall be visible, engaged, and lead by example. They shall actively promote safe practices and contribute to creating a culture where safety is a top priority throughout the organisation. To promote visible leadership from the shore organisation, we have senior management representatives visiting the ships as often as practically possible.

Learning and improving

Continuous learning and improvement are at the core of a safety culture. Encouraging open communication, reporting of incidents, and a commitment to learning from mistakes fosters an environment of constant improvement and risk reduction. We also focus on simplifying our Safety Management System (SMS) to make it easier to access, use, read and understand.

Risk management tools

Employing effective risk management tools, such as risk assessments, incident reporting systems, and safety audits, enables organisations to pro-actively identify and mitigate risks. These tools are essential for maintaining a proactive approach to safety.



Safety initiatives in terminal operations

Safety is a crucial aspect when performing RoRo operations. Efficient loading and discharging of vessels means high activity and tempo, creating the deck and terminal a hazardous place to be if not properly trained. Sea-Cargo is therefore having a continuous focus on having safety on a high standard.

Together with one of Sea-Cargo's primary customers, we are running projects and initiatives to increase the safety level during mooring and port operations. We continuously revise our operations manual based on safety observations, jointly between the commercial operator, the ship manager, and the customers. We are also training operators of terminal vehicles in practical operation, rules and regulations concerning the specific equipment they operate.

Mainly two terminals within the Sea-Cargo's agency structure handle a substantial amount of goods. These are our terminals in Aberdeen and in Husøy/Haugesund. The amount of cargo through these locations have increased over the last few years. At the same time, the Scottish labour market has also been heavily affected by shortage of workers. In order to educate terminal employees to become port operators, the Aberdeen terminal has begun setting up its own modular training programme. Training in every aspect of cargo handling is part of this. Current standard training courses will serve as the foundation for the new training system.

However, competence of staff will be tested through a new SQA (Scottish Qualifications Authority) approved training standard which will consist of various modules which need to be passed until a final certification can be given. Our Husøy terminal has this year appointed a QHSE Manager, whose main responsibility will be to analyse all cargo operations, and to establish safe working practises for all new jobs, cargo types and equipment used.

Our trucking company Northwards is located across Scotland and the Northern Isles. Northwards have 4 depots on the mainland and 2 on the islands. Each of these have their own safety officer, who make sure that all work is carried out in a safe manner. As for the Aberdeen terminal, we are also experiencing a shortage of drivers. Northwards is therefore also active in setting up apprenticeships where the company sponsor the Heavy Goods Vehicle (HGV) class 1 license, to support the recruitment of a new generation of drivers.

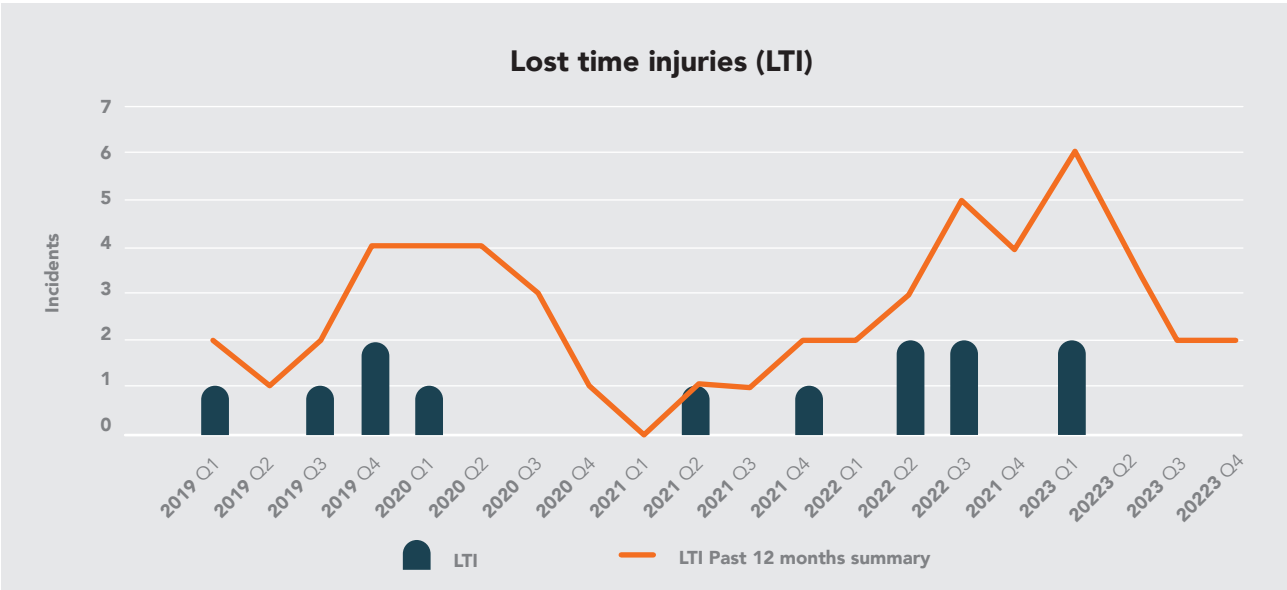
Sea-Cargo Aberdeen and Northwards is holding certificates to the ISO standards 9001, 14001 and 45001. This ensures consistency in the quality of our services, our impact on the environment, and the health and safety of our employees and all those who interface with us in the execution of our work. We are also working to achieve the same certifications for our terminal in Husøy.

HSE performance

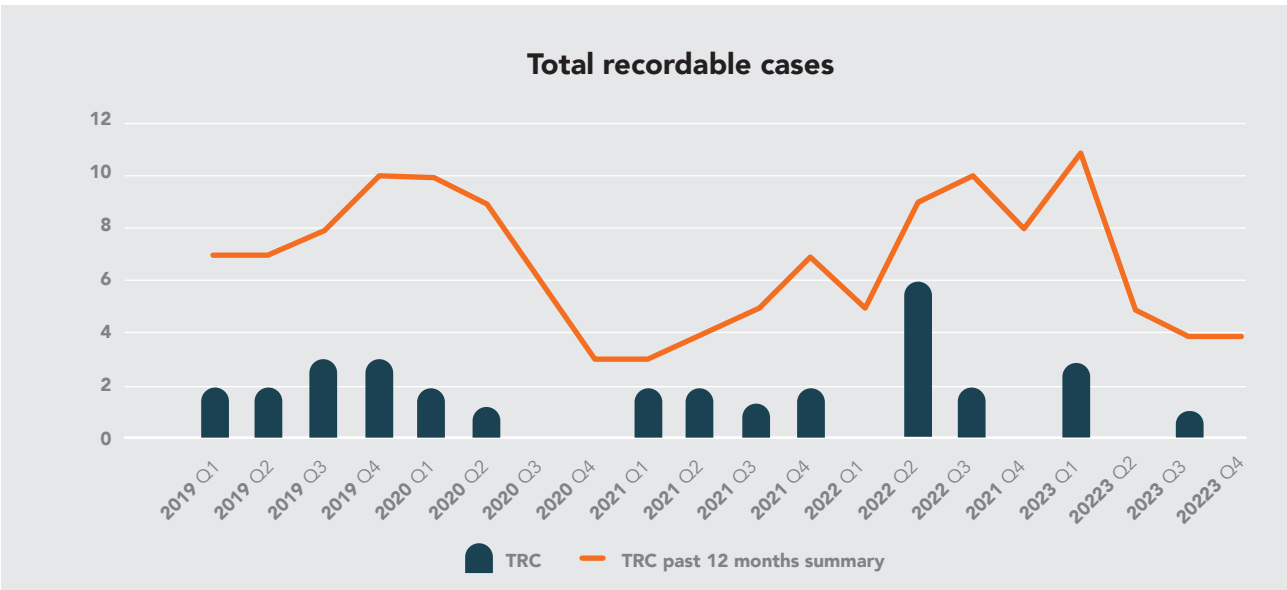
Among the main pillars in developing our safety culture you will find sufficient and correct use of risk management tools. We have throughout 2023 had three incidents leading to finger injuries which have occurred during jobs involving moving and heaving of heavy objects. Our investigations have shown that risk assessments and toolbox talks have been carried out, but the quality has not been to the standard we expect. During officers and crew conferences and ship visits we have focused

on improving use of risk management tools, and we are seeing a favourable trend related to personal injuries after this campaign.

Our figures show that ships with the lowest number of near-miss reports have the highest number of unwanted incidents. We are taking action to increase the number of near-miss reports across the fleet.

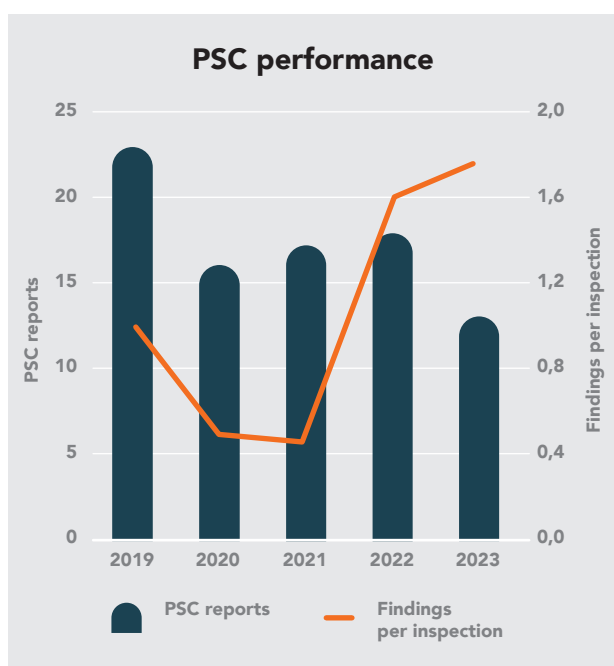


Lost Time Injuries (LTI) measured as 4 quarters rolling average.



Total Recordable Cases (TRC) measured as 4 quarters rolling average.

| | PSC | CDI | SIRE |
|-------------------------------|------|------|------|
| Inspections | 13 | 10 | 25 |
| Observations | 23 | 43 | 97 |
| Average per inspection | 1.77 | 4.30 | 3.88 |



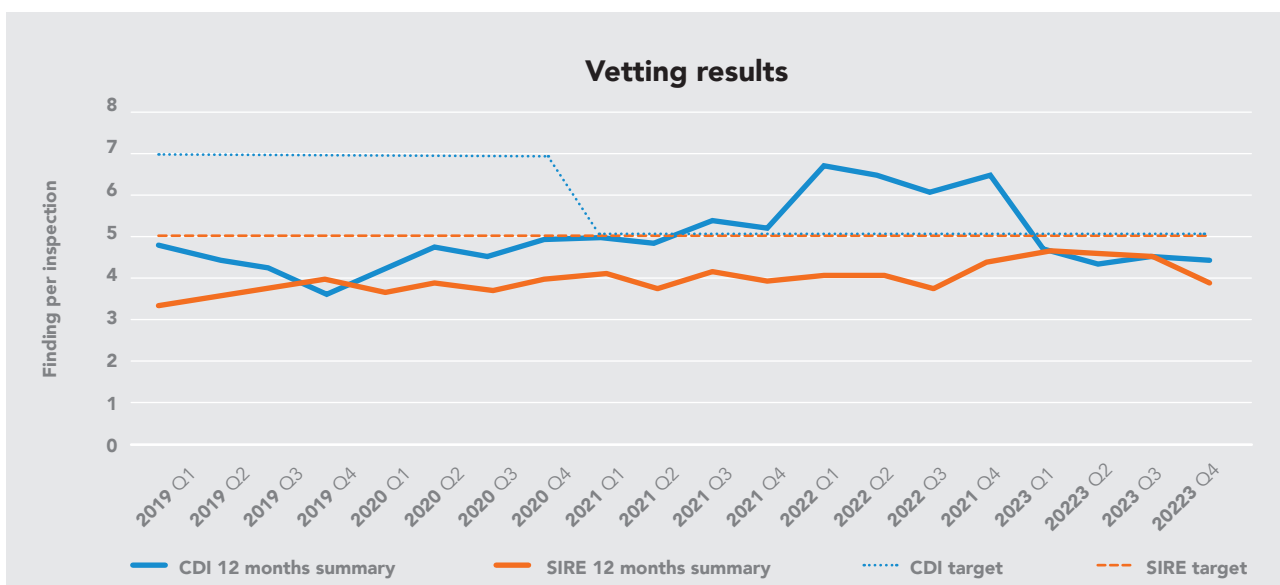
Yearly performance results from Port State Control inspections.

PSC performance

In general our records are acceptable within both the Paris and Mediterranean MOU. Out of thirteen inspections, three contributed with a higher number of observations than expected. Four of the thirteen inspections were without any observation and we had no detentions in 2023.

Vetting performance

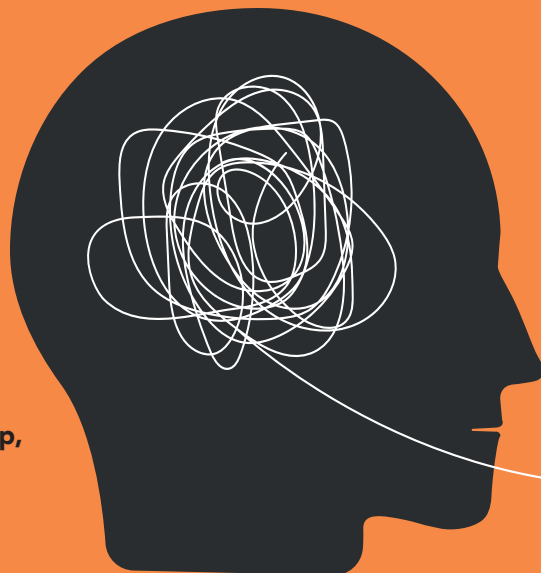
Our vetting performance results for the chemical tanker segment, both measured by the SIRE and CDI regimes, are showing a favourable trend. CDI results are now below 5 observations per inspection whereas SIRE has reached a level of 3.9. This is positive, however, we will continue to work actively to reduce the figures even more. Good vetting results means safer and more efficient ships, and more availability in a commercial perspective to safety.



CDI and SIRE vetting results measured as 4 quarters rolling average.

Mental health focus **on-board**

We acknowledge the challenges resulting from long working periods on-board our ships. High tempo, hard weather and long time away from friends and family contributes to a stress level that is higher than for most land-based jobs. We recognise that this can have negative effects on our crew's mental health. As a responsible organisation, we are committed to fostering a culture that prioritises mental well-being. To achieve this, a strategy that integrates visible leadership, resilience programs, and robust support systems will be applied.



Visible and felt leadership

Our commitment to mental health begins with visible and felt leadership. We recognise that leaders' behaviour shape the organisational culture. By incorporating empathy, active communication, and approachability, our leaders will set the tone for an environment where crew members feel valued and understood. Regular interactions between leaders and crew members, both on-board and through digital platforms, will create an atmosphere of inclusivity and openness.

Our mental health focus for on-board crew embodies our core values of care and involvement. By implementing a strategy rooted in visible leadership, resilience programs, and robust support systems, we create an environment that prioritises crew members' mental well-being. Through regular interactions, workshops, and dedicated support-lines, we empower both seafarers and captains to navigate challenges, fostering a culture of resilience and compassion.

Resilience program

We will equip seafarers with tools to manage stress, build emotional resilience, and cope with challenges at sea.

Training

Online training and interactive sessions on crew seminars/workshops will provide practical strategies to enhance mental well-being. By empowering crew members with skills to handle adversity, we promote a sense of control and confidence.

Support-line to seafarers

We have a dedicated support-line for seafarers through our partner Mental Health Services. This confidential resource will provide a safe space for crew members to discuss their concerns, stressors, and emotional struggles. Professional counsellors will offer guidance, coping strategies, and personalised assistance, helping seafarers in need to navigate the complex emotions associated with their roles. The captain will also have the opportunity to use this service for guidance and support in pressing situations.

This strategy not only enhances the mental health of our crew but also strengthens the overall cohesion and performance of our maritime operations.





Mental health focus **on-shore**

Mental health is a highly relevant topic and of great importance to our organisation also on-shore. The younger generations have an increased focus on mental health. Hence, it is crucial for us to prioritise this area. We therefore aim to spotlight mental health in 2024 with the following initiatives:



By implementing these activities, we aim to create a workplace that prioritises mental health, fosters a supportive environment, and contributes to the overall well-being of our employees.

Mental health awareness

We will organise workshops for employees in leadership positions to raise awareness about mental health. Our leaders will therefore be trained to identify signs on employees that have struggles, but we will also run campaigns using tools like posters, webinars, and nano-learning to increase awareness and lower the barriers for open discussions.

Destigmatise mental health

We aim to promote a culture that encourages open discussions about mental health.

Employee assistance

We encourage all employees to seek counselling through our health insurance when in need, as well as using the offered support service "Helseslos" for our employees based in Norway. Similar services are offered to our employees abroad. We will commit to actively promote these tools.

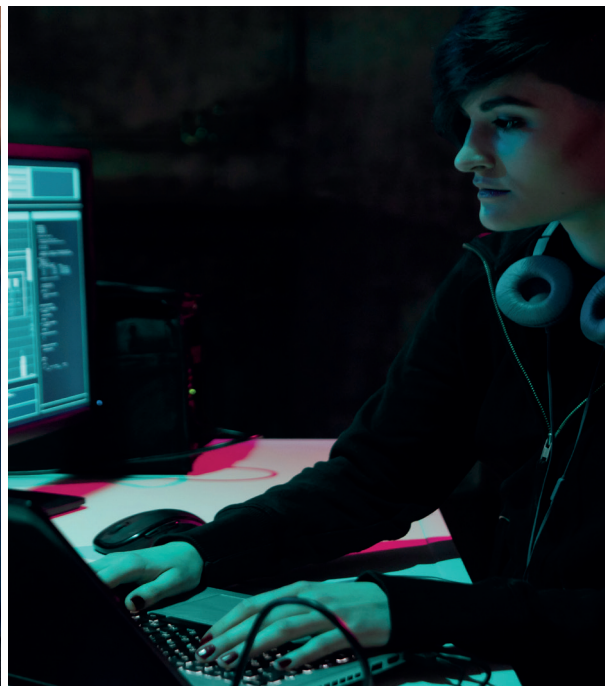
Flexible work arrangements

We are aware that our employees' life situations can change rapidly, and therefore our focus on various solutions for flexible work arrangements is paramount. All employees are equipped to work efficiently from outside the office.

Create a supportive environment

We will continue our work with Sport & Sprell, a group for social activities. We will also promote our existing whistle blowing systems and continue to develop our policies and systems to strengthen our culture and lower the barriers for reporting.

governance



MACN
Maritime Anti-Corruption Network

Corporate governance and business ethics

We value our business ethics as crucial to maintain trust, as well as safe and sustainable operations. Making sure we promote fair labor practices, combat corruption, safeguard the environment and ensure the well-being of our employees is of paramount importance.

We continuously strive to anchor our governance policies properly in our organisation. The policies and the Code of Conduct are reviewed at least annually by the management, and all employees must confirm that they have read, understood, and accepted them, also annually.

An integral part of our governance processes is our fight against corruption, facilitation payments and bribes. We have zero-tolerance against any of this. To be prepared for the challenges that follow our business and trades, we perform risk assessments on a corporate level to identify risks of corruption and establish mitigating action as appropriate.

The Seatrans Group is a member of the Maritime Anti-Corruption Network (MACN). Through 2023 we have bonded further with MACN, and we have been provided valuable support in the fight against practices in trade areas where a culture of requesting “gifts” is dominant. Ships are reporting to MACN prior to arrival in ports we consider as in high-risk areas, and both MACN and our own staff are available during port calls to support in any way possible. The extent of “gifts” is also reported to MACN in the aftermath, giving them factual basis and evidence to approach the official authorities to spark changes.

In 2023 we have not registered any fines or had any reason to categorise any activity as suspicious with regard to criminal activities or money laundering.

Ensuring sustainable supply chains

For the Seatrans Group, having sustainable supply chains are a pivotal aspect of responsible business practices. It means the procurement, production and distribution of goods or services shall have a minimal environmental and social impact. We believe by monitoring our supply chains carefully we will reduce carbon emissions, minimise waste, promote ethical labor practices, and ensure responsible sourcing of materials.

Our procurement activities are centralised at our HQ with emphasis on supplier evaluation and approval. This is supported through our membership in Incentra.

The Seatrans Group is also a member of the International Maritime Purchasing Association (IMPA) through the IMPA ACT. Our Supplier Code of Conduct includes sound principles from both Incentra and IMPA. The outcome of our procurement organisation is that we reduce our risk for exposure to unsustainable business.

Emergency response

We have through 2023 continued our focus on maintaining the top-class level of our Emergency Response team. The procedures and processes for sounding alarms, summoning members, and setting up the response team as well as handling incidents are regularly repeated and subject for training. Trainings are facilitated and organised by external parties and includes actors and other activities making the drills as close to a real situation as possible.

Information related to incidents are distributed by using RAYVN, to which all relevant parties are connected and regularly updated. Records from drills and real events are kept in RAYVN. A total of 3 full scale drills were held in 2023.

Our technical facilities in our emergency response centre are very modern and our procedures are regularly audited by class societies and customers.



performance



We are here presenting our key figures for ESG performance for the year 2023. Our overall goal is to operate safely with respect to people, environment, and assets. We closely monitor our performance indicators with the objective to continuously improve.

Environment

Waste delivered
to shore (m³)*

| 2022 | 2023 |
|------------|-------|
| 1,443 | 1,930 |
| 34% | |

Waste intensity
(cargo ships)
litres per man hour

| 2022 | 2023 |
|------------|------|
| 0.69 | 0.66 |
| -4% | |

Waste intensity
(offshore ships)
litres per man hour

| 2023 |
|------|
| 1.41 |

Number of spills
to environment

| 2022 | 2023 |
|-----------|------|
| 1 | 1 |
| 0% | |

Amount of spills
to environment (m³)

| 2022 | 2023 |
|-------------|------|
| 0.01 | 0.30 |
| 0.29 | |

CO₂e emitted
(scope 1) (Mt)

| 2022 | |
|-------------|--|
| 220,515 | |
| 2023 | |
| 196,770 | |
| -11% | |

CO₂e from
vessels (scope 1) (Mt)

| 2022 | |
|-------------|--|
| 216,182 | |
| 2023 | |
| 193,020 | |
| -11% | |

CO₂e from land
assets (scope 1) (Mt)

| 2022 | |
|-------------|--|
| 4,333 | |
| 2023 | |
| 3,750 | |
| -13% | |

CO₂ Intensity
(AER)

| 2022 | 2023 |
|------------|------|
| 20.0 | 19.4 |
| -3% | |

grams CO₂ per DWT*Nm

GHG WtW
Intensity

| 2022 | 2023 |
|------------|------|
| 24.0 | 23.2 |
| -3% | |

grams CO₂ per DWT*Nm

CO₂ emitted
(scope 2) (Mt)

| 2023 |
|------|
| 456 |

NO_x emitted
(Mt)

| 2023 |
|-------|
| 4,096 |

SO_x emitted
(Mt)

| 2023 |
|------|
| 226 |

Scope 1
Energy Mix **

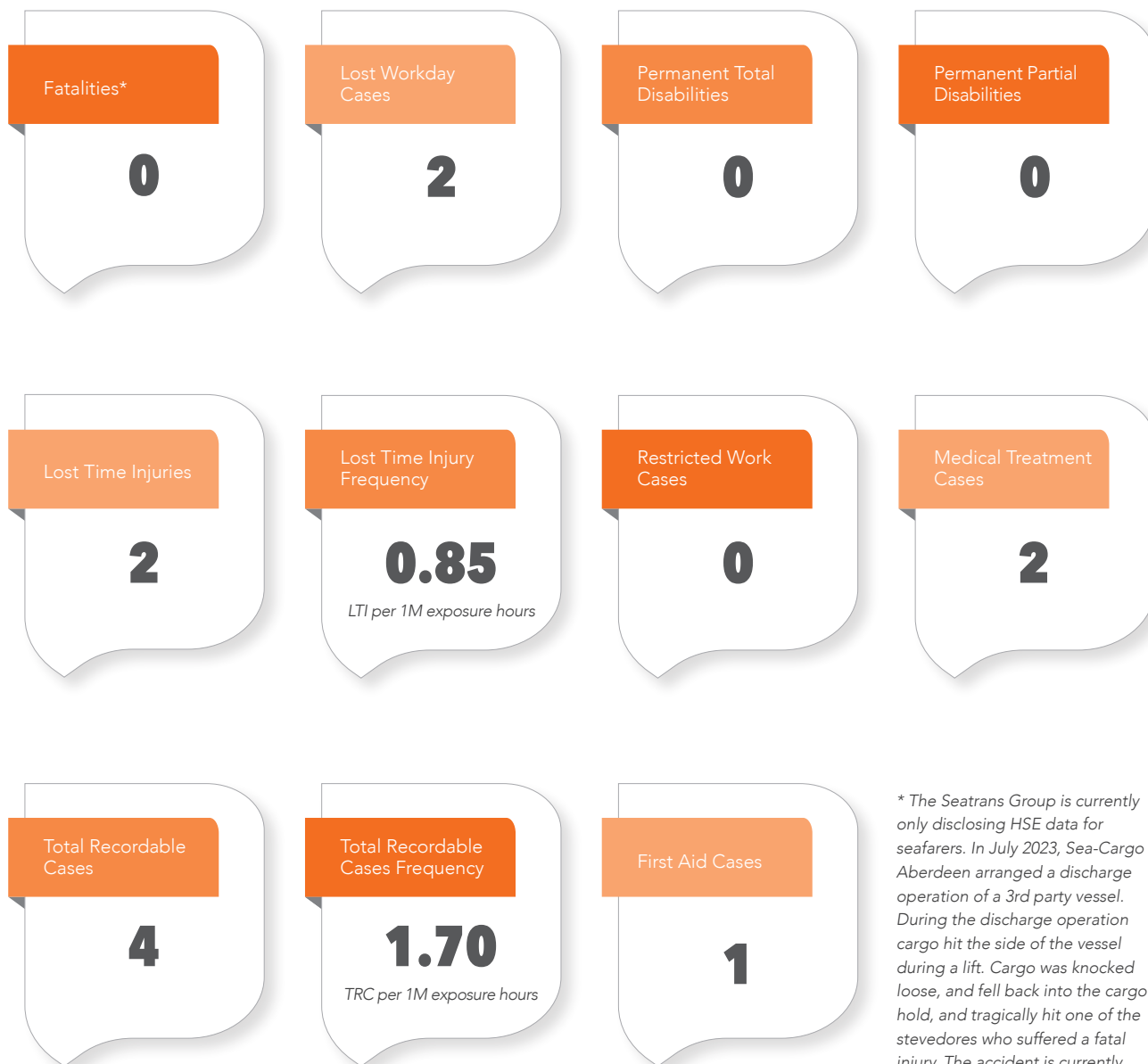
| 2022 | 2023 |
|------------|------|
| 0.35 | 0.33 |
| -6% | |

% Renewable energy

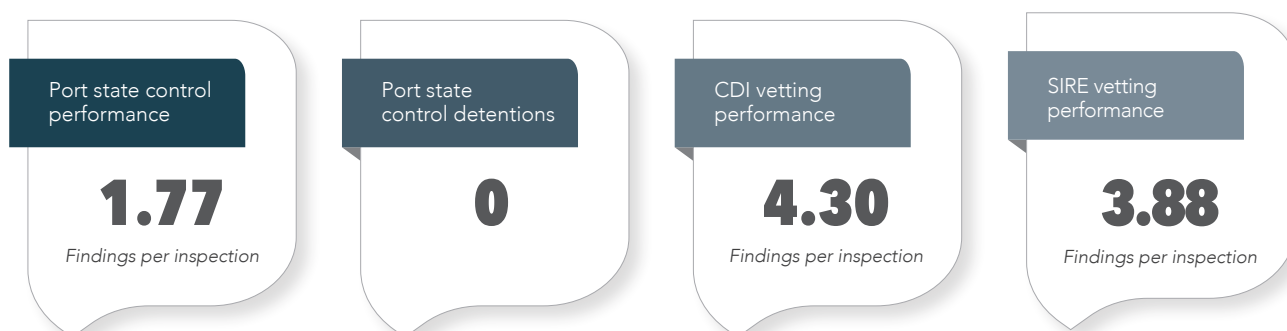
* Waste of MARPOL categories A, B, C, F and I included. An increase in ships under management is the main cause of the increase of waste volume.

** Renewable energy from wind propulsion included.

HSE (seafarers)



Inspections & vettings



Governance

Monetary value
of significant fines

0

USD

Number of non-
monetary sanctions

0

Human resources

Employees in
Seatrans Group*

313

Gender diversity in
Seatrans Group

32%

Female employees

Retention rate in
the Seatrans Group

85%

% Retention

Average seniority in
the Seatrans Group

9

Years

Sick leave in the
Seatrans Group

3%

% Sick leave

Employed
seafarers

1017

Officers

509

Ratings

508

Officers
retention rate

79%

% Retention

Ratings
retention rate

83%

% Retention

Average seniority
amongst seafarers

4

Years

* In the 2022 report, Northwards
was not included in the statistics.
This company is now included.

Vessel list



BORE BAY

| | |
|---------------------|--------------|
| Type | Ro-Ro |
| Ownership | Chartered |
| Capacity (DWT) | 7330 |
| Built | 1997 |
| Owner | Bore Oy Ab |
| Commercial operator | Sea-Cargo AS |
| Ship manager | Bore Oy Ab |



MISIDA

| | |
|---------------------|--------------------|
| Type | Ro-Ro |
| Ownership | Chartered |
| Capacity (DWT) | 11405 |
| Built | 2007 |
| Owner | Oy Trailer-Link Ab |
| Commercial operator | Sea-Cargo AS |
| Ship manager | Godby Shipping Ab |



MISANA

| | |
|---------------------|--------------------|
| Type | Ro-Ro |
| Ownership | Chartered |
| Capacity (DWT) | 11407 |
| Built | 2007 |
| Owner | Oy Trailer-Link Ab |
| Commercial operator | Sea-Cargo AS |
| Ship manager | Godby Shipping Ab |



SC CONNECTOR

| | |
|---------------------|---------------------------|
| Type | Ro-Ro |
| Ownership | Owned |
| Capacity (DWT) | 8605 |
| Built | 1997 |
| Owner | Sea-Cargo Skips AS |
| Commercial operator | Sea-Cargo AS |
| Ship manager | Stödig Ship Management AS |



SEA-CARGO EXPRESS

| | |
|---------------------|---------------------------|
| Type | Ro-Ro |
| Ownership | Owned |
| Capacity (DWT) | 4894 |
| Built | 2012 |
| Owner | Sea-Cargo Skips AS |
| Commercial operator | Sea-Cargo AS |
| Ship manager | Stödig Ship Management AS |



TRANS CATALONIA

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 19715 |
| Built | 2000 |
| Owner | Trans Fjord Pte Ltd |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS ADRIATIC

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 12503 |
| Built | 2002 |
| Owner | Kjemi Trans II AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS CHEMICA

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 12430 |
| Built | 2005 |
| Owner | Kjemikalietank AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |

Vessel list



TRANS EMERALD

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 8650 |
| Built | 2005 |
| Owner | Kjemikalietank AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS FJELL

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 3453 |
| Built | 2007 |
| Owner | Euro Trans Skips AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS EXETER

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 9456 |
| Built | 2004 |
| Owner | Euro Trans Skips AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS FJORD

| | |
|---------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Chartered |
| Capacity (DWT) | 12500 |
| Built | 2023 |
| Owner | Eight River Shipping SA |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |

Stödig Ship Management also have the following vessels under full management:
NORSIDE CETUS, NORSIDE CYGNUS AND NORSIDE SUPPORTER.



TRANS HOLM

| | |
|----------------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 6046 |
| Built | 1999 |
| Owner | Kjemikalietank AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



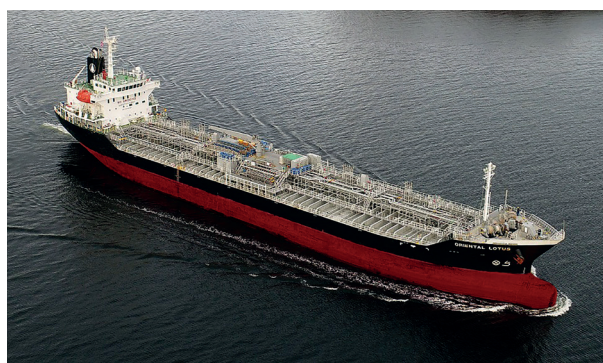
TRANS SEA

| | |
|----------------------------|--|
| Type | Chemical tanker |
| Ownership | Chartered |
| Capacity (DWT) | 12500 |
| Built | 2023 |
| Owner | Kimura Shoji Co Ltd & KT Neo Marine SA |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS IBERIA

| | |
|----------------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 19733 |
| Built | 2000 |
| Owner | Euro Trans Skips AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |



TRANS TIND

| | |
|----------------------------|------------------------------|
| Type | Chemical tanker |
| Ownership | Owned |
| Capacity (DWT) | 14281 |
| Built | 2010 |
| Owner | Kjemikalietank AS |
| Commercial operator | Seatrans Chemical Tankers AS |
| Ship manager | Stödig Ship Management AS |

The Seatrans Group:



In addition to the Seatrans head office, we also have the following branch offices:

**Stödig Ship
Management AS**

Bulgaria Varna
Poland Gdynia
Romania Constanța

Sea-Cargo AS

Denmark Esbjerg

Netherlands Rotterdam

Norway Bergen

Norway Haugesund

Norway Stavanger

UK Aberdeen

UK Immingham

UK Shetland Islands

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Wernersholmvegen 5, 5232 Paradis Norway

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