



Sustainability Report 2021



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Preface

“We are the first generation that can eradicate poverty, and the last that can stop climate change.”

Ban Ki-moon in 2015,
former UN Secretary-General

Six years later, the climate challenge has reached a new level, and the current UN Secretary-General, António Guterres, raised all red flags for humanity in August 2021. The Paris Agreement's 1.5-degree goal is about to be missed, an issue that affects us all.

We belong to an industry that is responsible for large emissions and heavy consumption: we know the challenges we face and how to solve them. We must develop and operate real estate in a way that significantly reduces emissions, thereby contributing to the creation of a sustainable future for those who come after us.

In R8 Property's business strategy for 2020–2025, sustainability constitutes a major focus area: sustainability should be included and implemented throughout the value chain, from project development to operational services. During this period, the company will also make a strategic change in its property portfolio, where the focus will be on smart, technological and sustainable buildings, located at central hubs.

This year we are publishing – R8 Property (including R8 Management) – our first sustainability report, but we have been working on sustainability for several years. We launched Powerhouse Telemark in 2015 and completed the building in 2020.

In the same year, Powerhouse Telemark was named by American CNN as one of ten buildings worldwide with the highest expectations – in strong competition with spectacular buildings in Canada, China, Egypt and Dubai, among other places. Producing more energy than it consumes over a 60-year lifetime cycle, the building has been a pioneering innovation project in how to develop new technological and sustainable solutions. Powerhouse Telemark has proved an enriching experience both for ourselves, and for everyone who has been involved in the implementation of the project. This has encouraged us to develop the world's first Paris-Proof neighbourhood in Tønsberg, namely Slottsfjell Park. Here we are now breaking new ground (page 46).

To achieve climate targets, we must lower our own climate footprint. We must focus on increasing the utilisation of existing land, thereby reducing the need for new buildings. We must also favour rehabilitation over new builds. This is a driving principle for Slottsfjell Park but also for Inkognito Park, which is our most demanding rehabilitation project to date. On page 42, we describe how this classic, protection-worthy building is being transformed into a high-tech building with flexible office solutions.

As the corona pandemic hit us with full force in March 2020, new flexible forms of work with the use of hybrid solutions took flight. Today, the new normal means combining workdays at the office with working from home or at other locations. These are sustainable solutions that reduce business travel and create flexibility, which is the mainstay of Evolve, Norway's largest provider of flexible office solutions – which we purchased in January 2020.





Fact: 50% of the world's office space stands empty at any given time. This is an issue we want to address by making better use of existing buildings. In addition to Evolve's continuing development, we have created Orbit: a digital subscription solution that enables the booking of vacancies and meeting rooms.

The last two years have been marked by a pandemic that no one could have foreseen, never mind the global reach the pandemic would have. We would like to extend a heartfelt thank you to all our customers and partners. Thank you for the trust you place in us, and thank you for your constructive and solid cooperation throughout the period.

Thanks also to all our employees who have proved to be adaptable and solution-oriented. Despite masks, meters of social distancing, bans on large meetings, bans on physical encounters, and ever-changing restrictions, you have never lost sight of the vision – putting customers and their needs at the centre of everything we do. Throughout, we have managed to maintain sound and good operation of our properties – a huge accomplishment by everyone who made this possible, every single day.

At R8 Property, we always keep our values close to heart: trust, courage and commitment. They underlie our relationships with our customers and each other. It is certainly impressive to realise how well such values have served us, not only in speeches at parties and when everything is easy, but also in challenging times.

Since R8 Property was founded in 2010, sustainability has been a major driver. At the outset, we mainly focused on investing in buildings with a low energy class and on operating them in the most rational way possible in regard to energy consumption and waste management. As the organisation has grown, so has the systematic approach to sustainability. Powerhouse Telemark became a key project that has led to increased expertise throughout the organisation, and which in turn has stirred a desire to be at the forefront of our industry.

The report intends to show how we work with sustainability. Sustainability concerns business, climate and social conditions (ESG), and we have defined clear objectives within each of the three areas in order to be able to prioritise well.

What is more, sustainability has become a fully integrated part of the company's strategy, guiding daily strategic and operational decisions at all levels. We believe that tomorrow's office users, municipalities, banks, investors and others will value sustainable properties, and not least the expertise and system value that lies in our organisation.

We are just starting out, and we are looking forward to all we will learn and everything we shall accomplish.

Happy reading!

Emil Eriksson, CEO

Elin Tufte Johansen, CHO/CSO



About R8 Property ASA

R8 Property ASA is a full-service real estate company that focuses on the development, ownership and operation of sustainable commercial properties at central hubs. The company is one of the country's leading property developers of sustainable buildings, and has won the Norwegian Tenant Index six years in a row (2015–2020). R8 Property Group has 31 employees as well as three additional employees from R8 Consulting Group who work closely with the Group (as of 31/12/21).

R8 Property has 34 subsidiaries and is headquartered in Powerhouse Telemark. This is the company's flagship, and two other Powerhouse projects are on the drawing board at Snøhetta.

The company was established in 2010 by Emil Eriksrød and, as of 31/12/21, has a portfolio of 108,966 sq m, distributed across properties in Skien, Porsgrunn, Sandefjord, Tønsberg and the Oslo region. The portfolio consists of 24 properties and 6 projects, and has a value of approx. NOK 2.7 billion. The occupancy rate is 87.7%, and the weighted remaining lease period is 7.3 years.

On 9 June 2021, R8 Property ASA was listed on Euronext Growth Oslo, with a fully subscribed issue. As of 31/12/21, the Company had 178 shareholders.

The tenant portfolio is divided into five segments: offices, hotels, restaurants, health and trade – of which offices make up approximately 83% of revenues.

R8 Property has long-term partnerships with companies such as Bane NOR Eendom, Skien Boligbyggelag and Industrifinans.

The board consists of 3 women and 4 men: George Emil Aubert (Chair of the Board), Leif Oddvin Jensen, Christina Sundby, Knut Bråthen, Marianne Lie, Runar Rønningen and Elin Tufte Johansen.

Corporate governance is reported in accordance with recommendations from NUES (Norwegian Committee for Corporate Governance).



Occupancy rate
87.7%

Total areas
108,966
sq m

Annual rent
161.8
NOK million

Weighted remaining lease period
7.3
Year

Environmental

Total emissions

591.8

tCO2e

Emission intensity portfolio

4.51

kg CO2e/m2

Total energy consumption

16,031

mWh

Energy efficiency portfolio

159

kw/m2

Sorting rate

65 %

Project Sorting rate

98 %

Explanation of terms

- **tCO2e:** unit of measurement that converts all greenhouse gases released into the atmosphere into tonnes of carbon dioxide (CO2).
- **kgCO2e/m2:** kilograms of greenhouse gases released, divided by the total number of square metres in the property portfolio.
- **kwh/m2:** unit of measurement of electricity consumption per square metre in the property portfolio.
- **Sorting rate:** the percentage of all waste that is not disposed of in residual waste.

Social

Sick leave

2.1 %

of total working hours

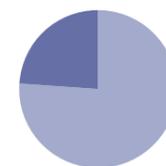
Employee conversations

100 %

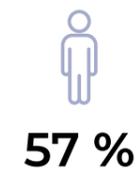
completed

Gender balance at R8 Property

Employees



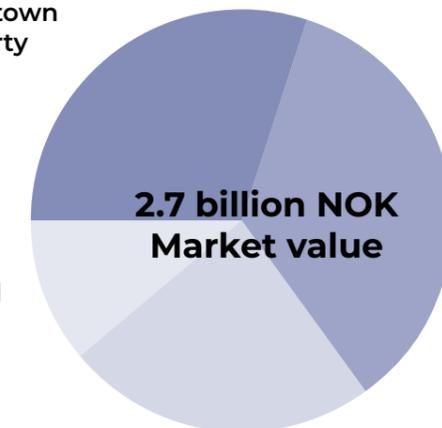
The Board



Governmental

Downtown property
24%

Commercial property
11%



Green property
35%

Project
30%

Number of BREEAM-certified buildings

1

Real estate portfolio

24

Project portfolio

6

01 Sustainability



Stakeholder mapping
Materiality analysis
Sustainability strategy

Sustainability in R8 Property



Sustainable development is crucial for future generations to have the same opportunities as we have today. R8 Property takes a holistic and systematic approach to sustainability, incorporating all three ESG dimensions into the company's development of a sustainability strategy:

Climate and environment

- Work systematically on the reduction of greenhouse gas emissions and energy consumption in operations and projects. Moreover, we will influence the climate and environmental focus of our suppliers.

Social

- Create safe, sustainable, and inclusive buildings and areas that add value to our cities and neighbourhoods.

Business management

- Be a safe workplace for all employees. Working systematically with HSE work, focusing on skill development and striving for a more balanced gender distribution.
- The Board shall monitor the sustainability strategy and reporting. Successful property development and acquisition relies on central hub locations. We shall increase the number of rehabilitation projects and assess opportunities for rehabilitation before demolition. It is also important to monitor suppliers and work systematically with anti-corruption.

STAKEHOLDER MAPPING AND MATERIALITY ANALYSIS

In collaboration with BDO, R8 Property conducted a materiality survey in 2021 under the Global Reporting Initiative (GRI) reporting standard. The purpose of the analysis was to demonstrate R8 Property's governance, and environmental and social impact capabilities, as well as their relevance to our stakeholders. It forms the basis for prioritising focus areas in the company's sustainability work, and for prioritising which GRI standards to report on.

The analysis revealed the expectations for the company's sustainability work. The process consisted of quantitative and qualitative parts. The quantitative part was conducted as a digital survey via BDO Feedback, where stakeholders were asked to rate a total of 18 topics on a scale from "negligible" to "very important".

Themes are divided into five categories: *Climate and Environment, Social Conditions, People, Business Model and Innovation, and Management and Governance*. The qualitative survey comprised a total of 12 interviews with selected stakeholders from different stakeholder groups. Themes considered are set out on the next page with a description and overview of the main concerns of each stakeholder.

CLIMATE AND ENVIRONMENT

Theme	Description	Important for stakeholder
Reduction of greenhouse gas emissions from own business	Concerns our ability to reduce greenhouse gas emissions through the operation of the real estate portfolio and projects	Board, bank, collaborator
Reduction of greenhouse gas emissions by setting requirements for suppliers and partners	Concerns our ability to influence our suppliers and partners to reduce their greenhouse gas emissions by setting relevant requirements	Bank, collaborator
Energy consumption and energy mix, and its management	Concerns our ability to reduce energy and electricity consumption associated with our real estate portfolio	Board, bank, supplier
Waste management	Concerns our ability to reduce and manage waste generated from the real estate portfolio and projects	Client
Our buildings impact on the local environment	Concerns our ability to safeguard biodiversity (including animal and plant environments) around our buildings and projects	Board, bank, collaborator
Environmental certifications of buildings for purchase and lease	Concerns our ability to certify our buildings, including providing energy labelling, energy performance certificates and environmental management systems	Board, bank, collaborator, customer

SOCIAL CONDITIONS

Theme	Description	Important for stakeholder
Community development	Concerns our ability to deliver a socio-economic impact, local community involvement and employment of students, and others who need a springboard into working life	Bank, supplier, customer, collaborator
Data security and customer privacy	Concerns our ability to manage risks related to the collection, storage and use of sensitive and/or confidential customer or user data	Not emphasised by stakeholders
Universal design in buildings	Concerns our ability to facilitate infrastructure and buildings for people with disabilities	Board, bank, supplier, customer, collaborator
Health and safety of tenants	Concerns our ability to provide tenants with products and services that meet expectations related to health and the physical indoor environment	Bank
Health and safety of suppliers	Concerns our ability to ensure suppliers' health and safety in projects	Bank
Sales practices and market communication	Concerns our ability to act credibly, truthfully and responsibly in marketing, sales and rentals	Not emphasised by stakeholders

PEOPLE

Theme	Description	Important for stakeholder
Diversity, equality and inclusion	Concerns our ability to include all employees, as well as contributing to better diversity and equality in the company	Board, customer
Employee skills-development and work engagement	Concerns our ability to facilitate the development, the learning and the career of individual employees	Board, supplier, customer, collaborator
Compliance with laws and occupational health and safety standards	Concerns our ability to comply with the legal requirements and standards that apply to us as an employer, including under the Working Environment Act	Board, bank, customer
Employee health and safety	Concerns our ability to safeguard and provide measures for the health of our employees	Board, customer

BUSINESS MODEL AND INNOVATION

Theme	Description	Important for stakeholder
Circular economy and sustainable architecture	Concerns our ability to minimise the use of new resources in our buildings, as well as to ensure a circular life cycle for the resources we use	Board, bank, collaborator, customer
Robustness of the businessmodel	Concerns our ability to manage risk and see opportunities related to the transition to a low-carbon and climate-limited economy, including positioning the portfolio of future-oriented buildings and services	Board, bank, collaborator
Supplier requirements and compliance monitoring	Concerns our ability to place demands on our suppliers, as well as to monitor compliance related to their climate and environmental responsibilities, human rights, work practices, ethics and the prevention of corruption	Board, bank, collaborator
Limiting material use and increasing utilisation rate of land	Concerns our ability to reduce the use of new materials, as well as to increase the use of land related to the development of property and buildings	Board, bank, customer, collaborator
Sustainability as an opportunity to create growth and development	Concerns our ability to grasp the opportunities that lie in the sustainable shift to create growth in the company and develop new products and services	Board, supplier

MANAGEMENT AND GOVERNANCE

Theme	Description	Important for stakeholder
Sound business ethics	Concerns our ability to have good governance and control internally over our own policies and procedures to ensure a responsible operation	Board, collaborator
Healthy influence and cooperation with policy-makers	Concerns our ability to influence and collaborate with municipalities, regulators, legislative and regulatory authorities that meet the needs of society	Supplier collaborator
Critical risk management of accidents	Concerns our ability to safeguard the company's safety culture and use of management and risk systems	Not emphasised by stakeholders



Materiality matrix



The four steps of materiality analysis are:

1. Defining the company's key stakeholders
2. Identifying the stakeholders' main concerns through survey and stakeholder interviews
3. Identifying where the company has greatest potential to contribute to business, social and climatic change through surveys internal/external surveys
4. Prioritising themes by compiling stakeholder perspectives and potential for contribution to social, economic, and climate and environmental sustainability

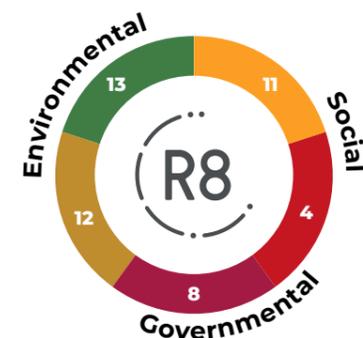
R8 PROPERTY'S SELECTION OF SUSTAINABILITY GOALS

In addition to the work on stakeholder dialogue and materiality analysis, R8 Property's kickoff meeting in Autumn 2021 was devoted to sustainability. There is a great commitment to working with sustainability in R8, and the entire organisation provided input on which theme and sustainability goals are most relevant to the company.

- Sustainability goals 11, 12 and 13 were voted the most relevant, and there was a lot of interest in and commitment to themes related to sustainability goals 4 and 8.
- Sustainability goals and themes have been decided based on input from the sustainability workshop, results from the materiality analysis and input from management.

The following focus areas and sustainability goals form the basis of R8 Property's sustainability strategy and sustainability report. This is presented in the following:

- Focusing on circular solutions/opportunities through material selection and sustainable architecture
- Reduce greenhouse gas emissions – both from own buildings and through requirements for suppliers and partners
- Prioritise employee skills development, particularly on concrete themes in sustainability, health and engagement
- Endeavour to increase diversity, inclusion and equality in R8 Property and in the surrounding community
- Monitor suppliers, set requirements for the entire value chain and be a driving force for sustainability



R8 PROPERTY'S SUSTAINABILITY STRATEGY

The strategy will guide our choices and priorities in daily life, as well as guiding the company's initiatives in the years to come. The sustainability strategy has been developed based on the stakeholder and materiality analysis, internal workshops, and collaboration with the Green Building Alliance. It is based on areas of influence for R8 Property and the industry as a whole, as well as our stakeholders' expectations. These are linked to the five sustainability goals we deem essential for the company's core business.

AMBITION	MEASURE
<p data-bbox="186 772 270 877">4 QUALITY EDUCATION </p> <p>We shall contribute to sustainable development by enhancing our skills, enabling us to continuously drive innovation, solve complex tasks, and create climate-smart solutions for society</p> <p>We shall create engagement, and invite actors in business and society to collaborate and share skills</p>	<ul style="list-style-type: none"> • Help individual employees grow by facilitating the development and sharing of skills • Collaborate with universities and colleges to contribute to the mutual development of skills • Offer student internships at our company • Invite interdisciplinary collaboration in our "cities and neighbourhoods" so that we can come together to solve common challenges and achieve shared goals, including that of good and sustainable community development
<p data-bbox="186 1535 270 1640">8 DECENT WORK AND ECONOMIC GROWTH </p> <p>Working at R8 Property should be a great, inspiring experience. We offer good working conditions and ample development options for all employees in a safe and positive working environment.</p> <p>We will contribute to responsible business development through close supplier monitoring, and by establishing "seriøsitetsskrav" -- establishing good practices and requirements for pay and working conditions, in order to combat work-related crime – in all contracts</p>	<ul style="list-style-type: none"> • Conduct systematic HSE work and facilitate good working conditions and proper organisation of work both at construction sites and internally in our organisation. • Set a sick-leave target of less than 3% • Strive for increased female representation in the company • Map the supply chain and draw up clear supplier requirements to ensure ethical and sustainable operation throughout the value chain

AMBITION	MEASURE
<p data-bbox="1516 1024 1629 1129">11 SUSTAINABLE CITIES AND COMMUNITIES </p> <p>We will contribute to sustainable urban and community development by creating vibrant and urban city spaces with a focus on "green lungs."</p> <p>We will be close to the city hubs and contribute to increased availability and lower emissions.</p> <p>We will help reduce the negative environmental consequences of increased urbanisation</p>	<ul style="list-style-type: none"> • Develop an urban plan that contributes to increased activity and interaction with users of the area. In particular, we shall facilitate green meeting spaces. • Facilitate increased joint use in our commercial buildings. This leads to higher utilisation rates and delivers greater social utility value. • Increase utilisation of roof surfaces on new and existing buildings • Prioritise photovoltaic cells for power generation in suitable circumstances Facilitate surface water management Focus on using roofs for urban agriculture and as a social gathering point • Help promote sustainable transportation in the form of public transport, walking and cycling, sharing schemes, and car parks with charging stations. <p>Contribute to local community and business development:</p> <ul style="list-style-type: none"> • Seek and prioritise purchases from local manufacturers, where these satisfy our other functional requirements (low-emission products) • Collaborate with local organisations in our communities, and support projects that take social responsibility and contribute to increased quality of life for children and young people • Create meeting places, and contribute to cooperation with politicians, municipalities and other policy-makers on sustainable urban and area development.

AMBITION	MEASURE	
<p>As a property developer, we have a responsibility to set sustainable priorities and assess circularity when making decisions.</p> <p>In particular, we will increase reuse and recycling of materials in our projects, and reduce the amount of waste in construction projects and operations.</p> <p>We shall increase the number of rehabilitation projects and assess opportunities for rehabilitation before demolition.</p>	<p style="text-align: center;">PROJECTS:</p> <hr/> <p>Biodiversity:</p> <ul style="list-style-type: none"> Map biodiversity before starting projects. Implement conservation and improvement measures, as well as map the results. <p>Certification:</p> <ul style="list-style-type: none"> Certify all projects under BREEAM-NOR <p>Emissions:</p> <ul style="list-style-type: none"> Perform a GHG analysis in all projects Demand fossil fuel and/or emission-free construction sites Demand low-emission construction materials and products, documented through the Environmental Product Declaration (EPD). <p>Reuse:</p> <ul style="list-style-type: none"> At least 50% of building and demolition waste must be reused or recycled 20% of building materials in projects must be recycled or reused 20% of furniture and fixtures in the projects must be reused Planning for high levels of generality, flexibility and resilience in projects 20 % of the building must be reusable <p>Waste:</p> <ul style="list-style-type: none"> Focus on reducing the amount of waste in the projects with a 90% sorting-rate target at the construction site, and keeping waste below 40 kg/m2. 	
<p>R8 Property will contribute to stopping climate change and, in accordance with the Paris Agreement, reduce greenhouse gas emissions related to our real estate and project portfolio by 50% by 2030.</p>	<p style="text-align: center;">NEW CONSTRUCTION</p> <hr/> <ul style="list-style-type: none"> All new construction shall satisfy Powerhouse Paris Proof when R8 Property is a majority owner. <p>Certification:</p> <ul style="list-style-type: none"> New construction projects must satisfy the minimum BREEAM-NOR Excellent <p>Emissions:</p> <ul style="list-style-type: none"> Reduce GHG emissions related to material use by 40%, documented through the EPD. <p>Energy:</p> <ul style="list-style-type: none"> All new buildings shall satisfy energy class A 	<p style="text-align: center;">REHABILITATION</p> <hr/> <p>Certification:</p> <ul style="list-style-type: none"> Rehabilitation projects must satisfy the minimum BREEAM-NOR Very Good <p>Greenhouse gas emissions:</p> <ul style="list-style-type: none"> Reduce greenhouse gas emissions related to material use by 60% based on the BREEAM-NOR 6.0 manual (MAT01) <p>Energy:</p> <ul style="list-style-type: none"> Rehabilitation projects; 30% reduction of delivered energy (the amount of energy the building receives from outside during normal use) <p>Reuse:</p> <ul style="list-style-type: none"> Conduct reuse analysis for all projects, as well as in the event of demolition.
	<p style="text-align: center;">OPERATIONS AND MANAGEMENT / PROPERTY PORTFOLIO:</p> <hr/> <p>Certification:</p> <ul style="list-style-type: none"> Systematically work with BREEAM In-Use in the property portfolio <p>Energy:</p> <p>Continuous focus on reducing energy consumption at all our properties.</p> <ul style="list-style-type: none"> Energy efficiency of existing buildings, with a target of an annual reduction in energy consumption of at least 3% by: Setting specific energy targets for each individual property with associated action plans Establishing energy monitoring systems and energy follow-ups for all buildings Adjusting and optimising operational engineering facilities to reduce energy consumption <p>Reuse:</p> <ul style="list-style-type: none"> Focus on increasing the reuse of furniture and fixtures in the property portfolio, in smaller redevelopment projects, and in tenant adaptations <p>Waste:</p> <ul style="list-style-type: none"> Increase the sorting rate of each property in the portfolio to a minimum of 70% during 2025, through tenant cooperation and practical arrangements in waste rooms. 	

02 Climate and environment



Energy, emissions and waste

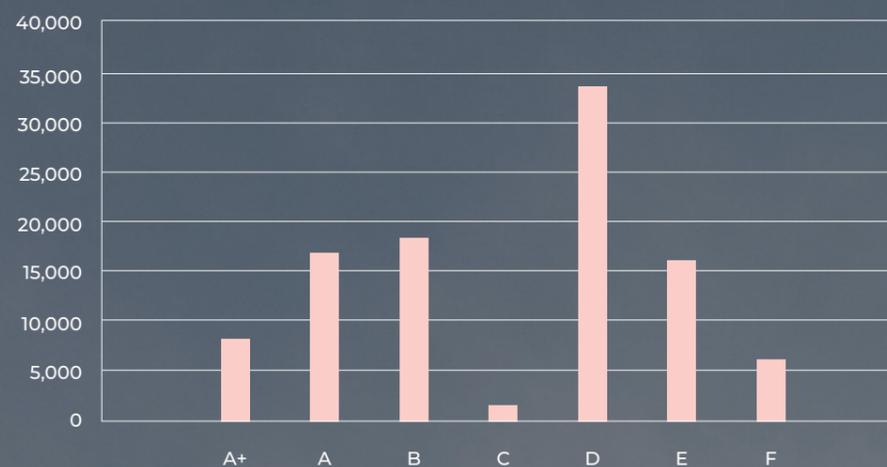
Circular solutions

Green new buildings

Powerhouse Telemark
Inkognito Park and
Slottsfjell Park

Energy

Energy labelling of buildings as per BRA



Number of square metres per energy class

Energy class	Building
A+	Powerhouse Telemark
A	Kammerherreløkka 5 (office), Vinkelbygget, Polymer Exploration Centre
B	Kammerherreløkka 3 (Hotel), Arkaden, Torggata 8 (Centrumgården), Dokkvegen 8, Bedriftsveien 52-58
C	Versvikveien 6B, Henrik Ibsens gate 6
D	Arkaden, Vipeveien 51, Versvikveien 6B, Parkbygget/Sentralbygget, Henrik Ibsens gate 6, Rødmyrlia 20, Fornebuveien 1-3
E	Arkaden, Dokkvegen 10, Storgata 106, Rødmyrlia 20, Grønlikroken 5, Østveien 667, Kongensgate 20 A
F	Kammerherreløkka 1, Storgata 171-175, Nedre Hjellegate 11, Rødmyrlia 20, Østveien 665
G	Hesselberggata 4, Tollboden

Four of the properties have multiple energy classes

The building and construction industry (BAE) is often referred to as the 40% industry; it accounts for 40% of greenhouse gas emissions, 40% of resource consumption and approximately 40% of energy consumption globally. R8 Property has a direct impact on the climate through, among other things, energy consumption from our portfolio, waste generated both in operations and projects, and driving with company cars.

R8 Property's property portfolio consists primarily of office buildings, in addition to one hotel, one shopping centre and one industrial/workshop building. The condition and year of construction of the properties are different, resulting in a varied composition of energy requirements in several energy classes, as well as varying degrees of waste management organisation.

Energy consumption and measures

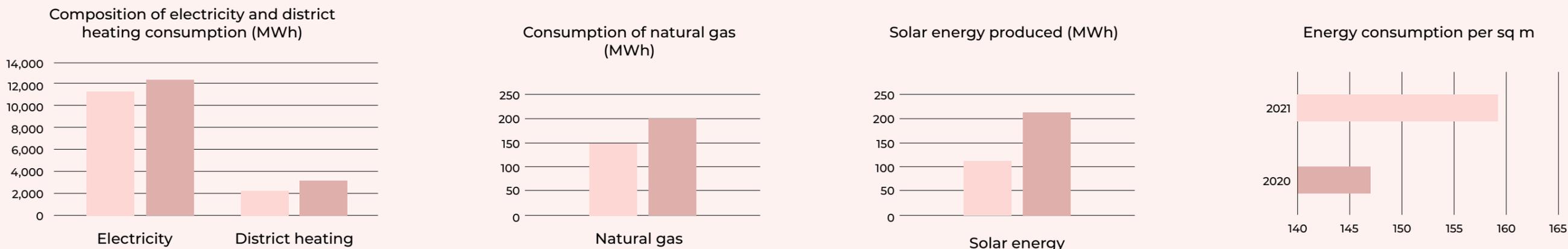
Energy consumption

In 2021, R8 Property's energy consumption on the real estate portfolio was 16,031 mWh, an increase of 13.7% from 2020 (14,100 mWh). This change is due to the company's total property mass expansion, as well as increased occupancy in terms of use of the properties. Similarly, the energy consumption of the portfolio went from 146.8 kWh/m² in 2020 to 159 kWh/m² in 2021, i.e., an 8% increase. The energy mix in the portfolio consists of electricity, district heating, natural gas (LNG), self-generated electricity (solar cells) and local heat from heat pumps.

Energy reduction measures

For a number of years, R8 Property has focused on optimising technical facilities to reduce energy consumption and costs for our tenants. In 2021, work was stepped up further by introducing energy management and implementing an energy monitoring system (EOS). The system collects and analyses power flow data on the properties and enables us to identify technical facilities with potential for energy optimisation. The system continuously runs analyses to detect faults that can result in increased energy consumption, as well as alerts of "power peaks" so that we can configure technical facilities to spread energy demand over a period of time to avoid high grid loads.

2020 2021



Solar energy and energy sold

Powerhouse Telemark is designed to produce more energy than it consumes during its lifetime. This means lower costs for our tenants. The building produced around 207 mWh of energy in 2021, of which 80.1 mWh was sold back to a power supplier. R8 Property lacks a power supplier concession and can only deliver up to 100kw back to the grid. Current regulations also do not permit the sharing of power to neighbouring buildings in order to utilise the full capacity of the photovoltaic plant. Like Norsk Eiendom and other players in the real estate industry, we believe that an amendment to this legislation is necessary to meet energy requirements and climate goals. The building was acquired in August 2020 and the total energy production for the year is therefore significantly less than in 2021.

A comprehensive project has also been conducted to identify the potential to reduce energy consumption across the portfolio. The project has delivered reports with concrete measures and cost-benefit analyses, and these are expected to be completed by mid-March 2022.

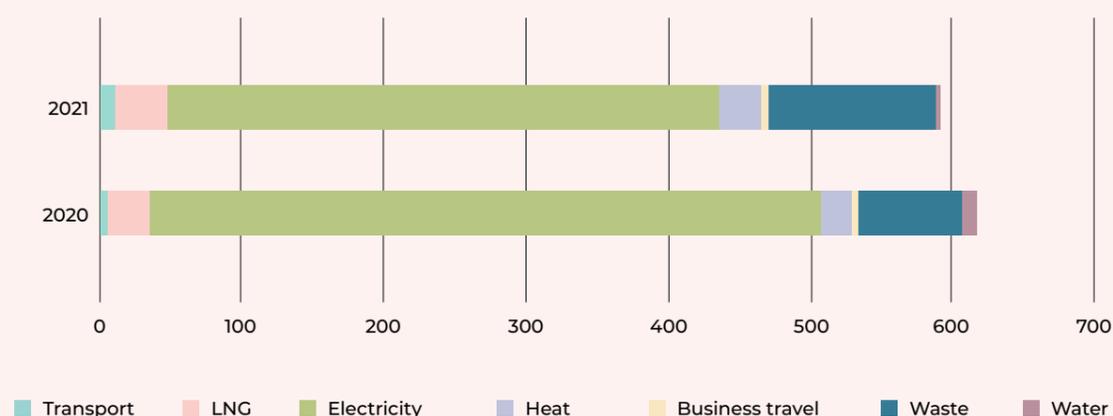
In 2022, R8 Property will map and prepare a clear strategy for reducing energy consumption across the property portfolio. We will work to make all our existing buildings more energy efficient, so that we reach our goal of an annual reduction in energy consumption of at least 3%.

Emissions

Greenhouse gas emissions

In 2021, R8 Property's total emissions were 591.8 tCO₂e, which represents a reduction of 4.1% / 25.1tCO₂e relative to 2020 (617 tCO₂e). Also, the emission intensity (emissions per sqm, scope 1 and 2 acc. to GHG protocol) was also reduced from 5.5 kgCO₂e/m² in 2020, to 4.5 kgCO₂e/m² in 2021. These reductions are due to a change in the emission factor, Nordisk Miks, which is used to calculate greenhouse gas emissions related to power consumption.

tCO₂e emissions by emission source



The reporting is divided into three parts, i.e., Scope 1, 2 and 3 as per the GHG protocol.

- **Scope 1** includes direct emissions from sources owned or controlled by the company. In the case of R8 Property, these involve company cars and heating with natural gas (LNG).
- **Scope 2** includes indirect emissions related to a company's purchase of energy in the form of electricity and district heating.
- **Scope 3** includes indirect emissions related to a company's activities, but which lie beyond its control or ownership. In R8 Property's case, this includes business travel, water and waste.

Scope 1 and 2 - Emission Intensity portfolio excluding transport



Scope 1 - Emission intensity during transport



In 2021, Scope 1 accounts for 8% of R8 Property's total emissions, a total of 47.2 tCO₂e. The majority of this comes from LNG heating, and the rest from diesel for company cars.

Over 70% of R8 Property's emissions relate to energy consumption and heating, and are consequently reported in Scope 2. Energy consumption has increased from 2020 to 2021, while emissions have been reduced by 18%, corresponding to 82.7 tCO₂e. This is because the location-based emission factor, Nordisk Miks, has reduced CO₂ per kWh in the Nordic energy composition by 24.4%. Even if consumption is higher, calculated emissions are lower. For the years 2020 and 2021, R8 Property also had a guarantee of origin on all purchased electricity.

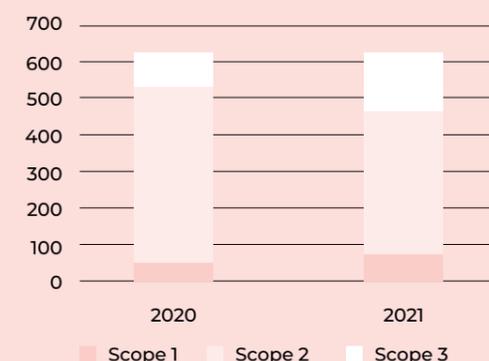
Facts about guarantees of origin (oprinnelsesgarantier)

Guarantees of origin are an electricity labelling scheme to show the power customer that a given power volume is produced from a specific energy source. The scheme was introduced with the first EU Renewable Energy Directive (Directive 2001/77/EC) in 2001 to give consumers a choice between renewable and non-renewable power. At the same time, power producers selling guarantees of origin receive an additional income from their renewable power generation.

Source: Norwegian Water and Energy Directorate

Emissions related to Scope 3 increased by 43.8% from 2020 to 2021. The reason for the increase is due to an insufficient data base for 2020, and greater amount of reported waste in 2021. Further information on this can be found under Waste.

tCO₂e emissions broken down by scope



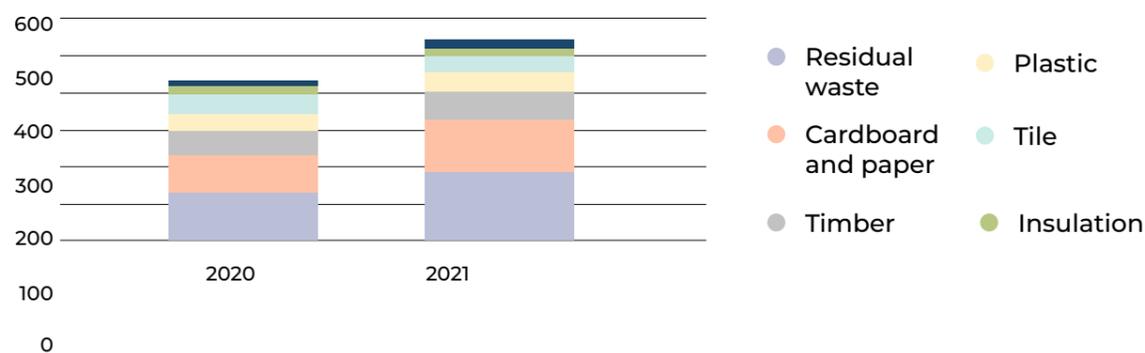
R8 Property has not identified indirect emissions from suppliers for the period 2020/ 2021. In the coming years, we are going to work further to identify indirect emissions in Scope 3.

Category	2020	2021	Percentage change
Diesel (NO)	8.3	10.7	
Natural gas (LNG)	27.3	36.5	
Scope 1 total	35.7	47.2	32.3%
Electricity	471.9	389.2	
Heat	21.6	29.5	
District heating	0.1	-	
Scope 2 total	493.6	418.6	-15.2%
Business travel	4.5	5.3	
Waste	73.6	117.4	
Water	9.5	3.3	
Scope 3 total	87.7	126	43.8%
Total	616.9 tCO₂e	591.8 tCO₂e	-4.0%

Waste

Waste in R8 Property is generated through project development and operation. Project development includes all waste generated in the demolition, reconstruction and rehabilitation/restoration processes. Operations include all waste generated through the management and daily use of the buildings. Operation and use of the properties primarily generate food, plastic, paper, glass and residual waste.

Waste (tonnes) 2020/2021 broken down by fraction



Operational waste R8 Property 2020/2021

Category	2020	2021	Category	2020	2021
Residual waste	132.3	189.3	Wood	4.3	7.3
Garbage	64	76.2	Industrial waste	53.5	45.3
Cardboard and paper	100.2	138.5	Special waste	0.01	13.5
Plastic	4.14	3.7	Hazardous waste	0	0.5
Glass and metal	22.3	17.3	Total	431.2t	545.4t
=	46.3		Sorting rate	69.3%	65.3%
Metal	4.1	0			

In 2021, the total amount of waste from the operation of the property portfolio was 545 tonnes, with a total sorting rate of 65%. In 2020, the total amount of waste was 431 tonnes, with a sorting rate of 69%. This is an increase of approx. 26.5 %, equivalent to 114.2 tonnes. The majority of the waste originates from the tenants and general use of the buildings. The change is due to increased occupancy of the properties from 2020 to 2021. Our waste disposal supplier handles the majority of waste from our property portfolio, and delivers monthly reports on generated waste by fractions, tonnage and frequency of retrieval. Some tenants have their own agreements with other waste disposal suppliers, which are included in the emission accounting.

For our two projects in 2021, the total amount of waste was 622 tonnes, with a sorting rate of 98%. Over 90% of the waste is associated with fractions such as brick, plaster and wood, as well as metal and insulation. There are major differences between projects. The Polymer Exploration Centre, which is a new building, primarily generates waste associated with the cut-off and surplus from construction process. Inkognito Park, a renovation project, has generated over five times as much waste, more than 65% of which are masses linked directly to the demolition process. On the projects, contractors have their own agreements with waste suppliers who have provided us with waste reports for these projects.

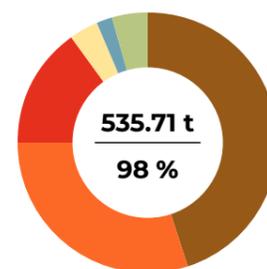
The sorting rate on the operation of the real estate portfolio for 2021 undershoots our ambitions. In Q3 2021, we began targeted work to reach a 70% sorting rate in our property portfolio during 2025. To achieve this goal, we shall evaluate each building's waste fractions, disposal procedures, as well as tenants' needs related to waste. In collaboration with our tenants, we will facilitate proper sorting possibilities and procedures, so that together we can improve the way we sort and handle waste.

Regarding projects, we will focus on setting clear requirements for waste sorting and handling upon contracting. Having said that, the construction industry is already very focused on this, as the reports of this year's projects show.

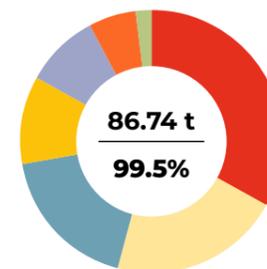
Project waste R8 Property 2021

Category	Rehabilitation	New construction
Mixed waste	10.7	0.4
Demolition masses	237.5	-
Tile	122.3	3.9
Excavation masses	5.8	-
Gypsum	25.6	16.7
Insulation	7	7.3
Timber	111.4	37.1
Metal	13.7	12.1
Plastic	0.5	8.5
Glass	-	0.02
EE waste	0.5	-
Paints, varnishes and adhesives	0.4	0.02
Biological/Food waste	0.2	0.6
Cardboard and paper	0.1	0.1
Brominated flame retardants	0.01	-
Total	535.71 t	86.74 t
Sorting rate	98%	99.5%

Inkognitogata 33



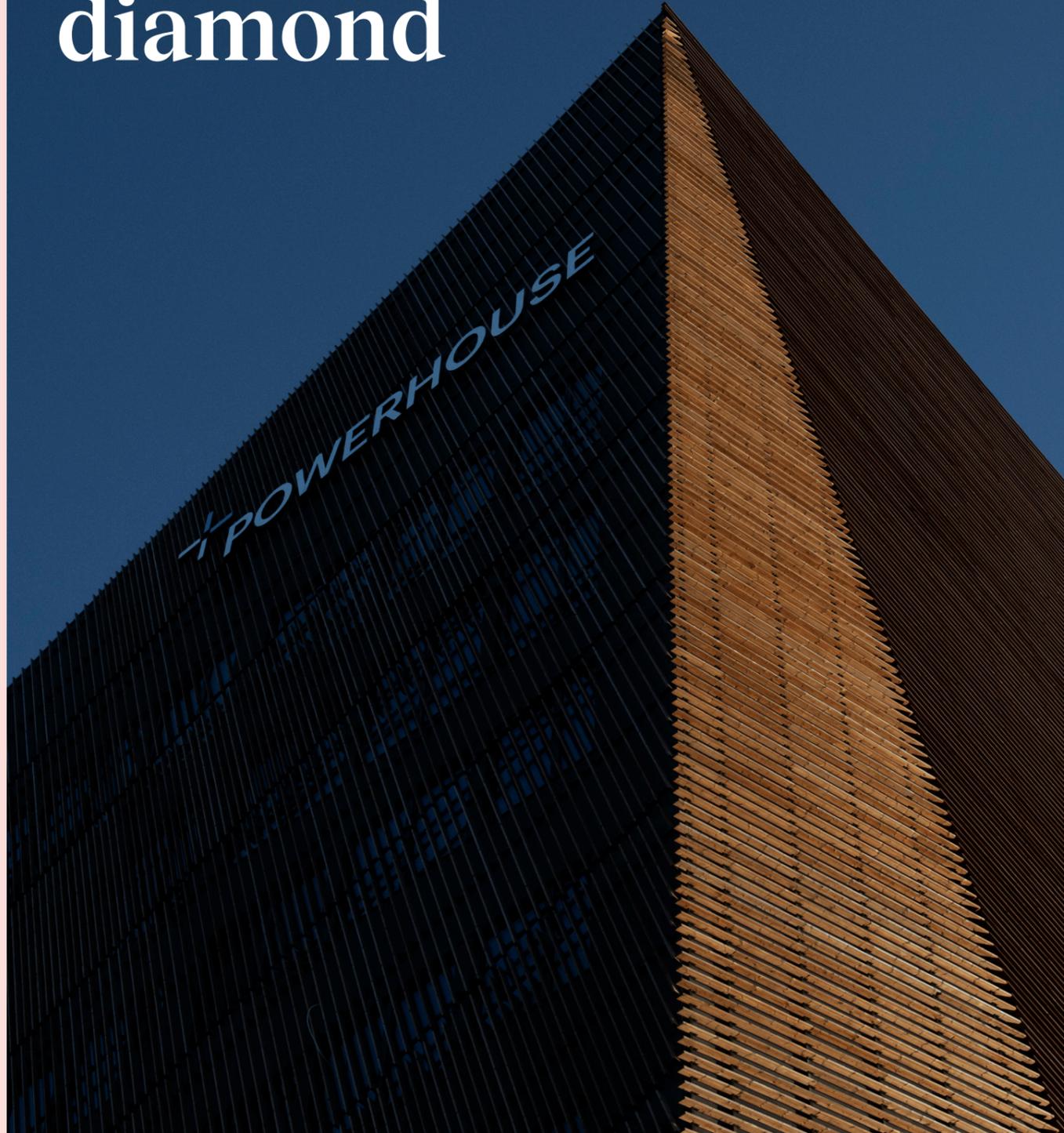
Polymer Exploration Centre



- Demolition masses
- Timber
- Tile
- Metal
- Plastic
- Insulation

Photo: Ivar Kvaal

Powerhouse Telemark – the green diamond



Powerhouse Telemark is the fourth powerhouse building in the world, and is a collaboration between Snøhetta, Skanska, Asplan Viak and R8 Property

Construction work began in 2018 and was completed in August 2020

The 8,403 sqm are spread over 11 floors

Facilities that are available to all tenants include, among other things, a bar reception, roof terrace, fitness room, meeting room centre, staff restaurant, car and bicycle parking with charging facilities

A powerhouse always starts from the premise that “shape follows environment,” i.e., that all solutions must be climate-friendly – both exterior and interior

Powerhouse Telemark is designed for up to 425 simultaneous users in the building.

The cost was NOK 276 million excluding VAT, that is approx. 32,845.00 per sq m.

Enova's support amounted to NOK 12.3 million

Powerhouse Telemark received the Porsgrunn Municipality Construction Practice Award in 2020



One of the country's most effective photovoltaic systems

Powerhouse Telemark has one of Norway's most efficient photovoltaic plants – only in the aerospace industry will you find photovoltaic plants that produce more energy per square metre than here (source: Asplan Viak, 2020). 1,400 sq m of solar cells are distributed on the roof and south facade, as well as carport and bicycle parking.

The building is designed to ensure the best possible light entry, sunshade and energy capture, and extensive technical calculations have been made to find the optimal angle for the greatest possible photovoltaic inflow throughout the year. The roof surface is maximised by tilting outwards, including a tilt of 45 degrees above the main entrance, and a tilt of 7 degrees generally, to capture as much sun as possible.

The roof slopes to the south and the walls slope outwards towards the roof to increase the roof area in relation to the area of use. There are also skylights to the south to ensure good daylight entry. The building's photovoltaic system has a production capacity of approximately 256,000 kWh per year, which corresponds to approximately 10 times as much energy as the average annual power consumption of a Norwegian household. The production limit of 100 kW, as well as the cable breakage in the carport with solar cells, led to reduced production in 2021.

Produces more energy than it consumes

The building uses approx. 66% less energy than a similar new building, is built according to TEK 17, and produces more energy than it consumes

over a 60-year life cycle. This includes production of building materials, construction, operation and disposal of the building.

The building's west, northwest, and northeast facing facades are clad with Thermowood wooden arrows, which act as sun screens on those areas most exposed to the sun. The façade also features Cembrit façade panels that give the building a uniform touch, while the iconic portal is in glulam (glued laminated timber).

Nine energy wells have been drilled into the ground to a depth of 280–300 metres, as the temperature becomes more stable the deeper you go. Geo-wells heat domestic water, regulate the temperature of the ventilation air, and regulate the water-borne heating and cooling system that is cast into the floor in the edge zone on each floor. Projected total energy consumption is approx. 51 kWh per sqm per year. In 2021, consumption was 56 kWh/sqm. This is expected to be reduced via good cooperation with the contractor during the trial operating period. All energy consumed for heating and cooling is taken from the energy wells, while the energy from the photovoltaic panels is used exclusively for electricity. The low carbon concrete floor are exposed in the interior and act as thermal mass, helping the building to naturally heat up and cool down.

Excess energy from the building can be sold back to the electricity grid. This is however very limited, as R8 Property lacks a license as a power supplier.

BREEAM-NOR – best practices inside climate-friendly buildings

Powerhouse Telemark is "BREEAM Excellent" certified, with a 72.88% score. Very few buildings in Norway enjoy this distinction. BREEAM-NOR is a third-party assessment tool designed to assess the environmental presentation throughout the life cycle of building projects. It will ensure "best practice" for construction in Norway and be a driver for innovation in sustainable construction projects.

This assessment process starts already at the concept stage and persists until the construction is completed and handed over. During the process, the project is assessed across nine categories, namely, management, health and indoor environment, energy, transport, water, pollution, materials, waste, and land use and ecology.

Points are awarded on the basis of the documented measures a project has implemented within the various categories. The BREEAM certification awarded to the project depends on the total score. BREEAM has five levels, namely Pass, Good, Very Good, Excellent and Outstanding.



Elisabeth Heggelund, Tørstad
CEO/Asplan Viak

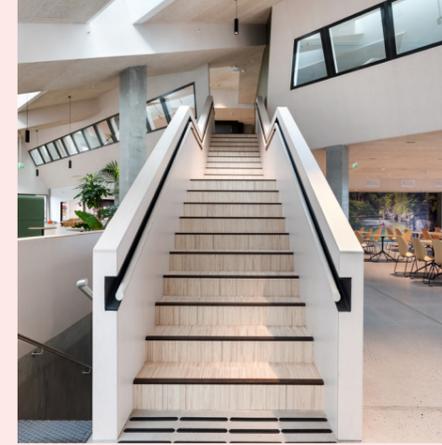
"Powerhouse Telemark is an excellent example of a building where technological innovation and environmental considerations are combined with a beautiful outward expression. We at Asplan Viak are proud to have contributed."



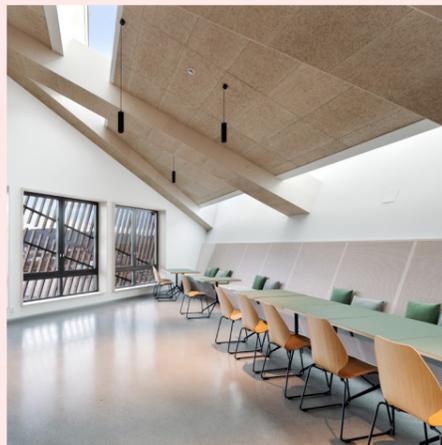
Sustainable and robust materials with low bundled energy



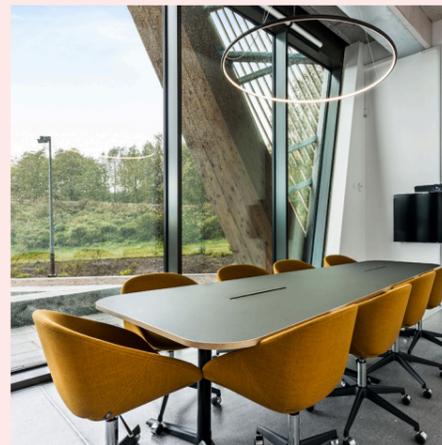
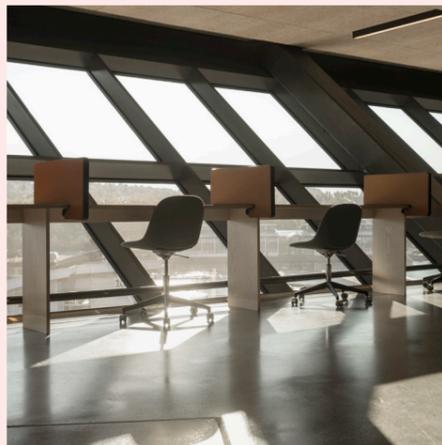
Demountable system for glass and plain walls.



Decor and interior



Benches in the staff restaurant feature ventilation and are perforated with acoustic material in the back



Carpet tiles consist of **70%** recycled fishing nets



In all of the building's 11 floors, sustainable and robust materials with low bound energy have been chosen. Floors, glass walls, partitions, kitchens, lights, wardrobes and bathrooms are generally given the same design expression to avoid replacement when changing tenants. Both glass walls and ordinary walls are demountable system walls. The signage system is also standardised, so that little material production and few replacements are required when changing tenants. Core areas feature floor covering: carpet tiles that consist of 70% recycled fishing net, and the wooden floor is made of residual slats from industrial parquet in ash. Sound-absorbing solutions have been chosen throughout the building, including wood wool cement boards in the roof, and panels of recycled wool on the walls. The sloping facades and ceiling in different layers also contribute to a better sound environment. Floors feature a combination of carpet and concrete, and the latter has been provided with slits to dampen the sound of footfall. In the staff restaurant, many sound-absorbing measures have been adopted which, when choosing furniture include:

Benches feature ventilation, and are perforated with acoustic material in the back. The furniture is upholstered and the room features many textiles, a sound-absorbing and heat-providing material, which in turn means that the temperature can be turned down.

Outdoors

- Granite and concrete have been used in all exterior work
- Benches come from Vestre and have a lifetime guarantee
- 120 parking spaces for bicycles, of which 40 are covered and 20 feature charging points
- 177 parking spaces, of which 34 feature electric car chargers
- To avoid an unnecessary amount of bound energy, no parking basement has been built



Focusing on circular solutions

The construction and real estate industry is responsible for large amounts of waste, emissions and consumption of materials. According to SINTEF, the industry must cut its emissions by more than 7.5% annually to achieve the Norwegian Climate Act's goal of a 40% greenhouse gas reduction from 1990 levels, by 2030. If this goal is to be achieved, the industry must think in terms of "used" rather than "new."

A renewed focus is on the rehabilitation of

existing buildings and better use of existing materials necessary. There is great untapped potential in circular solutions such as recycling and reuse of materials, as well as in more conscious waste management and sorting.

On several occasions, R8 Property has completely renovated large, older apartment buildings such as Eeks Gård and Centrumgården in Skien. Moving forward, we will focus even more on this type of project.

Rehabilitation projects and new construction shall emphasize flexibility, so that reuse and adaptation to changing needs of tenants will become easier and more sustainable. Our buildings shall be designed with a high degree of generality, flexibility and resilience. This will increase the applications and adaptability, while reducing greenhouse gas emissions and material use in tenant adaptations. Reuse analysis shall be carried out for all new projects.

We will also be more aware of measurements and documentation on the condition of buildings, waste management and material use throughout projects. Our sustainability strategy sets clear goals related to the reuse and recycling of waste, materials and inventory.

This will guide our work on projects in the years ahead.



Inkognito park



Jon Rørvik,
Project Manager

Address: Inkognitogaten 33 A, v/Solli plass in Oslo
Construction year: 1874
Launch/Opening: Autumn 2022
Area: approximately 3,300 sqm, spread over four floors and two basement levels
Environmental certification: BREEAM Very Good
Contractor: AF Group
Lead architect: Reaktor
Interior designer: Metropolis
Client: R8 Property ASA og Industrifinans
Tenants: 24SevenOffice and Evolve

Inkognito Park – former Prime Minister's residence becomes a high-tech, all-purpose property

When you're rehabilitating a 150-year-old building, surprises are bound to arise. And Inkognito Park was no exception in that regard. Still, R8 Property's project manager, Jon Rørvik, is absolutely determined: – This is the way forward, we will do it again.

The venerable Inkognito Park lies on historic grounds in the heart of the capital. Throughout its life of almost 150 years, both cavalry captains and prime ministers have been housed in the building, which is now being transformed into a great location for flexible office solutions. In 2022, the building will be occupied by users from both 24SevenOffice and Evolve.

The road to completion has been a long and winding one – and more complicated than either the builder, contractor or interior designer could imagine. – Inkognito Park is an old building with many small rooms that were to be transformed into a property with an open and flexible floor plan. Recycle and reuse have been the dri-

ving principles from the start. Among other things, we sought to use the existing, thick wooden floors from the 19th century, as well as the ceilings – here there were rosettes in almost every room, says project manager Jon Rørvik. – In any case, the building had to be adapted to today's standard, and it was in this context that we faced major challenges early on. Rosettes fell apart as we tried to cut them out, so we chose to concentrate on the tower rooms. In these rooms, we have preserved the original ceiling with its stucco and rosettes. Some doors will also be used for a nice decorative wall. Existing floors were found to have up to half a metre height difference due to construction skew, which is not easy to notice in small rooms but becomes obvious when opening up.

Rørvik says that the large, thick brick walls that were the actual support for the building could not be kept, and have therefore been replaced with a new steel support system.

One app replaces old binders

Throughout the process, there has been a focus on reuse, and making various materials available to others in need. Bricks, glass walls, lamps and much more are registered in Rehub, i.e., an industry portal for reuse. The old apartment building will become a high-tech property. But what does this actually mean?

– We have really gone "all in," as almost EVERYTHING is digitised here, says Jon Rørvik. At the start of the project, the entire building was scanned, and we documented skew in the floor, ceiling and walls that were important for the design. All subjects were modelled in 3D; in the meetings, we can either use the VR room (virtual reality) in the building, or sit in different cities and review the models with the VR glasses on. We're using scanning techniques to create a digital twin of the old building.

Finally, we are left with an all-digital version of the final product; an old shell, wrapped in new technology in a 3D model.

So what's the point of all the digitisation of Inkognito park? Jon explains that everything is about the end product itself, and the building operation: in old buildings, MOM (management, operation, and maintenance) documents were in binders in the caretaker's office. That time is over. Having

a digital twin that is constantly kept alive is treasured. Now, the operations department can point to a wall with the mobile, and use an app to immediately see all of the piping, cables and ventilation. There will be demand-driven maintenance and service, instead of service after fixed time intervals. We only need to replace things when they must be replaced, and often this only requires small components. This offers both time and cost savings.

Although R8 Property, in collaboration with AF Gruppen, has taken digitisation further than is usual in such projects, Jon seems to think that the technology is still a little too far behind. – This is part of driving the industry forward. Almost no one has managed to create a digital twin; it's terribly difficult. But it is an important step in the right direction, and even if we do not succeed 100%, there are many lessons in this for later projects. Jon adds that strict requirements were set for the contractor with requirements for fossil-free construction sites, climate accounting, and choice of materials, and that AF Gruppen has done an impeccable job in the project. – It is extremely sustainable to further develop an old building and make it viable and flexible for another 40-50 years. This is the future, and we will do it again, points out Jon Rørvik.



Green new construction

The greenest square metre is the one that is not being built upon. Exploiting existing buildings and land is essential for green conversion, but sometimes new buildings are needed. Thus, it is crucial for the building to be as climate-friendly as possible.

New construction must be designed with the entire life cycle in mind: Where and how it is built, who will use the building, how much it will consume and generate, and how the building can be adapted to new purposes and reused in the future – all this must be considered before breaking ground.

For R8 Property's new projects, this means, among other things, BREEAM-certifying all new construction projects with a minimum requirement of Excellent. We will also increase our focus on climate-friendly construction sites, reducing greenhouse gas emissions related to building materials, preserving biodiversity, energy efficiency and innovative, green solutions.

Slottsfjell Park sets a new standard for future buildings

At the foot of Slottsfjellet in Tønsberg, R8 Property is keen to develop what could be the world's first Paris-Proof area: an entire neighbourhood that is one hundred percent in line with the Paris Agreement.

Slottsfjell Park is undergoing a major transformation. The current business park comprises, among other things, paved parking areas that will be moved underground during the transformation, introducing new passages, more green areas and sustainable meeting spaces.

Here, rehabilitated and new-created buildings will go hand in hand, and Tønsberg will get its first Powerhouse. This building will produce more energy than it consumes, and the surplus power can be fed back to the city.

In balance with nature

The buildings will use climate-friendly materials, and Orbit's new technology offers tenants and other users optimal access to office and meeting spaces.

In addition to office space, the park will consist of a hotel and several restaurants. Ultimately, the goal is to develop a modern and climate-friendly neighbourhood that is attractive to live and work in.

With Slottsfjell Park, we will set a new standard for building practice in the green shift: a neighbourhood in balance with nature. As soon as the area part of the municipal plan has been approved, R8 Property will send a planning initiative to Tønsberg municipality.



What does "Paris Proof" mean?

Paris Proof is a new standard for future constructions inspired by the Paris Agreement's 1.5-degree target. The standard specifies a maximum and total CO2 emissions per square metre, including construction phase, energy in operation, materials and disposal. FutureBuilt's plus-house definition is used as the basis for energy production.

03 Sustainable cities and communities

Illustration of Slotstfjell Park at Snøhetta

Living urban spaces –
Skien Brygge

Local suppliers and
supplier requirements

R8 Hybrid

Lyk-z & daughters

Living urban space – Skien Brygge



Skien Brygge is a large and long-term urban development project that must be sustainable and viable. The project is a collaboration between Bane NOR Eiendom (50% ownership), Skien Boligbyggelag (25%) and R8 Property (25%), and includes a hotel, restaurants, commercial real estate and private homes. The project will be filled with open, inclusive and flexible spaces for all occasions – the area will give life to the city and be attractive to everyone, around the clock. Skien Brygge will safeguard biodiversity, be built in a climate-friendly manner, and provide planting on what is today a grey mass.

The project is divided into three phases, the first of which will begin in 2022 and is expected to be completed in the first part of 2025.

Urban landscape

At Skien Brygge there is a great focus on creating an inclusive urban landscape that offers something to everyone using the area. The aim is to be an integral part of the city centre, where a large part of the buildings' ground floors are home to different services, creating a broad and easily-accessed offering for the population. Our visions for Skien Brygge are described in the urban landscape strategy, that has been developed in cooperation with A-Lab urban architects. The urban landscape consists of several features; a waterfront that brings the area closer to the water, various parks and meeting places between buildings, the ground floor of buildings, as well as the road, cycle path and footpaths of the area. Different tenants will contribute to the urban landscape through various features such as restaurants, shops, culture and more.

Parks and meeting places

One of the great values at Skien Brygge is the diversity of parks and meeting places. This comprehensive project, which extends and expands the city centre considerably, needs a variety of meeting spaces. Several parks have been defined following regulatory work and opportunity studies:

- Tollbodplassen
- Bryggescenen
- Bratsbergalmeningen
- Bryggeplassen
- Havnetorget
- Broplassen
- Lekeplassen
- Tunnellplassen
- Bjarne og Kåres plass
- Follestadbukta

These will all help to bind the different urban spaces together for a varied experience of social community and activities. At street level, pedestrian and cyclist mobility will be prioritised. Besides their function as attractive meeting places, green parks also contribute to the efficient management and diversion of surface water.

Light rail/tram

Skien Brygge will receive many visitors including local residents, temporary hotel guests, office workers, and people enjoying the urban landscape or waterfront. Regardless of the purpose of their visit or stay at Skien, sustainable transport to reduce passenger car traffic will be required. For many years, work has been done to promote the possibility of building an light railway that will connect Skien – Porsgrunn – Brevik.

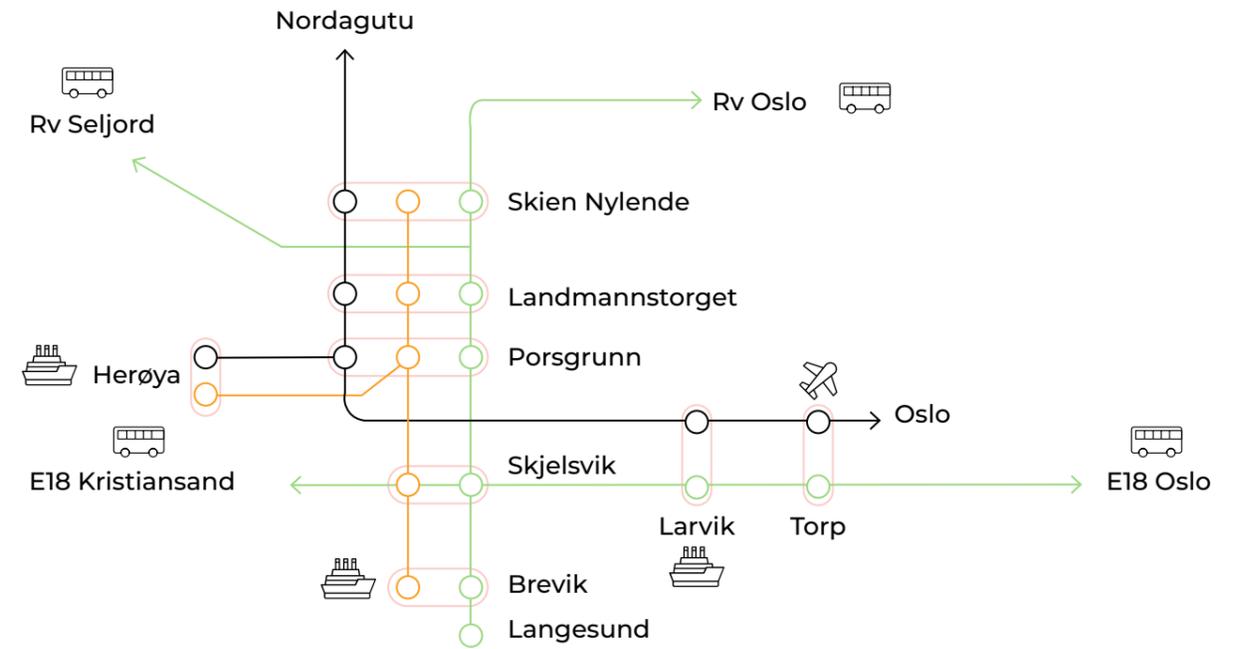
There are old, closed railway tracks on large parts of the route, an advantageous circumstance that can drive down investment costs. Nevertheless, this is a big decision, and we are actively working with municipalities to thoroughly study the light rail alternative. On its own initiative, a collaborative group with, among others, R8 Property and Skien Brygge has financed an independent report from Railsupport AS. This concludes that the light rail in Grenland is possible, and estimates a cost framework of approx. NOK 2.1 billion for necessary infrastructure plus approx. NOK 420 million in train equipment.

This is significantly lower than previous estimates. Efforts are therefore being made to carry out a concept selection study to develop the project idea into a project that qualifies the state to contribute. Such a study should be considered in connection with a further development of the existing Bratsberg line's local train traffic.

It is possible to implement out a light rail in Grenland within cost that can be compared with public transport in other Norwegian cities. The concept is ambitious, but can revitalise the urban belt in Grenland based on a completely different and more concentrated use of the land. A sustainable area and transport development that stimulates growth in population and industry, and where mobility is greatly extended by integrating walking, cycling and public transport. A light rail project in Grenland can contribute to achieving zero-growth in car traffic in urban areas, as the Storting decided in the Climate Agreement in 2012, and as it is based on the subsequent national transport plans.



- Railway
- Road
- Light rail/tram
- Node



Overview of possible stops for a light rail solution in Grenland
(based on report of Railsupport AS, 2022).



Local suppliers and supplier requirements

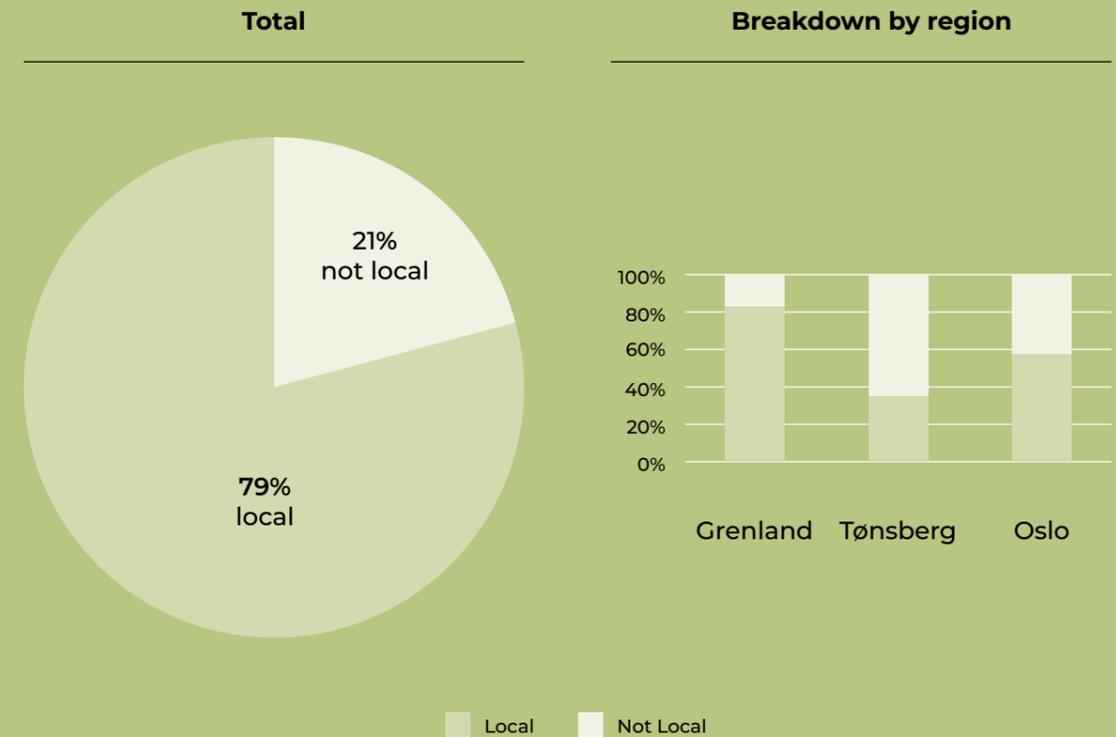
Real estate development and operations have a major impact on cities and communities. R8 Property is aware of its role and strives to contribute to local employment and value creation by prioritising the use of local actors and tenants' services where appropriate. We also see that close cooperation in the local environment contributes to skills development on procurement and supplier monitoring. It is up to project managers and purchasers in the operating organisation to ensure that action is taken locally where possible and in line with other functional requirements.

In addition, R8 Property is also involved in local business via business associations and through various sponsorships in

the market with the aim of building local networks in their local environment. Local purchasing has been important since R8 Property's inception, but has not been systematised well enough due to the company's fast growth. In the near future, purchasers will be further trained to understand the relevance of local procurement, establishing procedures that also contribute to increased focus together with reporting in the area.

As a property developer, we carry great influence towards our suppliers, and therefore also a responsibility to set requirements and be a good customer that contributes to a more sustainable business life.

Percentage of total purchases in NOK purchased by local suppliers in 2021:



Definition of local:

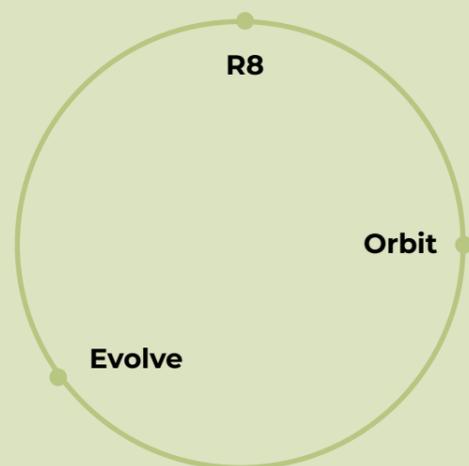
Purchasing where the supplier has a business address or branch office a maximum of 30 km from the centre of the area to which the purchase belongs, or in the same county.

Definition of "significant business locations"

R8 has a large geographical catchment area with main emphasis on Eastern Norway and in the Grenland–Oslo axis. We have chosen to use the areas where the company has its own offices, as well as areas where we have active development projects. We therefore define R8's essential geographies as Grenland, Tønsberg and Oslo.



The new workday



The market demands flexibility and sustainability. Even if office space has a 50% global occupancy, new offices are being built like never before. The real estate market experiences changing needs as a result of Covid-19, and the pandemic increased workers' desire for increased flexibility.

and contributes to more sustainable use of existing constructions. This technology is used in R8 Property's real estate portfolio, and is also offered to external property owners.

R8 Property focuses on meeting the needs of the market by providing flexible and environmentally friendly solutions. We want to facilitate increased joint use in commercial buildings, which offer higher utilisation rates and greater value to society at large. This was the starting point for the establishment of Orbit Technology in 2020, a technology developed by R8 Property which has now been separated into its own company. As of 31/12/21, R8 Property owned approximately 30.5% of the company.

In 2021, R8 Property, Evolve and Orbit developed a common, new product: R8 Hybrid. This hybrid product is for everyone who would like to offer a more flexible everyday life to their employees: a network of high-quality, accessible workplaces and meeting rooms facilitated by the three companies. Evolve is currently Norway's largest provider of flexible office solutions and leases, and has 26 locations centrally located at hubs from Fredrikstad in the east to Stavanger in the southwest. Leases have a monthly fixed price encompassing all furniture, operating and common costs.

Orbit makes the surplus capacity in buildings available in an efficient manner, and ensures that subscribers can book office space and meeting rooms in commercial buildings with available capacity. In the app, users can choose from a network of locations and office spaces with different facilities. For landlords, this allows for better building utilisation

Synergies between property, technology and flexible office solutions create a unique versatility and increased focus on sustainability. In this way, we can meet the changing needs of the market, while creating more sustainable and innovative solutions in an industry that is crucial for the green shift.



Lifeguards

R8 Property collaborates with several organisations in its local community that assume social responsibility, and which contribute to good health and increased quality of life for children and young people. We support projects that favour inclusion, contribute to employment, and enable people to contribute to community-building activities.

For ten years, Ingeborg Lykseth and her colleagues at Lyk-z & daughters have helped thousands of young people regain control of their lives.

With an education in psychiatry and coaching, as well as a passionate commitment to contribute to a better society, Ingeborg Lykseth became a social entrepreneur in 2011. As the name suggests, she was not alone when Lyk-z & daughters came into the world; she had two of her own daughters on the team with her. Ten years later, the company has five employees and several thousand young people in its portfolio. R8 Property has been a contributor for the past five years.



"Our principles are based on inclusiveness, generosity, dignity and magic. Magic is for us something that occurs when people develop trust."

lyk-z.no

Renewed hope for the future

– Our main task is to assist young people and young adults, who for various reasons have dropped out of school or working life. We believe in people's ability to create their own future and a life of dignity. Our target group experience of a deteriorating quality of life, lack of hope for the future, fear and a perception of being different from the rest of society, says Ingeborg. Over the years, many strong stories and challenging fates have swung by the office at Hjelle vannet in Skien.

– Young people come from families with different backgrounds, both resourceful and families, or also families who need more assistance and support. There are often long waiting lists in the public sector, which results in many people giving up seeking the help they need. This, among other things, is what we are here for, says Ingeborg.

The net cost to the public sector for a single, excluded young person is NOK 15.9 million – excluding costs arising from crime, drugs and treatment. Based on this calculation, Lyk-z & daughters have saved society NOK 6.8 billion in the 2014–2020 period alone.

Without the support of private actors, it would not have been possible for Lyk-z & daughters to help young people who have dropped out of school and work to find their inherent qualities and unique abilities, and thus get them back into society without delay.

R8 Property's contribution is NOK 50,000 per year; a sum that allows more young people with major challenges to participate in the Lyk-z & daughters' life mastery program. Through the lyk-z method, FROG Leadership and Life Mastery, up to 12 young people participate in a physical workshop that runs over 25 days spread over 7 weeks. The comprehensive programme has outstanding results, with 75% returning to work or school after training by Lyk-z's own employees, and 58% nationwide through Lyk-z's programme suppliers.

International venture

In recent years, the work of Lyk-z & daughters has been noticed far beyond national borders, and the programmes have been implemented in Romania, Bulgaria, Slovenia, Greece, Italy, Spain, Belgium, the Czech Republic, Iceland and elsewhere. In 2012, the company was named Social Entrepreneur of the Year by renowned FERD Social Entrepreneurs.

– Feedback from many of the young people is that the programme has completely changed their lives; it has given them increased power of action, faith in themselves and an increased quality of life, says Ingeborg. In turn, she adds, this has a ripple effect on the individual family, and has a huge community-saving effect overall.

Now Ingeborg's biggest hope for the future is that even more partners sign up. – We would not have managed without our partners, and have plenty of room for more, she smiles.

04 People



Occupational health and safety survey
R8 Property's values
Skills development

“You're not building a company – you build people – and then people build the company”

– Zig Ziglar

We are proud of the team we have built throughout the company's 11-year history. Everyone who joins R8 Property provides the company with valuable expertise through their personality and skills, and it is the sum of all this that make up our culture. Culture is the social glue that creates unity and motivation and makes one plus one three, rather than two. In R8 Property, there is an extensive degree of collaboration between departments, professional groups and teams, and the best ideas and products are created precisely at this intersection. In R8 Property, proactivity and initiative are encouraged. People grow when utilising their resources, obtaining a sense of mastery and contributing to the company's growth.

Theme areas Occupational health and safety survey

Role clarity	Support from colleagues
Information	Knowledge sharing
Contribution	Reflexivity
Independence	Goal clarity
Feedback	Internal cooperation
Investing in employee development	External cooperation
Quality of management	Work pressure

Occupational health and safety mapping

Research shows that there is a strong correlation between the employees' experience of the work environment and the organisation's performance. Every two years, occupational health and safety surveys are conducted at R8 Property. This gives everyone an opportunity to say how they feel about working, providing a good basis for implementing suitable measures and steering the organisation in the desired direction. The survey contains a questionnaire on 14 thematic areas and qualitative data where respondents can openly comment on the work environment. Thematic areas are designed to identify concrete strengths or areas of development in the business. HR is responsible for planning, arranging and conducting the survey. The 2020 occupational health and safety survey showed very good results. Compared with the benchmark, all areas were above research recommendations.

However, two areas required attention: the desire for additional information and more feedback. A new survey will be conducted in 2022.

Trust, courage and commitment

In 2020, R8 Property developed its vision: we aim to create a sustainable future by using technology and passion to change the way we develop and operate property – always with a focus on the customer.

The entire organisation has jointly developed a set of values that form a foundation for those attitudes and actions we want to promote. The values are set out in the company's governing documents, and all employees are familiar with them. The values are used in the recruitment context and in the onboarding of new employees in employee development, and they are included in individual development plans.

Trust

We must be trustworthy and it is important for us to trust each other!

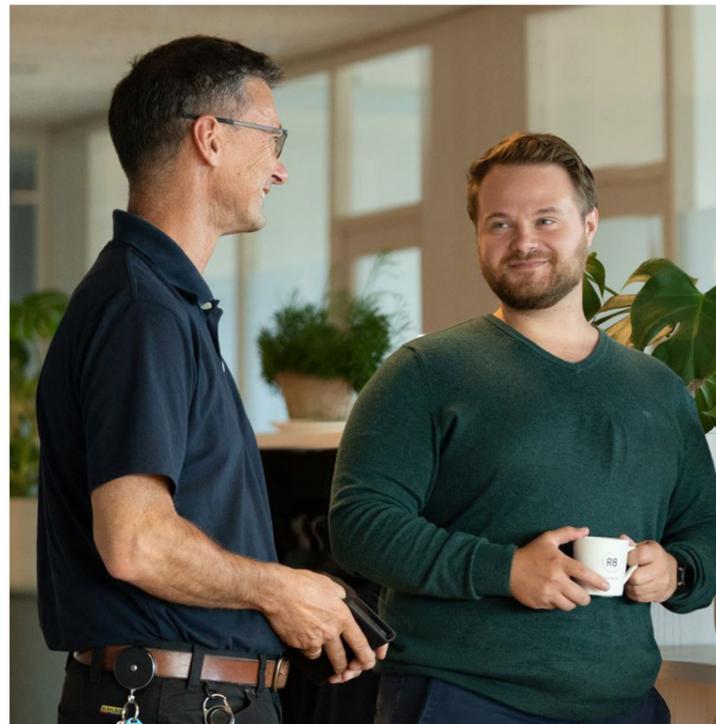


We strive to maintain high quality work, and use our expertise to create results, internally as well as externally. Trust arises from keeping our word and being delivery-oriented. To gain trust, we must be open to feedback.

We trust others. We believe that people want to do a good job and contribute to the community. Trust is essential to the development of deep, lasting relationships. We invite value, want to learn, and are open to others' opinions. We genuinely believe that others have a lot to offer us, including colleagues, customers and partners.

Courage

Courage drives us forward!



We dare to think big thoughts and are motivated by setting ambitious goals. We believe that we can accomplish anything we set our minds to. And we have the drive and the will to implement whatever we decide.

Courage also means putting your foot down and saying no – and it is courageous to stand up for your own opinions. Likewise, it is courageous to admit mistakes and learn lessons from them. Courageous people listen to others, are open to feedback, and are willing to adjust. We dare to try something new even if we risk failing, we always go to great lengths to learn and grow, and to improve our products and services. Innovation, change and development require courage.

Commitment

We always strive to go that extra mile.

We are committed to our work and strive to “go the extra mile”. We get involved in our colleagues' and partners' issues by taking the initiative, showing interest, and sharing our expertise. We praise initiative and are eager to learn from others. Suggestions on how to grow and improve are received open mindedly and valued.

Committed people are energetic - working at R8 Property should be fun! It is rewarding to help others succeed and care about each other.

Community commitment

R8 Property's community commitment encompasses a broad spectrum. This is reflected, among other things, in our commitment to sustainable business development and the creation of activity and life in our cities.

We support volunteerism and applaud those who use their time to contribute to community development in different teams and associations.

We want to help create better conditions and future opportunities for those who in various ways have fallen outside society.

Skills development



R8 Property promotes a culture where people are benevolent and help each other. It's not enough to develop yourself and your own expertise, you should also share your expertise with others. This is explicitly enshrined in the company's value documents, and it is a theme of all employee conversations.



Everyone should have the opportunity to use and develop their expertise. Managers have a special responsibility to ensure that employees can do their job properly, that they receive tasks that are perceived as challenging, and earn recognition for the work they do. Every year, employee conversations are held with all employees, where goals for the coming period are defined. During the interviews, all employees are assigned individual development plans that serve as "roadmaps," helping them stay on track every day. Half-yearly, a follow-up interview is held to review the development plan and make any necessary adjustments. Beyond this, managers and employees have close dialogue and regular follow-up conversations throughout the year.

In addition to a common employee development system, more tailored skills development courses are facilitated at the individual and group level.

Fulfilling one's potential



Photo: Morten Bjerk

As part of R8 Property's focus on employee development, a coaching group was established in the fall of 2021 for some of the young talents in the company.

UN Sustainable Development Goal no. 4, "Good Education", is close to Elin Tufte Johansen's heart. As a manager of HR and sustainability in the company, she sees the power that lies in having the proper skills.

– Quite often, the best skills do not come from continuing education and courses, but arise at work through interaction with other colleagues, she says.

Focus on interaction skills

The three lucky participants in the coaching group, Kaja, Nora and Benedikte, are utterly committed. Although they have different roles and experiences, they also have some notable common traits: – These girls are courageous and devoted to their work. In such a group, one must be willing to be open and sharing, while engaging in others' development.

The coaching group focuses on developing

communication and interaction skills. If you want to deliver results, you must be able to get people excited and gain their support through trust and a good relationship. Therefore, Elin argues, interaction skills are paramount to any development effort.

In the group, individual development is top of the agenda. – The most important and powerful tool you have to deliver results is yourself. It's about identifying your own strengths and talents and what you are good at rather than looking at others and trying to mimic their behaviour.

Kaja nods, as she recognises her own situation. Kaja Kristensen is 26 years old and works as a business controller at the company. She combines the job with professional handball playing in the elite series for Oppsal. – Coaching helps me to navigate better in everyday life and reach my potential. The lesson that lies in listening to both myself and others has also meant a lot to me, she says.

Kaja is also a participant and contributor in R8 Property's sustainability group, and is strongly passionate about this topic.

– I am keen to contribute to a green shift in the real estate industry. The work starts with a change in my own attitude, before I can challenge others to take the necessary steps. Good intentions are not enough; we must have the will and the ability to carry them out, too, says Kaja.

Relying on each other as resources

Through the forum, the girls develop mutual relationships that allow them to rely on each other as resources, also outside the meetings.

Benedikte Stensrød (30) is portfolio manager, and has particularly benefited from the group's focus on good communication. – Coaching has helped me to become more aware of what kind of communication delivers the best effect, and the importance of understanding people in the best possible way to meet their needs, and thus achieve results. – Personal development is impor-

tant to me. I would like to be a great leader one day, and aspire to become a good resource that contributes to both development and well-being, she says.

The last person in the group, Nora Thulin Johannessen (35), works with marketing in R8 Property, as well as being a project manager and consultant at the branding agency R8 Edge. – I am inspired by strong and ambitious women, and I want to build leadership skills while developing as a human being, says Nora. She is keen to be a good supporter and resource in the organisation, and says that the knowledge can also be used in other settings: – Everything we have learned about listening and communication; it is a very important tool in life – both at work and in private, she smiles.

Elin is proud of her team, and of the development they have had in the past year: – These are girls we will see more of in the years to come!

A skills-building workplace

Every year, R8 Property employees are encouraged to attend a variety of events to build networks and develop their skills. Here we bring out a few of them.



Kickoff

Every year we have a kickoff for all employees, where external and internal speakers contribute with professional inspiration. The kickoff in 2021 was dedicated to sustainability, where consultants from BDO participated and worked on the company's sustainability strategy.



Oslo Business Forum

This is an international leadership conference with high professional quality, as well as networking and inspiration. R8 Property has a long-standing partnership with the Oslo Business Forum, and the entire management team is invited to participate every year. The theme of the conference this fall was "Rethinking business," where world-class speakers spoke about how leaders – through rethinking – can be successful in managing their own business.



Arendalsuka

The company is represented annually by its managers at Arendalsuka. In 2021, sustainability was the major theme, and on that occasion there was also the awarding of Storebrand Eiendom's sustainability award, where R8 Property stood on the podium with Powerhouse Telemark. Entra received a deserved victory for its rehabilitation project in Kristian Augusts gate 13 in Oslo, where we later had the opportunity to visit the Green Building Alliance.



"Støpt for framtida" (lit. "cast for the future" or future-ready)

In Autumn of 2021, R8 Property and a number of regional public and private players participated in "Støpt for framtida" – a collaborative project between Odds Ballklubb and BDO. Through the project, participants became familiar with how to operationalise sustainable business and organisational development. The overall aim was also to build networks through experience sharing, exploring and concretising cooperation and development projects, thereby realising a common sustainability boost for the region.

Trust, courage and commitment as career boosters

"There's a Pippi Longstocking mindset that permeates the entire organisation."

Benedikte Stensrød

"I don't need to be a captain, I enjoy helping others most."

William Eriksrød Vevang

The operations technician became the administration manager with personnel responsibilities, and the market coordinator became responsible for a three-figure million portfolio. What is the secret behind William Eriksrød Vevang and Benedikte Stensrød's development in R8 Property?

Over 4 and 5 years as employees at R8, respectively, both have experienced major positive changes. They have worked their way "up and down" in the company, with different roles and responsibilities along the way. Benedikte elaborates:

– R8 is growing tremendously. As an overachieving and ambitious person, I am just delighted to be part of the development. In five years, I may not be working in the same position, but I've probably evolved in one direction or another in rentals and real estate. New technology is coming in, and current tasks are being streamlined and optimised. It has been great fun so far, so I'm really eager to stay put and ensure

further personal development, Benedikte says enthusiastically. – I had no prior experience when I became a portfolio manager. I'm grateful that my company chooses to train its own employees rather than outsource the services.

William wholeheartedly agrees. With experience as a helicopter and cargo pilot in Pegasus Helicopter, he joined R8 Management in January 2018. Along with this background, he also had an education and ten years' experience as a navigator in the Armed Forces. – Yes, the company has great ambitions in the next few years, and while traditional positions may not look the same five years from now, we will still be needed in the organisation. There are always big challenges, and right now I really enjoy developing where I am, says a beaming William.

A Pippi Longstocking mindset

Emil Eriksrød has, since starting the company in 2010, clearly understood that people are the company's most important value.

Photo: Morten Bjerck



This is something the two of them have known since the first day of work. Benedikte started as a marketing coordinator, and William as an operations technician in R8 Property, but both quickly moved into other roles and were constantly given new tasks.

Benedikte brags about his colleague: – William has created his own role, he has seen the need along the way and taken the initiative. It's just great that R8 encourages you to speak up when you have something to contribute! There's a Pippi Longstocking mindset that permeates the entire organisation, a bit like: "I have never tried that before, so I think I should definitely be able to do that."

William says that he has always enjoyed customer service, structure and systems, and that he therefore took the initiative to manage the new operating system a few years back. One thing led to another and the job as an operations technician was turned into a position as digital coordinator FM. In 2021, he became Head of Administration with personnel responsibilities for three employees. – Now I work more administratively and less operationally. I really enjoy being there for other people, and I say the same thing now as when I was a helicopter co-pilot: "I do not need to be a captain; I enjoy helping others."

Trust provides motivation

Trust, courage and commitment are R8 Property's core values. Both William and Benedikte have experienced these values as mainstays over their tenure.

Benedikte has also taken steps outside her comfort zone. – R8's backing was decisive for me daring to establish Grenland Eiendomsnettverk together with three other girls from different industries with a common real estate background, says Benedikte. Both agree, though, that the trust they have received from the employer is a motivation in itself, and that they look forward to hectic and exciting years ahead.

05 Commitment and responsibility



Health, safety, and environment
Diversity and recruitment
Collaboration with
educational institutions
Corruption and sound
business ethics

Health, environment and safety

HSE sits high on the agenda at R8 Property. There must be safe and sound working conditions for everyone who works in the company or is involved in R8 Property's projects.

The construction and real estate industry presents a significantly higher risk of injuries and accidents relative to other industries. As a property developer and builder, it is our responsibility to facilitate safe and responsible working conditions in all construction projects. The builder's duties, in line with builder regulations, are followed up in all the company's projects through safety, health and occupational health plans (HSE) and documented in monthly project reports.

HSE statistics – Projects

HSE reporting for construction projects was systematised from the beginning of 2021, and from 2022 it is reported quarterly to the Board within the areas of organisation, construction projects and operations. There is a clear ambition to increase overall reporting of adverse events and non-conformities. The H2 figure in the chart involves two injuries in our projects that did not result in absence. The operating technicians undergo the necessary training, use suitable equipment and have clear instructions, which increase safety and prevent accidents. Systematic improvement work is carried out within HSE, which ensures that we have specific HSE routines for each property. In the autumn of 2021, we started a process to further ensure the quality of HSE work. The HSE circular calendar and manual were upgraded and revised to ensure systematic monitoring, including safety rounds and risk mapping. Action plans were also developed and new, regular evaluation procedures were implemented.

Projects			
	R8 target figure	R8 2021	Industry figures
H1 number	0	0	5.73
H2 number	< 15.0	17.4	Not available
RUH-frequency	> 10.0	1.9	Not available

H1=Number of injuries with absence * 1,000,000/number of working hours RUH= Adverse event report. RUH* 10,000/number of working hours
H2=Number of injuries with and without absence * 1,000,000/number of working hours Industry figures are taken from Entreprenørforeningen - Bygg og Anlegg (EBA) (Builders Association)

Proper working conditions

R8 Property has no collective agreements, but offers competitive salary terms and very good pension and insurance agreements. A 7% defined-contribution pension of up to 12x (12 times the Social Security base) is paid annually, against the statutory 2%. Furthermore, all employees have a disability pension scheme, occupational injury insurance (medical disability and incapacity for work as a result of an accident or illness), group life insurance (in the event of death as a result of an accident or illness) and spouse/cohabitant insurance (in the event of death due to an accident or illness).

Equality and responsible behaviour

One of R8 Property's core values is that no one should be discriminated, but be equal and enjoy identical same opportunities, regardless of gender, age, sexual orientation, ethnicity or background. R8 Property's culture should be inclusive and protective. Our values guide the attitudes and culture we want to promote in the company, and our code of conduct expresses the company's standard of acceptable behaviour. It is the manager's responsibility to familiarise all employees with these leading documents, which can be found in the company's personnel manual.

Reporting procedure at R8

R8 Property shall have a good, safe and sound working environment. Employees becoming aware of objectionable conditions at the workplace are encouraged to report them to their immediate supervisor. We seek a culture that is open, transparent and accepting, so that contentious matters can be discovered and handled properly. Procedures have been established to submit and assess reports.

There are no cases of discrimination in R8 Property in 2021.

Photo: Morten Bjerck

Diversity and recruitment

15%

Employees of R8 Property – under 30 years of age

15%

R8 Property employees – Over 50 years of age

70%

Employees of R8 employees – Between 30-50 years of age

Responsible occupational health and safety

R8 Property is a young company, which is also reflected in the company culture, and we have, among other things, a good spread in age composition. Diversity is about both visible and non-visible differences, and perhaps the greatest diversity is within each employee, in terms of skills, experience and personality. This perspective is reflected in how we conduct recruitment at R8 Property.

Personality

We do most recruitments ourselves, with the HR department being responsible for content and process. The work starts with a thorough job analysis that defines the content of the position. The recruitment processes include a series of interviews and the use of personality tests. Tests are used as a tool to identify the candidate's personal resources such as analytical ability, creativity, planning, a systematic approach or relational skills, to name a few. We use this methodology to ensure the best possible match between person and role, so that the diversity of qualities is utilised. Furthermore, the recruitment process relies on both job cases and thorough reference checks.

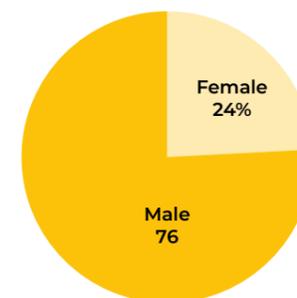
Gender balance

We belong to a traditionally male-dominated industry, and in R8 Property, the 2021 gender ratio is 24% women and 76% men. Our board is represented by 43% women and 57% men. We aim to increase the proportion of women in the company – both because it will make us better and because we want to reflect society in general.

One challenge is that there is a large majority of men among applicants, in a number of the positions advertised. Emphasis is placed on designing the job advertisements in a way that feels appealing regardless of gender, and we seek an equal distribution of female and male candidates among the selection called for interviews. This is also considered whenever we rely on external recruitment assistance.

With the growth in headcount, there will be greater responsibility also in terms of equality and discrimination. Our gender balance goals in the company call for systematisation. We endeavour to further structure this work and start identifying discrimination risks during 2022.

Gender distribution at R8 Property



Changes in the workforce 2020–2021

	Total	Female	Male
New hires	12	3	9
Turnover	1		1

Cooperation with educational institutions



Student internships

In 2020 and 2021, R8 Property has entered into collaboration with several educational institutions. The collaboration creates a bridge between academia and business. Providing students with professional experience is part of our social responsibility, while increasing knowledge- and skills-based diversity within the organisation.

Jan Ivar Hultin

BIM Coordinator at R8 Management

When R8 Management sought to hire its first BIM technician, it did so through an internship program under the auspices of the Viken Vocational School, rather than using a traditional recruitment process.

Where did you hear about R8 Property?

I became acquainted with R8 Property when – through my education as a BIM technician at the vocational school in Viken – I was to have an internship period in the spring of 2021.

What do you do?

I prepare and update drawings, model materials, and prepare renderings and animated films of the properties. In addition, I work on the maintenance of various digital tools.

What was the main reason for you to choose R8 Property?

My first impression during the internship period was the one that stuck with me the most. I met innovative, "hungry" people, who are passionate about R8 Property's values and vision. When I was offered a job in after the internship period, I did not need much time to decide!. Now I've been working here since August 2021 and I love it!

Age: 30
Employee: August 2021

Education/School: BIM Technician, Installation (2021), Technical vocational school, Elkraft (2020)



Gustav Opsahl

Sustainability Coordinator at R8 Property and master's student at the University of South-Eastern Norway.

R8 Property has also entered into an agreement with the University of South-Eastern Norway (USN) on an internship scheme where students are offered a 50% internship in the company over a two-year period, in combination with completion of the Master's degree programme. Our internship student, Gustav, is immersing himself in the theme of sustainability.

How did you get to know R8 Property?

I was introduced to R8 Property through my Master's at USN. As part of the education, we are offered to apply for an internship with partner companies, including R8 Property. The project works so that I complete my final year of my Master's degree in two years, instead of one, and work 50% of the time at R8 Property during this period.

What do you do?

I am part of the sustainability group in R8 Property, and get to contribute in a number of areas. Among other things, I have contributed to this sustainability report. I have also been involved in a pilot project with the aim of raising the level of waste sorting at the buildings in the company's real estate portfolio. In addition, I have participated in the "Støpt for fram-tida" project under the auspices of Odd and BDO.

What was the main reason for you to work at R8 Property?

R8 Property appeared to be a workplace where there was room for ideas and different personalities, and thus a workplace with an interest in doing things differently. Sustainable development and transformation are challenging, and these qualities I believe are central to bringing about the necessary change in the years to come.

Age: 27
Internship period: 2021–2023

Education/School: Bachelor in international studies with History, Høgskolen i Innlandet
Master of Social Analysis, University of Southeast Norway

Corruption and sound business ethics



The construction industry is exposed to risks related to working conditions, HSE and financial crime. Adverse events in these areas are devastating to business and industry, and R8 Property takes this very seriously.

Our company's success is based on our employees, and on us gaining trust and familiarity with our customers, other partners and in the market and society in general. Sound business ethics are important for all of the stakeholders in our business, illustrated by the materiality analysis and the UN's sustainability goal no. 16 "Sound Business Ethics". Corruption is detrimental to our reputation, while at the same time it weakens trust both internally and externally. Everyone should be familiar with the governing documents such as the company's values, reporting procedures and the code of conduct – so that we have a common guideline.

Forms of corruption and/or non-conformity

Today, we have essentially three operational activities; project development, operation and property rental. There has not been a separate risk assessment concerning corruption for ongoing operations in 2021. Since its 2010 inception, R8 Property has experienced major growth both in headcount and business volume. In turn, this has helped develop our management ranks and called for an increased focus on risk management. R8 Property has ambi-

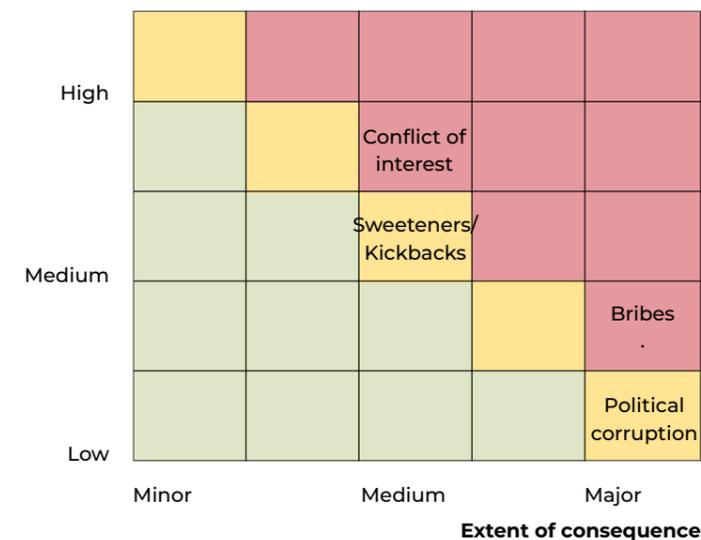
tious growth plans for the next few years, and our anti-corruption work and focus will be professionalised and systematised. We have therefore prepared a risk matrix to highlight potential risks of corruption, as well as an associated assessment of probability and consequences.

R8 Property aims to conduct a clearer and more comprehensive risk detection for corruption during 2022. Based on the risk assessment, the company will establish appropriate procedures and control functions.

This is managed through the Managing Director, who is currently responsible for ensuring that guidelines are followed. Individual employees undertake to familiarise themselves with regulations and instructions and, therefore, bear a personal responsibility to follow the guidelines. In employment contracts, employees confirm their knowledge of the personnel manual with their signature. Company managers have a specific responsibility to ensure that policies are followed within their area of responsibility.

In 2022, R8 Property aims to bring together leaders for ethical dilemma training, as a way to raise awareness about the topic and increase focus on sound business ethics.

R8 Property has not reported any corruption cases through our channels in either 2020 or 2021.



Cases of corruption in 2020	0
Cases of corruption in 2021	0

Photo: Morten Bjerk

06 GRI Index



GRI 102: : Superiors disclosures	Indicator name	Reference and comments
102-1	Name of organisation	Page 1
102-2	Main activities and products/ services	Page 8 About R8 Property
102-3	Headquarters of the organisation	Page 8 About R8 Property
102-4	Places of business	Page 8 About R8 Property
102-5	Ownership and legal information	Page 8 About R8 Property
102-6	Markets in which the organisation operates	Page 8 About R8 Property
102-7	Size of the organisation	Page 8 About R8 Property
102-8	Total number of employees by gender	Pages 78-79 Diversity and recruitment
102-9	Supply chain	Pages 54-55 Local suppliers and supplier requirements
102-10	Significant changes in the organisation and its supply chain	Pages 54-55 Local suppliers and supplier requirements
102-11	Precautionary principle	Page 76 Health, safety, and environment

GRI 102: : Superiors disclosures	Indicator name	Reference and comments
102-12	External initiatives	United Nations Sustainability Goals, of the real estate sector 10 immediate measures and collaboration with Green Construction alliance on our sustainability strategy "Støpt for framtida" (lit. "cast for the future" or future-ready) w/BDO and ODD
102-13	Membership in industry companies	Green, Construction Alliance Norwegian Real Estate
102-14	Statement from top decision makers	The relevance of sustainability in this organisation is described by the Managing Director in the foreword.
102-16	Values as a guideline	Pages 64-65 Trust, courage and engagement
102-18	Structure of governance	Page 8 About R8 Property
102-40	List of stakeholder groups	Page 15 Stakeholder mapping (graph)
102-41	Collective agreements	Page 77 Proper working conditions

GRI 102: : Superiors disclosures	Indicator name	Reference and comments
102-42	Identification and selection of stakeholders	Page 15 Stakeholder mapping
102-43	Approach to stakeholder commitment	Page 15 Stakeholder dialogue and materiality analysis
102-44	Significant themes and issues raised	Pages 16-17 Stakeholder dialogue and materiality analysis
102-45	Entities included in the consolidated financial statements	R8 Property ASA and R8 Management AS
102-46	Report contents and delimitations	Page 19 R8 Property's selection of sustainability goals
102-47	Overview of essential themes	Page 19 R8 Property's selection of sustainability goals
102-48 Repeated information	Change in historical data from previous reporting	This is our first sustainability report
102-49	Significant changes in reporting	No changes
102-50	Reporting period	2021
102-51	Date of last report	This is our first sustainability report
102-52	Reporting cycle	Yearly
102-53	Contact point for questions regarding the report	Head of Sustainability/ CHO - Elin Tufte Johansen Communications Manager – Torunn Stavran Johansen

GRI 102: : Superiors disclosures	Indicator name	Reference and comments
102-54	Reporting in accordance with GRI Standards	Page 15 Stakeholder dialogue and materiality analysis
102-55	GRI Index	Pages 86-93

GRI 103: The Group's approach	Indicator name	Reference and comments
103-1	Description of approach and delimitations in the Sustainability Report	Page 15 R8 stakeholder dialogue and materiality analysis
103-2	Description of how R8 Property deals with the theme	Page 15 R8 stakeholder dialogue and materiality analysis
103-3	Evaluation of work	Page 18 Materiality matrix

GRI 204 Procurement practices	Indicator name	Reference and comments
204-1	Share of purchases from local suppliers	Page 55 Local suppliers and supplier requirements

GRI 205: Anti-corruption and sound business ethics	Indicator name	Reference and comments
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