

AKASTOR 

2020

ENVIRONMENTAL,  
SOCIAL AND  
GOVERNANCE  
REPORT

## ENVIRONMENTAL

Akastor is committed to being part of the transition toward more energy-efficient solutions.

- Akastor will use its role as an active, responsible owner
- Akastor works to ensure that its portfolio companies implement strategies to reduce adverse impact on the environment caused by their products or operations
- Akastor and its portfolio companies aim for profitable, safe and sustainable operations

## SOCIAL

Akastor is committed to its employees and communities.

- Akastor ensures that its portfolio companies focus on having safe, professional and healthy working conditions
- Akastor is committed to supporting and having a positive impact on its local communities, e.g., through its financial support for Stiftelsen VI ('The WE Foundation')
- Akastor has zero tolerance for the discrimination, harassment and degrading treatment of employees

## GOVERNANCE

Akastor is committed to good governance.

- Akastor continuously ensures that its portfolio companies implement and adhere to Akastor's governance expectations and Code of Conduct
- Akastor's governance is based on best practice recommendations from the Oslo Stock Exchange and the Norwegian Corporate Governance Board (NUES)
- Regular risk reviews are conducted by the Akastor board of directors, including environmental and climate-related risk
- Akastor ensures employee representation on its board of directors and on the boards of all portfolio companies





KEY ESG DATA FOR 2020\*



\* Key ESG data for 2020 includes AKOFS Offshore, which is 50% owned by Akastor

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*This ESG report provides an account of the processes and structures Akastor has in place to support its commitment to ESG issues.*

## MESSAGE FROM THE CEO

In 2020 we have had to manage Akastor during a global COVID-19 pandemic combined with another collapse in the oil price. During these challenging times our main priority has been to ensure safe operations and take part in the joint efforts to mitigate further outbreak. In parallel with this, we have sought to mitigate the financial impacts by adjusting our portfolio companies' cost base and protecting cash flow from operations. This has resulted in less activity in our main markets and unfortunately temporarily lay-offs in our portfolio companies. However, we are pleased to see that, despite the challenging environment, the operations of our portfolio companies remain fairly robust—as reflected by the fact that all our industrial investments delivered positive financial contributions in 2020. For 2021, we are cautiously optimistic that the global economy will begin to recover from the impact of the global pandemic. Assuming a successful roll-out of vaccines around the world, we believe we will see an increased demand for our portfolio companies' products and services over the next 12 to 18 months.

Climate change and sustainability remains high on the agenda for Akastor. The temperature on the planet is increasing, and we are committed to be part of the solution to slow down the effects of climate change. We have an active ownership and we urge our portfolio companies to align their work to support the Paris Agreement. Akastor and our portfolio companies have long been providing and developing new technology and services that help our customers reduce greenhouse gas (GHG) emissions.

Currently, Akastor's investments are primarily in the oil service industry, and the IEA's Sustainable Development Scenario predicts that the extraction of oil and gas will continue for several years to come. However, in order to continue production whilst also meeting the targets in the Paris Agreement, it is absolutely required that the oil industry transforms into a less carbon-intensive industry. Akastor and our portfolio companies are committed to being part of the

transition toward more energy-efficient solutions, and we are adapting and diversifying our operations.

We expect competition in the future oil service industry to be even tougher than today, and we are ready to make necessary changes. As our portfolio companies will continue to deliver their services and equipment to the oil industry, they will at the same time pursue other customers in non-oil markets, such as the renewable energy markets. Our portfolio companies have the knowledge and technology that can support the transition from heavily oil-focused services to the green market. We expect to see a growing share of non-oil operations in our portfolio companies going forward.

Akastor seeks to align its operations with the principles of the UN Global Compact; moreover, Akastor supports the UN Sustainability Goals, and our ESG report describes our implementation of the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations.

Recently, we published our Sustainability Policy, which includes an update on our investment strategy and new annual and long-term goals. As part of our strategy, our investment decisions and portfolio management include careful consideration of environmental, social and governance (ESG) factors. We believe that only companies that act responsibly and with integrity have a place in our investment portfolio.



Karl Erik Kjelstad, CEO

## COMPANY PROFILE

Akastor ASA is an oil-services investment company with a global portfolio of industrial and financial holdings. The company has a flexible mandate for active ownership and long-term value creation. Akastor ASA and its portfolio companies are organized as independent stand-alone companies responsible for all aspects of their own operations. Aker Holdings AS, which is owned by Aker ASA, is the largest shareholder of Akastor, with a shareholding of 36.7%. The Akastor shares are traded on the Oslo Stock Exchange under the ticker AKAST. In 2020, the Akastor portfolio had a revenue of NOK 4 577 million, EBITDA of NOK 331 million and 1 947 employees (FTE) worldwide. AKOFS Offshore had 294 FTE.

The Akastor headquarters are located at Fornebu, outside Oslo, Norway, and the business has a global presence. The corporate organization, employed by Akastor AS, consists of a

team of 15 employees, who oversee the portfolio through active management and assessing transactions and other opportunities for the group. Akastor has a range of strategic, operational and financial value-creating measures at its disposal, including operational improvements and organic growth, acquisitions and divestments, and financial measures.

### AKASTOR'S VISION

Akastor's focus and goal is to create value in its holdings by being an active owner and making value-generating transactions.

## AKASTOR PORTFOLIO COMPOSITION

### INDUSTRIAL INVESTMENTS

	Leading global provider of first-class drilling systems, products and services	100%
	Global provider of subsea well construction and intervention services	50%
	Leading provider of well engineering and drilling project management, reservoir consultancy as well as technical manpower and software solutions.	64% <sup>1)</sup>
	Supplier of vapour recovery technology, systems and services to O&G installations	100%

### FINANCIAL INVESTMENTS

	Global Oil & Gas Manpower specialist.	~ 15% <sup>2)</sup>
	International drilling, well service and engineering company	USD 82.5m preferred equity and warrant structure
	Company owning 5 mid-sized AHTS vessels	100% <sup>3)</sup>
	North Sea Drilling Contractor	5.6%

<sup>1)</sup> Economic ownership | 100% legal ownership

<sup>2)</sup> Economic interest

<sup>3)</sup> As from 9 October, 2020



The Akastor Sustainability Policy—including the investment policy and how Akastor engages with its portfolio companies.

# ACTIVE OWNERSHIP

As an investment company, Akastor’s environmental, social and governance (ESG) priorities are integrated in its role as an active owner. Akastor is committed to being part of the solution and creating value for its shareholders.

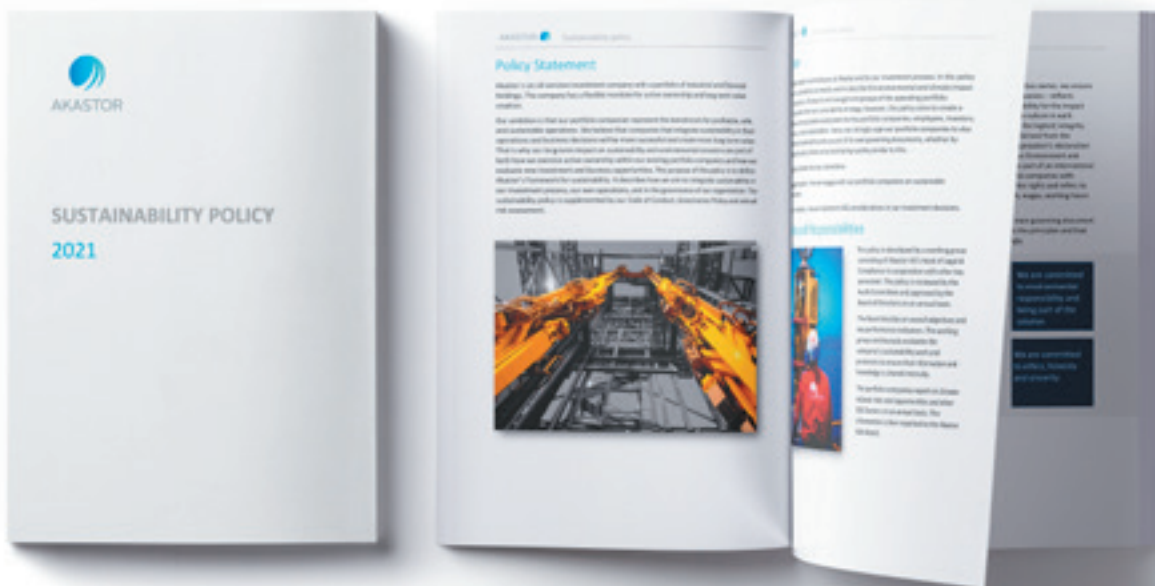
Recently, Akastor published its Sustainability Policy, which describes how Akastor aims to integrate sustainability in its investment processes and its own operations, and in the governance of its organization. The policy includes Akastor investment policy and how Akastor engages with its portfolio companies.

Akastor has incorporated ESG issues into its investment policy, where such issues are addressed both in the investment analysis and in the decision-making processes. In doing so, Akastor improves the resilience of its portfolio while also better positioning itself for new opportunities in a more sustainable future. The investment policy aims to ensure that Akastor only invests in companies that operate with an aim to

address environmental impacts, respect human and labour rights, have a strong health, safety and the environment (HSE) track record, and follow good corporate governance practices that align with Akastor’s own Corporate Governance Policy and Code of Conduct.

Akastor is represented on all portfolio company boards and asserts its active ownership through regular business reviews, day-to-day interactions and follow-up on business and governance issues. Each Akastor portfolio company conducts its own risk assessment and establishes a process and workflow for risk management. They report their risk-mitigating activities to the portfolio company’s board of directors, which has the overall responsibility for ESG in each respective company.

Relevant ESG issues are reported quarterly by the management to the Akastor board of directors and its Audit Committee.



## AKASTOR'S APPROACH TO ESG

### About the report

In this report, Akastor presents its approach to and implementation of ESG activities, and Akastor's performance: as a company and employer, and as an active owner toward its portfolio companies. The purpose of the report is to support Akastor's key stakeholders—shareholders (existing and potential), customers of its portfolio companies and employees of the Akastor group—in gaining insight into activities related to ESG at Akastor. The report aims to provide a balanced picture of the opportunities and challenges Akastor encounters in this area and how the group seeks to manage them.

Industrial investments are included in the report. Financial investments are also presented, but these are not included in the data reported.

Throughout this report, you will find information on ESG considerations organized along two pillars: 1) Akastor's own performance as a company and employer, and 2) an update on Akastor's role as an active owner and how Akastor works to ensure that its portfolio companies progress toward enhancing the positive environmental and social impacts and mitigating the negative impacts of their business activities.

### How Akastor identifies its material ESG issues

Akastor's active ownership includes understanding and being updated on its portfolio companies' climate-related risks and opportunities, as well as prioritizing ESG considerations. In 2020, Akastor increased this focus and established an ESG Network at Akastor. The information obtained from the portfolio companies has allowed Akastor to set its own priorities for its role as an active owner. Akastor's ongoing stakeholder dialogue, media analysis and investor



presentations have also helped narrow down the ESG topics most relevant to this report and have provided input concerning which ESG topics are most material to Akastor.

Akastor has a continuous improvement approach and focus on disclosing the most relevant performance metrics while embracing the principles and guidance of prevailing non-financial reporting standards, including the Task Force on Climate-Related Financial Disclosures (TCFD). Akastor has initiated the process to begin reporting its results to the CDP (formerly known as the Carbon Disclosure Project). The report aims to increase Akastor's transparency and disclosure on how it manages its most material ESG matters, as well as how it approaches long- and short-term climate-related risk and opportunities—both in its role as an operating entity and as an active owner of a portfolio of industrial holdings.

## AKASTOR'S MATERIAL ESG TOPICS

### Environmental

- Climate change mitigation and adaption
- Reduce own adverse impact on the environment

### Social

- Employee health and wellness
- Community engagement

### Governance

- Board oversight and active ownership
- Anti-corruption



## AKASTOR'S COMMITMENT TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



Akastor recognizes and respects the United Nations' 17 Sustainable Development Goals (SDGs), and has identified four SDGs that Akastor significantly impacts. A self-assessment was used to identify where Akastor has the most opportunity to contribute to the SDGs. Akastor identified four priority SDGs and encourages the portfolio companies to identify and work towards relevant SDGs in their work and strategy.

Akastor has identified the following priority SDGs:



**Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**

Corruption has been identified as a key impediment to SDG 16. It also presents a potential risk to Akastor's business, along with associated risks such as money laundering, conflicts of interest and fraud.

- Akastor has a firm zero-tolerance policy toward corruption.
- Akastor conducts integrity training and awareness campaigns for its own employees and enables its portfolio companies to do the same.
- Akastor has implemented a compliance programme and conducts compliance reviews to assess its implementation.
- Akastor holds a whistleblowing channel open for all to report negative conditions.



**Goal 13: Take urgent action to combat climate change and its impacts**

Akastor and its portfolio companies both impact and are impacted by climate change. They are inherently exposed to a range of both physical and transition risks. Akastor and each portfolio company are assessing their risks and opportunities concerning climate change.

- Akastor is committed to improving the energy efficiency and reducing the greenhouse gas (GHG) emissions of its portfolio companies through its investments and board positions.
- Akastor is using its active owner role to encourage consideration of rebalancing its portfolio and diversifying toward sustainable and renewable solutions.
- Akastor supports its portfolio companies' shifts toward business opportunities in renewable energy, including carbon capture, utilization and storage (CCUS) technology and offshore wind.



**Goal 12: Ensure sustainable consumption and production patterns**

Reducing consumption of materials and solving challenges related to air, soil and water pollution are important steps toward achieving SDG 12. Akastor will continue to take responsibility for its activities in these areas by:

- Reducing energy use in its operations.
- Reducing GHG emissions from its operations.
- Reducing hazardous and non-hazardous waste from its operations.
- Preventing spills from its operations.



**Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all**

Akastor has an international portfolio and a widespread local presence. Its goal is to ensure that the value derived from its operations also benefits the societies in which the company is present. Protecting labour rights and ensuring safe and secure working environments for all workers are important components for Akastor.

- Akastor is part of IndustriALL, which is an international framework that sets out fundamental worker rights and refers to standards governing HSE, work, pay, working hours and employment conditions.
- Akastor promotes open dialogue between management and employee representatives at Akastor and continuously works to implement sustainability activities in its global operations.
- Akastor actively supports and works with Stiftelsen VI ('The We Foundation') to ensure that people with disabilities are given the same opportunities to perform as non-disabled people.

## COMMITMENT TO ENVIRONMENT

### AS A COMPANY

Akastor and its portfolio companies are dedicated to acting responsibly with the aim of reducing direct and indirect negative impact on the external environment from their operations and the products and services they provide.

#### Akastor's approach

Akastor's main target is for its portfolio companies to actively contribute to the industry's transition toward more sustainable operations and more energy-effective solutions.

To support and monitor this overall target, Akastor works to ensure that its portfolio companies implement strategies to reduce adverse impacts on the environment caused by their products or operations. The portfolio companies also aim to support their customers in managing environmental risks. Akastor requires each of its portfolio companies to set goals and strategies for their environmental impact, which are monitored by their own board of directors.

#### Climate-related risks

Akastor and each of its portfolio companies address climate change risk and opportunities within its regular annual risk management process. The results are reported to Akastor, and significant risks are incorporated into Akastor's annual risk matrix. Akastor uses the risk and opportunity assessment as input concerning the strategies and businesses of Akastor and its portfolio companies. The main elements of the risk management and internal control process are described in the corporate governance statement in the Akastor Annual Report 2020.

Akastor is an investment company, and the transition-related risks and physical risks identified are closely linked to the risks

identified by its portfolio companies. In 2020, the assessment related to climate change was facilitated by external consultants: see table below for the risks and opportunities identified.

The most significant risks identified were the impacts of the accelerated transition to more energy-efficient solutions in the oil and gas industry. Governmental regulation of GHG emissions is expected to increase and it will continue to be challenging to obtain necessary financing, with potential lenders choosing not to invest in the oil and gas market but rather move capital to new green markets. Unless these risks are met with mitigating measures, Akastor could face a scenario in which many of its portfolio companies lose market share and/or are left with obsolete product lines that have been replaced by more energy-efficient/green alternatives.

Several opportunities have been identified in the assessment. With the reduced interest for pursuing new projects, Akastor and its portfolio companies will likely see a continued or even increased demand for maintenance services. Moreover, with the increased focus from many stakeholders on climate, it will be possible to maintain or increase market share if its portfolio companies can provide low-carbon solutions that balance the continued need for hydrocarbons whilst also supporting the climate targets set out in the Paris Agreement. Since Akastor's portfolio companies have experience in delivering world-class technology—in harsh conditions and in very competitive environments—they should be well-positioned to be key players in the industry's transition toward delivering more energy-efficient solutions.

### MHWIRTH IDENTIFIES SEVERAL BUSINESS OPPORTUNITIES

MHWirth has identified several potential business opportunities as part of solving environmental and climate challenges. MHWirth seeks non-oil- and -gas-related business opportunities that align well with MHWirth's competence and capabilities. As part of this work, they have identified specific opportunities and developed concepts related to power cable installation

and anchor handling within the offshore wind business. MHWirth has also identified several business opportunities in the upcoming subsea mineral mining industry, partly based on historic deliveries of equipment and systems to subsea diamond mining vessels. Subsea mineral mining is presumed necessary to enable the transition from oil & gas to renewable energy.

**Climate risk and opportunities assessment**

In 2020, the assessment related to climate change was a bottom-up exercise, in which all industrial portfolio companies conducted their assessment using external consultants, who in turn summarized the results for Akastor.

Physical risk	Physical risk	Reported Risks	<ol style="list-style-type: none"> <li>1. Extreme weather events causing damage to installations, or causing delays in projects</li> <li>2. Disruptions in operations, logistics or infrastructure</li> </ol>
		Reported Opportunities	<ul style="list-style-type: none"> <li>• Increased need for products and services such as repairs, maintenance and more robust equipment</li> <li>• Experience with harsh weather conditions</li> </ul>
Transition risk	Regulatory risks	Reported Risks	<ol style="list-style-type: none"> <li>3. Increased regulations with GHG reduction and energy efficiency targets</li> <li>4. Increased costs due to change in GHG pricing</li> <li>5. Restrictions on use of assets</li> </ol>
		Reported Opportunities	<ul style="list-style-type: none"> <li>• Increased demand for low carbon and efficient products and services</li> </ul>
	Market risks	Reported Risks	<ol style="list-style-type: none"> <li>6. Reduced demand in the oil and gas sector</li> <li>7. More customer requirements for zero-/low-emission products/services</li> <li>8. Declining access to and increased cost of capital: «sunset industry»</li> </ol>
		Reported Opportunities	<ul style="list-style-type: none"> <li>• Continued demand for specialized products and services</li> <li>• Current product and services portfolio can be used for other markets</li> </ul>
	Technology Risks	Reported Risks	<ol style="list-style-type: none"> <li>9. Risk of write-offs or stranded assets</li> <li>10. Risk of under- or over-investing in R&amp;D and in climate-friendly technologies</li> </ol>
		Reported Opportunities	<ul style="list-style-type: none"> <li>• Increased demand if able to invest and develop attractive technologies and solutions</li> </ul>
	Reputational Risks	Reported Risks	<ol style="list-style-type: none"> <li>11. Stakeholder concerns regarding O&amp;G industry</li> <li>12. Difficulty in attracting talent and retaining experienced personnel: «sunset industry»</li> </ol>
		Reported Opportunities	<ul style="list-style-type: none"> <li>• Transitioning to more «non-oil» and better positioning as providers of climate solutions will increase attractiveness</li> </ul>

### Scenario analysis

Akastor’s climate-related scenario analysis primarily considers the future oil service demand, including whether changes in oil price and the pricing of CO<sub>2</sub> emissions will have a direct impact on the profitability of the company. Akastor uses the IEA’s Sustainable Development Scenarios in its scenario analysis, as it considers a 2°C or lower scenario and highlights the potential future demand and production of oil. It is difficult to predict the development of oil prices and future demand; however, the IEA scenario provides important pointers concerning vulnerabilities for companies exploring and producing from oil fields, and several Akastor portfolio company customers.

### EU taxonomy

The EU Taxonomy Regulation aims to define EU-recognized criteria for identifying sustainable activities. Akastor is in the process of assessing its portfolio companies’ businesses according to the regulation, aiming to identify any part that meets the requirements set by the EU taxonomy.

### 2020 performance metrics

#### AKASTOR AS

Scope 1 emissions — 0  
 Scope 2 emissions — 2 metric tonnes CO<sub>2</sub>  
 Purchased and consumed electricity — 29 MWh  
 Emissions from air travel (Scope 3) — 79 metric tonnes CO<sub>2</sub>

Akastor’s own emissions are limited to the office- and travel-related emissions of its 15 employees. Compared to the climate-related issues in Akastor’s investment activities, its own emissions are insignificant. Scope 3 emissions are expected to increase due to increased overseas activities, which will necessitate more travel. Scope 2 emissions, which are from Akastor’s office activities, are expected to remain stable over the next five years. Akastor will initiate its reporting to the CDP in 2021, and Akastor will reduce the net CO<sub>2</sub> emissions from our own activities to zero by 2030.

### Targets

## OUR OWN OPERATIONS AS AN INVESTMENT COMPANY

- 1.** We will bring sustainability in as an integrated part of our investment decisions.
- 2.** We aim to be “best in class” on sustainability and transparent reporting.
- 3.** We will reduce the net CO<sub>2</sub> emissions from our own activities to zero by 2030.

## COMMITMENT TO ENVIRONMENT

### AS AN ACTIVE OWNER

Akastor works to ensure that its portfolio companies implement strategies to reduce adverse impacts on the environment caused by their products or operations. The portfolio companies also aim to support their customers in managing environmental risks. Akastor requires each of its portfolio companies to set goals and strategies for their environmental impact, which are monitored by their own board of directors.

Akastor’s expectations and policy concerning the environment are included in the Akastor Sustainability Policy and the Akastor Code of Conduct, which state that Akastor will act responsibly, with the goal of reducing direct and indirect negative impacts on the external environment from the operations, products and services Akastor provides.

Several of Akastor’s portfolio companies are primarily office-based, and thus have less direct impact on the environment; its environmental footprint is largely from business travel. Akastor’s main investments are within the oil and gas industry, and the focus is primarily on how the companies can use their core methodologies and technologies to support customers in addressing their environmental footprint. Examples of this from the portfolio companies include (i) MHWirth’s contributions in delivering solutions to offshore wind farms; (ii) AGR’s support for carbon capture and storage (CCS) services; (iii) AKOFS Offshore’s investment in a battery pack onboard the AKOFS Seafarer that will significantly reduce fuel consumption; and (iv) Cool Sorption’s services that assist the oil and gas industry in capturing and re-using emissions to air.



### Targets on climate and sustainability

Each portfolio company has its own targets relating to climate and sustainability. Akastor has set the following goals for its portfolio companies.

## RELATING TO OUR PORTFOLIO COMPANIES

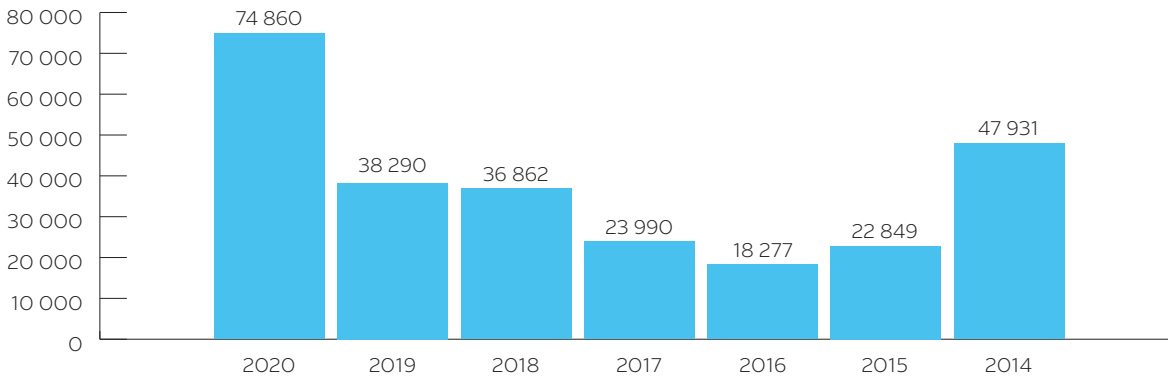
- 1.** We will be an industry leader in developing services and technology that support a transition to more energy-efficient E&P.
- 2.** We will diversify our business and seek to explore non-oil or renewable business opportunities where possible.
- 3.** We expect portfolio companies to annually reduce CO<sub>2</sub> emission by a minimum of 2.5%.
- 4.** We expect portfolio companies to establish a roadmap and make commitments to meet their CO<sub>2</sub> emissions target, by joining the CDP (Carbon Disclosure Project), Science Based Target Initiative or a similar reputable initiative.

*(Referencing target 1, E&P = Exploration and production)*

## 2020 CO<sub>2</sub> EMISSIONS IN AKASTOR'S INDUSTRIAL PORTFOLIO

Data include Akastor AS and Akastor's industrial portfolio, MHWirth, AKOFS Offshore, Cool Sorption, AGR and DDW Offshore\*.

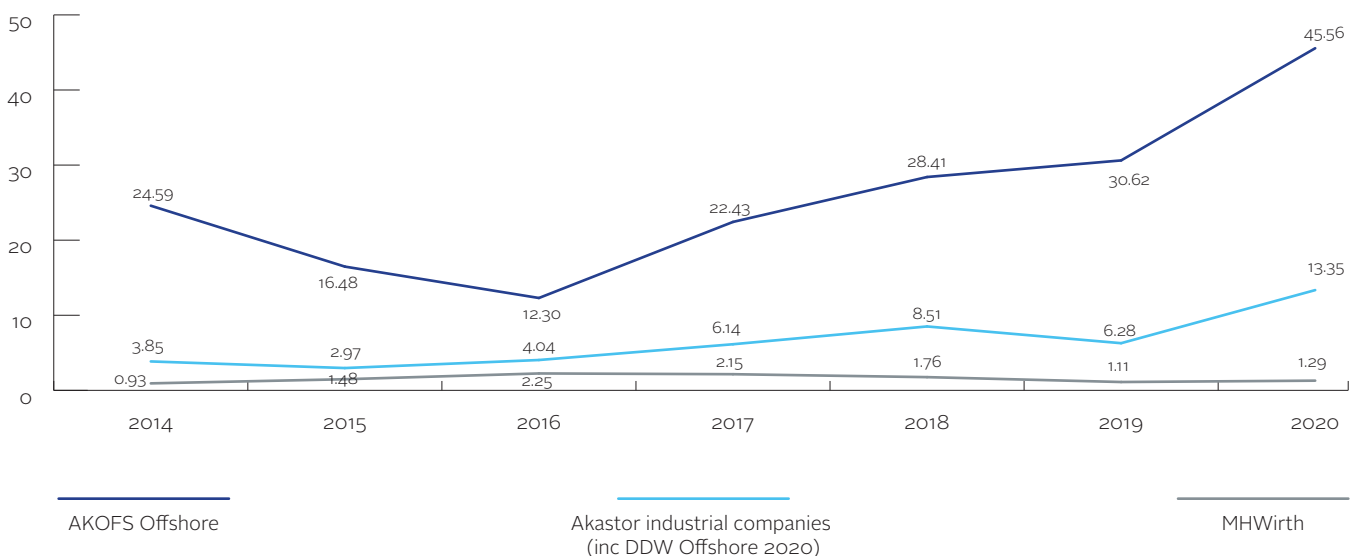
CO<sub>2</sub> emissions (tonnes) 2014-2020



Akastor's industrial portfolio	2020 CO <sub>2</sub> emissions	2019 CO <sub>2</sub> emissions	Percent change (%)
AKOFS	43 512	33 473	30.0%
DDW Offshore AS*	26 366	(not reported)	N/A
MHWirth	4 832	4 665	3.6%
AGR	148	148	0.0%
Cool Sorption	0.4	2.1	-81.3%
Akastor AS	2	2	0,0%
Total – industrial portfolio including Akastor AS	74 860	38 290	95.5%

\* DDW Offshore AS was a new company in the portfolio in October 2020. CO<sub>2</sub> data are reported for the full FY 2020, and no data for 2019.

CO<sub>2</sub> (tonnes) per NOK million revenue





### SUSTAINABILITY IN ACTION: AKOFS OFFSHORE HYBRID BATTERY POWER INSTALLATION

AKOFS Offshore has invested NOK 45 million in an energy storage (battery) system and in ECR, a selective catalytic reduction system for the AKOFS Seafarer to reduce fuel consumption and CO<sub>2</sub>/NO<sub>x</sub> emissions. The fuel consumption during well operations will be reduced by ~15%, leading to lower CO<sub>2</sub> emissions of ~2 500 tonnes per year. The combination of the energy storage system and ECR will reduce NO<sub>x</sub> emissions by ~87%, lowering NO<sub>x</sub> emissions by ~280 tonnes per year.



Photo: Rolf Estensen

### SUSTAINABILITY IN ACTION: MHWIRTH'S GREENER DRILLING

MHWirth's target is to provide leading technology and products that are energy-efficient and thereby contribute to reducing the environmental impact of its customers' operations. For example, 'Greener Drilling' is an MHWirth innovation initiative to reduce the overall environmental footprint of drilling operations. Thus far, 'Greener Drilling' consists of three main components: utilizing batteries instead of fuel; reducing power consumption by adjusting the speed of pumps to be on demand rather than constant; and utilizing power regeneration when lowering equipment with hoisting systems.



### SUSTAINABILITY IN ACTION: VAPOUR RECOVERY UNITS (VRUS) REDUCE EMISSIONS TO AIR

Cool Sorption's technologies for the downstream oil and gas segment support the capturing of vapour at loading facilities, thereby reducing emissions to the air. Volatile organic compound (VOC) vapours, such as gasoline or benzene, are harmful to the environment and strict regulations apply to such emissions. VRUs help with the reduction of smog: smog has severe health effects for humans as well as other animals and plants, all of whom are adversely affected by the tropospheric ozone created when VOCs react with other pollutants in the air. Some VOCs are also GHGs with significant warming potential—reducing their emissions has a positive impact on limiting climate change.





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## COMMITMENT TO SOCIAL

### AS A COMPANY

#### Akastor invests in its employees

It is Akastor's ambition to maintain a good working environment with high levels of well-being and low levels of absence due to illness, and to generally ensure and retain a highly skilled and motivated workforce. Akastor encourages an environment where all employees are encouraged to develop their skills and share knowledge with their colleagues.

Akastor offers comprehensive benefit packages to all employees, including on-site health and wellness centres, and an insurance package which includes insurance against occupational injuries, personal accidents, sickness and disability, as well as travel and group life insurance.

To better support its employees, Akastor offers full wages for primary caregivers in the event of childbirth or adoption. Akastor also pays full wages when employees' children, primary caregivers for their children or other close family members are ill, provided that the national insurance scheme's criteria for payment of care benefits allowance are met.

#### Akastor invests in health and wellness

In addition to healthcare and insurance plans, Akastor offers a comprehensive wellness programme for all Akastor employees. This includes access to an on-site health and wellness centre, Moloklinikken, where all Akastor employees have access to a physician, health counselling and medical treatment. All employees are offered an annual health assessment to help identify potential or existing health risks. All Akastor employees are also offered memberships to the on-site Lifestyle fitness centre.

#### Key 2020 figures for Akastor AS

- Number of employees: 15
- Employee turnover: 7%
- Share of women: 27%
- Sick leave: 0.43%

#### Akastor invests in communities

Akastor supports Stiftelsen VI ("The WE Foundation"), which was founded in 2018 with the aim of working to ensure that people with disabilities are given the same opportunities to perform as non-disabled people.

#### COVID-19 impacts

Akastor has closely monitored the development of the COVID-19 outbreak and continuously seeks to implement necessary mitigating measures—such as home offices and social distancing in the workplace—to minimize the risk of employees contracting the coronavirus at work. Additional information about effects from the COVID-19 pandemic on Akastor and its portfolio companies is included in the Akastor Annual Report 2020.

### AS AN ACTIVE OWNER

By exercising active ownership, Akastor takes responsibility for how and where value is created. Akastor expects all its companies to engage in an open dialogue with all its partners and affected parties. Each company carries the responsibility for continuing to develop positive relationships with its stakeholders, both locally and internationally.

At year-end, Akastor portfolio companies, including AKOFS Offshore, had approximately 2 241 permanent employees and 232 hired-ins. All Akastor portfolio companies strive to protect the health, safety, human rights, labour rights, and well-being of their workforce, in line with international standards such as those put forth by the ILO and OECD. Akastor has an international portfolio and a widespread local presence. Its goal is to ensure that the value derived from its operations also benefits the societies in which the company is present.

#### Health and safety

In particular, HSE represents key priorities for Akastor and its portfolio companies. Akastor believes that value is created when people are motivated, engaged and allowed to challenge themselves in a safe and healthy working environment. Each Akastor portfolio company works to ensure safe working conditions for its employees and brings this core value and commitment to its customers, employees and business partners. The portfolio companies have implemented occupational HSE management systems, policies and procedures to ensure that HSE is an integrated part of the companies' cultures. All portfolio companies have dedicated resources to follow up on HSE work at each of the portfolio companies' sites.

## SUSTAINABILITY IN ACTION: HSSE AT MHWIRTH

MHWirth has implemented occupational Health, Safety, Security and Environmental (HSSE) management systems, policies, and procedures to ensure that HSSE is an integrated part of the company's culture. MHWirth take HSE and Security requirements seriously and continually strive for zero harm to personnel, assets and

the environment. Working across the organization, MHWirth integrates HSSE principles in everything they do. MHWirth has also implemented several HSSE campaigns, such as their 'Just Rules' campaign, power-tool safety campaign, and first-aid trainings.

### International framework agreement

Akastor acknowledges the right of all employees to form and join trade unions of their own choice. Akastor practises zero tolerance for the discrimination, harassment and degrading treatment of employees in its portfolio companies. This is also set out in the international Framework Agreement between Aker and its industrial portfolio companies with international operations (which include Akastor) and with the Norwegian trade unions Fellesforbundet, IndustriALL Global Union, the Norwegian Society of Engineers and Technologists (NITO) and the Norwegian Society of Graduate Technical and Scientific Professionals (Tekna).

The International Framework Agreement sets out fundamental workers' rights and refers to standards governing HSE, work, pay, working hours and employment conditions. Through the agreement, Akastor and its portfolio companies have committed to respecting and supporting fundamental human rights and trade union rights in the countries in which the portfolio companies operate. The applicable principles are laid out in the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work. Together with its industrial portfolio companies, Akastor also uses its influence to ensure that its portfolio companies' supply chains and customers comply with the principles set out in the agreement.

The management and employee representatives for technical administrative personnel and skilled workers/ union representatives in the respective portfolio companies are responsible for the ongoing follow-up. In 2020, as in previous years, no events violating the agreements were reported.

### Equality and diversity

The Akastor portfolio companies have a world-wide presence, with employees who represent a multitude of nationalities and cultural backgrounds. Akastor works to ensure that all employees can expect a workplace free from harassment and discrimination. All portfolio companies actively work to advance equality regardless of gender, sexual orientation or background. While a high proportion of the employees in

Akastor's portfolio companies are male, each portfolio company regularly assesses whether the principle of equal pay for equal work is being upheld, and no significant differences have been identified. Akastor and its portfolio companies are not aware of any employees that work involuntary part time. AGR and MHWirth report their compliance with the Norwegian Act on Gender Equality and Prohibition of Discrimination separately. Additional information can be found in Akastor's Annual Report 2020.

Employee surveys and other measuring assessments are regularly conducted throughout the Akastor group to obtain feedback on how employees perceive the current work environment. In 2020, employees seemed generally satisfied working in their respective company. Where such surveys or other reports of concerns indicate a need for improvement, the companies work diligently to address the situation, and, where relevant, involve their work councils, which include employee and management representatives. MHWirth has implemented Peakon as a tool to follow up on working environment and employee engagement.

In the Akastor group, the ratio of men to women is 82/18, which is slightly less optimal than previous years. The oil service sector is a male-dominated industry and it has been challenging to increase the number of women employed in most of the Akastor portfolio companies. In portfolio companies where there is a large proportion of men working, the companies are considering activities that will increase the share of permanently employed women. As part of its management system, MHWirth has developed a set of 'Diversity and Inclusive Guidelines'. The purpose of this policy is to promote and manage diversity and facilitate inclusion for all (potential) employees. The guidelines provide principles with regard to recruitment, succession planning and talent management. MHWirth will continue to reinforce the principles in these guidelines, and their targets include increasing the proportion of women in management positions; securing diverse age distribution across all management roles; and continuously improving the Diversity and Inclusion Guidelines. Throughout 2020, MHWirth continued its focus on diversity and equality.



ONE TEAM

Photo: Rolf Estensen

**Supply chain**

Akastor requires that activities in the supply chain are conducted with a focus on integrity and the principles described in the Code of Conduct. In assessing risk of human rights breaches within Akastor and its portfolio companies' value chain, the supply chain is considered the most vulnerable to breaches of human rights.

To qualify for the vendor shortlist, suppliers must complete a questionnaire regarding HSE, quality, integrity and human rights; sign and agree to the Supplier Declaration; and pass a due-diligence screening. The Supplier Declaration outlines key requirements concerning ethical conduct, respect for the environment and human rights, and compliance with HSE requirements, and must be signed by all suppliers. The supplier selection criteria also mandate quality, on-time delivery, fulfilling customer requirements, appropriate competition and equal treatment of suppliers.

All portfolio companies have Key Performance Indicators (KPIs) on quality and on-time delivery, measuring the suppliers' performance, and suppliers not performing according to the requirements will be audited and followed up with. To monitor the suppliers performance, MHWirth also implemented a supplier management system, LeanLinking. This system is used by MHWirth globally, and the organization's adherence to the system is confirmed in the ISO 9001 audit of MHWirth.

MHWirth's portfolio of suppliers is continuously monitored, and if any supplier does not meet the requirements and reasonable discussions to address concerns were unsuccessful, their services are ended.

**Social engagement**

Akastor and its portfolio companies endeavour to engage in their local communities and consider strong local social engagement an important part of their sustainable development. In Norway, Akastor is part of an initiative called 'Stiftelsen VI', which is a non-profit entity working to provide disabled people equal opportunities to have a meaningful and active life. In addition, in 2020, Akastor made a donation to Doctors Without Borders and MHWirth donated to the Red Cross. STEP Oiltools Thailand, part of MHWirth, donated to the Thailand Oilman's Charity Invitational Tournament which was held 5-6 December 2020. The 2020 event generated THB 3,5 million for charity, which is considered to be a fantastic achievement considering the challenges that faced the event and industry. All portfolio companies have internal processes for assessing donations to NGOs or social engagements.

**Local commitment**

Akastor has an international portfolio and a widespread local presence. Its social development goal is to ensure that the value derived from operations also benefits the societies in which the company is present. In 2020, the companies continued their focus on local content, local production requirements and local expertise, which also supports SDG 8 (on decent work and economic growth). For example, MHWirth is working with the University of South-Eastern Norway to offer students internships with the company or opportunities to write graduate and master's theses.

**SUSTAINABILITY IN ACTION: SUPPLY CHAIN MONITORING AT MHWIRTH**

MHWirth has published its Modern Slavery Act Transparency Statement and is committed to preventing slavery and human trafficking. MHWirth has implemented procedures which require risk assessment of third parties. The risk assessment is an overall integrity assessment and includes screening of potential human rights issues. All suppliers involved in MHWirth's customer deliveries are qualified in MHWirth's supplier management system and are required to sign the Supplier Declaration to confirm that they will follow MHWirth's integrity principles. Adherence to the principles is followed through supplier audits as part of MHWirth's risk-based supplier audit plan.





## Global impact

Akastor is active on 6 continents and serves customers from bases in more than 20 countries. 31% of its workforce is based outside of the EU and Norway, and 33% of its revenue is generated from operations outside of Europe. The portfolio companies are integral participants in the countries and regions in which they operate and are often important contributors in local communities. Akastor's goal is for its portfolio companies to contribute positively in the societies where they are active, and to do their utmost in protecting, respecting and contributing positively toward the environment and human rights.

## Key 2020 figures for Akastor-owned companies

- Number of employees: 2 241 (incl. AKOFS Offshore)
- Employee turnover: approx. 7%
- Nationalities represented: approx. 42
- Share of women: 18%
- Sick leave: 2.7%

## GLOBAL IMPACT TABLE

COUNTRY	EMPLOYEES including hired-ins (FTE) <sup>1</sup>	REVENUES NOK million <sup>2</sup>	COUNTRY	EMPLOYEES including hired-ins (FTE) <sup>1</sup>	REVENUES NOK million
Australia	46	196	Netherlands	0	1
Azerbaijan	62	200	Mexico	0	3
Brazil	153	127	Norway	953	2 269
Canada	1	11	Pakistan	40	9
China	8	1	Peru	0	25
Denmark	32	132	Russia	47	78
Germany	254	668	Singapore	38	97
India	30	0*	Thailand	21	19
Indonesia	32	24	UAE	28	222
Kazakhstan	3	16	UK	109	222
Malaysia	1	3	USA	89	254

\* Internal revenue only

<sup>1)</sup> The location of employees and hired-ins under contract is based on the location of the company where they were employed as of 31 December 2020 (operations with more than 50 percent ownership).







## COMMITMENT TO GOOD GOVERNANCE

### AS A COMPANY

Effective corporate governance provides the foundation for its value creation. Akastor's corporate culture is based on good business practices, openness, honesty and respect for other people. These principles form the basis for sound equity investments.

Good corporate governance is therefore a key concern for Akastor's board of directors, management and employees, as well as in the exercise of ownership of Akastor's portfolio companies. Akastor is closely involved in the monitoring and follow-up of companies of which Akastor is the main shareholder.

#### Board composition and governing principles

Akastor's board of directors determines the overall principles for its management and control functions. Akastor ASA is a Norwegian public limited liability company (ASA), listed on the Oslo Stock Exchange and established under Norwegian laws.

Akastor's governance principles are based on the NUES recommendations. Akastor's board of directors defines expectations for responsible and ethical business operations and has the overall responsibility for ESG in the company. Akastor is represented on all portfolio company boards and asserts its active ownership through regular business reviews, day-to-day interactions and follow-up on business and governance issues.

See more information in the Board of Director's Report for 2020 and the Corporate Governance Report for 2020.

#### Risk assessment

Risk management is an integral part of a well-functioning system for internal controls and contributes to both securing and developing shareholders' investment in Akastor and securing its assets. Akastor's objective for risk management and internal control is to be aware of managing risks, rather than eliminating exposure to risk. Akastor's risk management supports compliance with laws and regulations, including recommendations from NUES, in all material respects.

#### Key 2020 figures for Akastor AS

- Integrity training: 94%
- Share of women in top management at Akastor AS: 0%

#### Board diversity in 2020 at Akastor ASA

- Share of women on Akastor ASA's board of directors: 37.5%
- Independent directors on Akastor ASA's board of directors: 37.5%

### AS AN ACTIVE OWNER

Akastor's commitment to good governance extends to its role as an active owner. Akastor set its expectations for its portfolio companies in the Akastor governing documents, including the Code of Conduct. Akastor actively encourages cooperation and dialogue based on effective corporate governance processes.

Within Akastor's corporate responsibility efforts, Akastor is focused on the ESG activities and processes that build financial and non-financial value in its portfolio. Akastor focuses on working against corruption, addressing health and safety, respecting human rights and minimizing adverse impacts on the environment. These focus areas were established to strengthen the companies' long-term and continuous focus on ESG and to follow its stakeholders' expectations. Each portfolio company is required to implement an ESG strategy based on the main priorities of the group. Further, adhering to the Code of Conduct is mandatory for and applicable to all employees, hired-ins and other representatives of Akastor. The Code of Conduct is available for download from the company website: [www.akastor.com](http://www.akastor.com).

#### Code of Conduct and Integrity Programme

Akastor's Code of Conduct constitutes the key guidelines for corporate responsibility and integrity at Akastor and for portfolio companies where Akastor is the main shareholder. It describes the group's commitment to ESG and requirements for business practices and personal conduct. Working against corruption in all its forms is a fundamental part of Akastor's Integrity Programme, which supports the Code of Conduct by outlining procedural requirements and control functions that must be met, ensuring compliance.

The Akastor Integrity Programme is outlined in the Akastor Integrity Policy and describes the processes and internal controls that must be in place in all the portfolio companies to ensure that the principles set out in the Code of Conduct are implemented. The board of directors of each portfolio company is responsible for implementing policies adapted to their companies.

Akastor seeks to align its operations with the principles of the UN Global Compact, the United Nations Convention against Corruption, the Universal Declaration of Human Rights, the UN Guiding Principles for Business and Human Rights, as well as the ILO Declaration on Fundamental Principles and Rights at Work. These international principles underpin the design of the Akastor Code of Conduct and Integrity Programme and provide the overall framework for all ESG efforts in the Akastor group.

Akastor's Legal and Compliance function supports and monitors the policy implementation of Akastor's Code of Conduct and Integrity Programme, through continual dialogue with the portfolio companies; quarterly compliance status reports, which include a summary section for any compliance issues addressed in the quarter; and reviews of portfolio company operations. Certain business activities require approval from Akastor Legal and Compliance before they are carried out. Each portfolio company has appointed a compliance officer who oversees the implementation of the Akastor Integrity Programme and is the main contact person for day-to-day compliance and integrity assessments and discussions.

#### Integrity training and awareness

High integrity is a valuable safeguard against corruption and unethical conduct, and is a key pillar in a sustainable, value-based business. Training and awareness-raising are in place throughout Akastor to ensure that all representatives of Akastor recognize integrity risks and know when to raise a concern and how to respond to unacceptable practices.

Dilemma-based classroom training and e-learning courses are implemented throughout the group—some broadly target all employees while others are more tailored toward specialized employee functions, such as employees in workshop and supply chain functions. In 2020, Akastor continued to ensure that all new employees in the target group received dilemma-based classroom training.

#### Whistleblower channel

Whistleblowing is an important channel for receiving information about negative issues so that they can be properly corrected and followed up with. All employees of Akastor and portfolio companies are required to report breaches of the Code of Conduct, and Akastor encourages everyone to report any concerns pertaining to possible breach of law, ethical standards or expected conduct/behaviour. Employees can report concerns to their line manager, compliance officer or top management, or via the anonymous whistleblowing channel. As part of their business ethics training, all employees are made aware of the responsibility to raise their voice if observing or experiencing any wrongdoing.







The whistleblowing channel is available for reports relating to all Akastor portfolio companies. All notifications reported are received by Akastor Legal and Compliance and investigated in accordance with the Whistleblowing Investigation Procedure. The whistleblowing process is monitored by Akastor's board of directors and its Audit Committee. Akastor received four whistleblowing notifications during 2020, which is considered to be less than the international average compared to the number of employees, based on the last NAVEX Global benchmark report.

In 2020, Akastor continued with its yearly 'Akastor Integrity Survey', partly to assess trust in the whistleblowing channel and partly to raise awareness of this function. All responses were anonymous, and 95% answered that they trusted the whistleblowing channel.

#### Third-party risk

Working with third parties constitutes a potential integrity risk. Akastor implements risk-based evaluations and monitoring of suppliers, service providers and joint venture partners.



Akastor has had a restrictive approach to third-party representatives (agents) for several years and continued this focus in 2020. Portfolio companies that require the use of sales agents or other third-party representatives are required to implement strong controls, such as in-depth due diligence; integrity training; and monitoring of services and payments.

#### Country risk evaluations

To enable prudent operations in high-risk countries, Akastor maintains a 'Country Watch List', which prescribes different risk assessment and approval procedures for countries according to their risk level.

Through these due diligence procedures, the Akastor portfolio companies build increased awareness of potential risks, such as corruption risk, risk of sanctions and trade embargoes, labour risks, impacts on human rights and environmental risks. The due diligence is mainly done through the use of screening tools and media reports and, in some situations, with help from external service providers. With this, the portfolio companies are better positioned to address such risks at an early stage or withdraw from the business if necessary.

#### Compliance reviews

Akastor's Legal and Compliance team regularly undertakes on-site compliance reviews to assess and give feedback on the implementation of the Akastor Integrity Programme in portfolio companies. The reviews strengthen the implementation of the Akastor Integrity Programme through defined follow-up activities and provide extended insight into relevant business risks and challenges. In 2020, compliance reviews were undertaken — in co-operation with compliance resources in the portfolio companies — of operations in MHWirth's company Bronco in the US and STEP Oiltools global operations. An observation relevant for Bronco was documentation of Know Your Customer assessments. There were no material findings in STEP Oiltools' review. In addition, other review activities were completed, including HSE and quality audits of suppliers and investigations related to whistleblowing reports.

#### Data privacy and security

Akastor has had a Data Protection Standard for Processing and Transfer of Personal Data (Binding Corporate Rules (BCR)) in place since 2015, which guides the processing of personal data in the group. In 2020, Akastor experienced no breaches of data.

#### Key 2020 figures for Akastor-owned companies

- Integrity training: 97% of target group
- Akastor-owned companies had no significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations

# PORTFOLIO OVERVIEW





## MHWIRTH

### About MHWirth

MHWirth is a leading global provider of first-class drilling solutions and services designed to offer its valued customers with a safer, more efficient and reliable alternative. MHWirth's knowledge and technologies span from reservoir to production and across the life of the field.

The company's reputation is preserved through a winning combination of values, people and innovative technologies, proven by a respected track record and a vast collection of customer success stories.

MHWirth has a global reach, covering 5 continents with offices in 18 countries. Drawing upon its global market success, MHWirth continues to seize opportunities through an established strong regional presence. MHWirth's dedicated professionals consistently strive to enhance customer satisfaction and form meaningful collaborations by creating a personalized experience. The company employed 1 581 dedicated professionals at 2020 year-end.

### ESG approach and focus areas

MHWirth's target is to achieve sustainable growth with an ESG perspective, organically and by Mergers & Acquisitions. In the company's operations, MHWirth seeks to ensure transparency and promote anti-corruption, respect human rights and work toward zero accidents for their employees and subcontractors, minimize their environmental footprints, and contribute to local content where they operate.

In 2021, MHWirth will reassess its ESG targets and update its sustainability policy to be aligned with Akastor. MHWirth will update its reporting to focus more on ESG and publish its own annual report, which also describes its implementation of the TCFD recommendations.

Further, in 2021, MHW will implement ISO 14001:2015 (Environmental Management Systems) to enhance MHWirth's environmental performance and contribute to the environmental pillar of sustainability; it will also implement ISO 45001:2018 (Occupational Health and Safety Management Systems) to provide safe and healthy workplaces throughout the organization. MHWirth is working to be certified as a non-discrimination company based on requirements and guidelines from the Norwegian Ministry of Children, Youth and Family, Bufdir.

### New business opportunities identified as part of solving environmental and climate challenges

MHWirth has identified several potential business opportunities as part of its efforts to solve environmental and

**Head quarters location:** Kristiansand, Norway.

**Website:** [www.mhwirth.com](http://www.mhwirth.com)

**Akastor's ownership interest:** 100%

**Number of employees:** 1 581

**Revenue (2020):** 3 760 MNOK

**EBITDA (2020):** 401 MNOK

**Share of non-oil revenue (2020):** Approx. 10%

**Countries of operation:** Global operations, and offices in 18 countries

**Certifications:** ISO 9001

climate challenges. MHWirth is seeking non-oil- and -gas-related business opportunities that align well with MHWirth's competence and capabilities. As part of this work, MHWirth has identified specific opportunities and developed concepts related to power cable installation and anchor handling within the offshore wind business. MHWirth has also identified several business opportunities in the upcoming subsea mineral mining industry, partly based on historic deliveries of equipment and systems to subsea diamond mining vessels. Subsea mineral mining is presumed necessary to enable the transition from oil and gas to renewable energy.

One of MHWirth's companies, Frontica Engineering (FE) has renewables (offshore) as one of its three building blocks in strategic areas. This includes offshore solar energy, offshore wind power and zero-emission technologies/applications connected to the offshore industry, such as carbon capture and/or carbon-neutral fuels (hydrogen, etc.).

MHWirth's Products and services are in line with market requirements for reduced climate-related emissions. One of MHWirth's top strategic priorities is to support its customers with technology to improve efficiency in their operation. In practice, that means drilling wells faster. Drilling wells faster reduces CO<sub>2</sub> emissions proportional to the time saved. MHWirth is also focused on reducing fuel consumption through efficient machines and through collaboration with partners for optimized hybrid solutions (generators/batteries, etc.) that have a significant effect on CO<sub>2</sub> emissions. MHWirth is also increasingly using technology to support its customers remotely, resulting in less travel emissions. MHWirth will also support customers with technology that may reduce Personnel On Board (POB) the rig, which will also reduce CO<sub>2</sub> emissions.

## MHWIRTH'S SUMMARIZED TCFD REPORT 2020<sup>1)</sup>

### 1. Governance

The climate risk assessment is reported to Akastor and reviewed by Akastor's board of directors. Climate-related risks and opportunities have not yet been reviewed by MHWirth's board of directors. MHWirth has made a comprehensive climate risk and opportunities assessment, to which its management has contributed.

### 2. Strategy

Climate-related risks and opportunities are identified and managed through the climate risk assessment process. Several actions are being initiated to reduce risk and capture opportunities, mainly related to innovation in more climate-friendly solutions for the O&G industry.

MHWirth's risks and opportunities are included in Akastor's summarized presentation in the ESG Report 2020.

### 3. Risk management

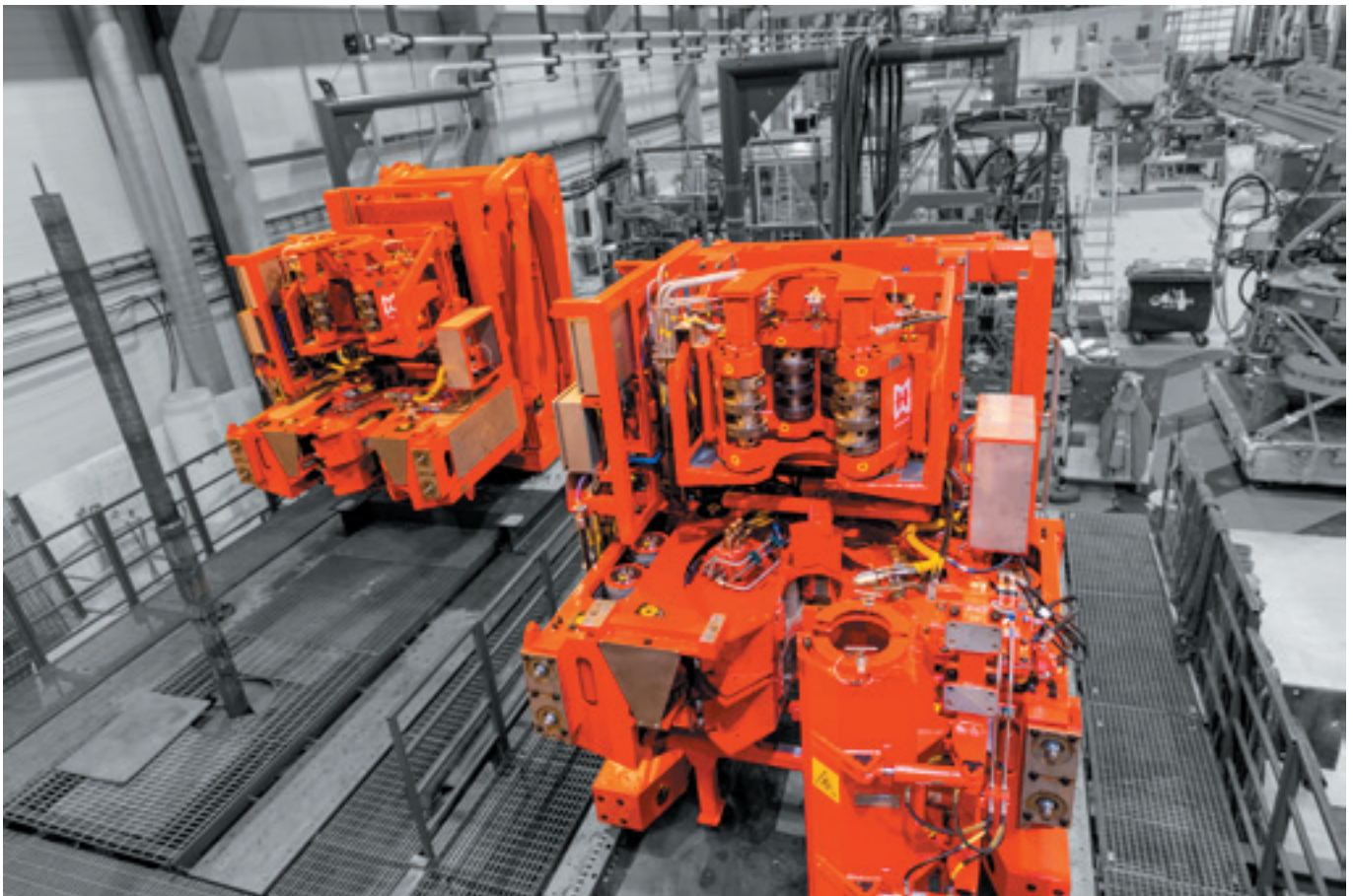
MHWirth has established a systematic process for identifying, assessing and managing climate-related risks, which is integrated into the organization's overall risk management where relevant.

### 4. Metrics and targets

MHWirth discloses metrics related to the company's own CO<sub>2</sub> emissions (Scope 1, Scope 2, business travel), and non-oil revenue. The main target is to increase non-oil revenue to 30% by 2030.

See metrics and targets in the MHWirth key ESG figures and targets table below. MHWirth key ESG figures and targets<sup>1)</sup>

<sup>1)</sup> Full Akastor TCFD report see chapter "TCFD Report 2020" at the end of the ESG Report 2020





## MHWirth key ESG figures and targets

ENVIRONMENT	2020	2019
Energy used (MWh)	32 609	31 963
Energy intensity (MWh per million hours worked)	11 245	11 665
CO <sub>2</sub> emissions scope 1 and 2 (tonnes)	4 832	4 665
CO <sub>2</sub> emissions intensity (tonnes per million hours worked)	1 666	1 702
CO <sub>2</sub> emissions scope 3 (tonnes)	1 230	(NEW)
Total waste (tonnes)	2474	5 666
Recycling factor (%)	46	35
<b>SOCIAL (&amp; HSE)</b>		
Employees incl. hired-ins (FTE)	1 581	1 766
Female/Male (%)	17/83	17/83
Lost time incident frequency (LTIF)	1.4	1.1
Total recordable injuries frequency (TRIF)	2.1	1.8
Fatalities incl. subcontractors	0	0
Sick leave (% of hours worked)	2.9	2.8
<b>GOVERNANCE</b>		
Integrity classroom training (%)	98	90
Code of Conduct e-learning (%)	89	90
Whistleblowing reports	4	2
Total revenue (NOK million)	3 760	4 442
EBITDA (NOK million)	401	497

The Key ESG figures are explained in the Akastor group table

## MHWIRTH

## Short term:

1. Obtain ISO 14001 certification.
2. Identify global process owners within ESG.
3. Establish short- and long-term targets.
4. Identify and handle climate and environmental risks.
5. Establish ESG- and TCFD-compliant reporting.
6. Include ESG assessment as part of investment decisions.
7. Join the Carbon Disclosure Project.

## Long term:

1. We will annually reduce CO<sub>2</sub> emission by a minimum of 2.5%.
2. 30% share of turnover from non-oil revenue by 2030.
3. Climate neutral from own operations by 2050.

## AKOFS OFFSHORE



### About AKOFS Offshore

AKOFS Offshore is a provider of vessel-based subsea well construction and intervention services for the oil and gas industry. The company has a highly competent and diverse organization, covering all phases from conceptual development to project execution and offshore operations.

AKOFS' vision is to be the preferred partner in the subsea well construction and intervention industry by providing safe and efficient services for the benefit of its stakeholders.

### ESG approach and focus areas

As AKOFS' most important asset is the people working on and for the company's vessels, AKOFS is committed to managing employment relationships based on its values and people policy.

The success of AKOFS rests on the company's ability to provide safe and high-quality services whilst protecting the environment. An HSE mindset is important for the company, and AKOFS' employees take personal responsibility for HSE because they care. Working toward the 'zero' vision, AKOFS believes that, with proper precautions in their operations, they can prevent all accidents and incidents, injuries, ill health and environmental pollution.

**Head quarters location:** Oslo, Norway.

**Website:** [www.akofsoffshore.com](http://www.akofsoffshore.com)

**Akastor's ownership interest:** 50%

**Number of employees:** 294

**Revenue (2020):** 1 000 MNOK

**EBITDA (2020):** 414 MNOK

**Share of non-oil revenue (2020):** 0%

**Countries of operation:** Norway and Brazil  
 Certifications: ISO 9001, ISO 14001 and OHSAS 18001

Currently, AKOFS has three vessels on short- and long-term contracts with oil companies. Two of the vessels have previously operated in the general offshore construction market, doing general marine construction work; this has included renewable energy projects, such as offshore windfarm and tidal turbine projects. These kinds of opportunities in the renewables offshore market will also be possible going forward.

## AKOFS OFFSHORE SUMMARIZED TCFD REPORT 2020<sup>1)</sup>

### 1. Governance

Climate-related risks and opportunities are reviewed by the AKOFS board of directors, and information is shared with Akastor. AKOFS Offshore has defined a set of activities that includes short- and long-term goals and actions.

### 2. Strategy

Climate-related risks and opportunities are identified and managed through the climate risk assessment process. AKOFS is aware of emerging regulatory and customer climate requirements, and some investments to upgrade the fleet have been made (e.g., battery systems). Financial planning is ongoing in terms of the need to upgrade the existing fleet, apply fuel efficiency measures, increase use of low- and zero-emission fuels and start phasing in vessels with low- and zero-emission technologies as quickly and practically possible (and by 2030 at the latest).

AKOFS's climate risks and opportunities are included in Akastor's summarized.

### 3. Risk management

Climate risk identification and assessment have been part of two management meetings, resulting in the decision to develop KPIs for further monitoring.

The processes for identifying, assessing, and managing climate-related risks are currently not integrated into the organization's overall risk management.

### 4. Metrics and targets

AKOFS discloses metrics related to the company's own CO<sub>2</sub> emissions (Scope 1, Scope 2, business travel) and NO<sub>x</sub>.

AKOFS Offshore has identified overarching targets for CO<sub>2</sub>/NO<sub>x</sub>, fuel efficiency and monitoring low- and zero-emission technologies.

See metrics and targets in the AKOFS key ESG figures and targets table below.

<sup>1)</sup> Full Akastor TCFD report see chapter "TCFD Report 2020" at the end of the ESG Report 2020



## AKOFS Offshore key ESG figures and targets

ENVIRONMENT	2020	2019
Energy used (MWh)	204 416	162 440
Energy intensity (MWh per million hours worked)	296 298	220 576
CO <sub>2</sub> emissions scope 1 and 2 (tonnes)	43 512	33 473
CO <sub>2</sub> emissions intensity (tonnes per million hours worked)	63 069	45 453
CO <sub>2</sub> emissions scope 3 (tonnes)	261	402
Total waste (tonnes)	78	73
Recycling factor (%)	92%	100%
<b>SOCIAL (&amp; HSE)</b>		
Employees incl. hired-ins (FTE)	294	311
Female/Male (%)	11/89	10/90
Lost time incident frequency (LTIF)	0	0
Total recordable injuries frequency (TRIF)	1.4	0
Fatalities incl. subcontractors	0	0
Sick leave (% of hours worked)	3.1	4.3
<b>GOVERNANCE</b>		
Integrity classroom training (%)	86	83
Code of Conduct e-learning (%)	100	96
Whistleblowing reports	0	0
Total revenue (NOK million)	1 000	1 093
EBITDA (NOK million)	414	560

The Key ESG figures are explained in the Akastor group table

## AKOFS OFFSHORE

## Short term:

1. 15% CO<sub>2</sub> emission reduction and 87% NOX emission reduction for AKOFS Seafarer (battery hybrid investment)
2. Annual fuel/energy efficiency program
3. Annual program and targets for reduction in emission to sea
4. Maintain ISO 14001 certification

## Long term:

1. Develop business offerings positioned in renewables offshore market
2. Upgrading existing fleet, use of sustainable low and zero-emission fuels, operate vessels energy-efficient
3. Start phasing in vessels with low and zero emissions no later than 2030 – ensure that fleet sails without emissions from 2050.



AGR

About AGR

AGR is the leading wells and reservoir consultancy delivering solutions for energy challenges. AGR also provides software and technical manpower for its clients around the world.

AGR has offices in major hydrocarbon provinces and has over 30 years' industry experience.

ESG approach and focus areas

The nature of AGR's performed tasks is mainly office-based. The environmental impact is minimal, but AGR is committed to assisting its customers in reducing their environmental footprint.

Over the last two decades, AGR has increasingly been involved in the CCUS arena, supporting the transition towards more energy-efficient solutions. In 2020, AGR delivered the first CCS well offshore Australia, as part of a project investigating the possibility of developing Australia's first full-scale CCS facility. AGR's multi-disciplinary team, with expertise in niche areas, managed all aspects of the project, ranging from regulatory submissions, contracting, stakeholder engagement, and well design and drilling engineering. The well offshore Australia was successfully appraised and abandoned using materials suitable for future CO<sub>2</sub> storage at the site.

AGR's Well Management team began decommissioning operations for Ireland's first indigenous gas wells in the second half of 2020. After an 18-month planning period, AGR's team is managing the decommissioning campaign of 14 platform wells and 10 subsea wells.

Last year, AGR's Reservoir Management team supported the Norwegian state-owned Gassnova SF on the Northern Lights Project, which involves the transport and storage of CO<sub>2</sub> from industrial capture sources in the Oslo-fjord region to a reservoir in the North Sea. AGR's role has been to provide expertise to Gassnova within geoscience, reservoir and drilling disciplines, and facilities and cost engineering.

Health, Safety, Environment and Quality (HSEQ) is at the forefront of everything AGR does, and a significant effort has been made to update the company's operating procedures, describing in detail the safe planning and risk mitigation of AGR's operational activities, particularly in the UK. In 2020, AGR's Aberdeen office scored its highest ever score in the FPAL Verify system operated by Achilles, which examines

**Head quarters location:** Oslo, Norway.  
**Website:** www.agr.com  
**Akastor's ownership interest:** 100% shareholding, 64% economic interest  
**Number of employees:** 319  
**Revenue (2020):** 637 MNOK  
**EBITDA (2020):** 31 MNOK  
**Share of non-oil revenue (2020):** Less than 1%  
**Countries of operation:** Global operations, and offices in Norway, the UK, Australia and the Americas  
**Certifications:** ISO 9001:2015 on Quality Management, ISO 14001:2015 on Environment Management



Health, Safety & Environment, Quality, Competence & Training practices.

AGR is ISO-certified and during 2020 went through a renewal audit process. AGR's working environment is deemed to be good. The company has implemented several initiatives to take care of its staff.

AGR has aligned its governance documents with Akastor, and it is AGR's board of directors who is responsible for their implementation.





## AGR SUMMARIZED TCFD REPORT 2020<sup>1)</sup>

### 1. Governance

Climate-related risks and opportunities are reviewed by AGR's board of directors, and information is shared with Akastor for its own board of directors to review. AGR's board of directors reviews strategic assessments provided by management and through the annual risk review for the coming fiscal year.

### 2. Strategy

Climate-related risks and opportunities are identified and managed through the climate risk assessment process. The AGR strategy is reviewed annually. During 2020, AGR reviewed its ESG strategy to include opportunities that AGR will follow, and measure devolvement based on set targets.

AGR's risks and opportunities are included in Akastor's summarized presentation in the ESG Report 2020.

### 3. Risk management

Climate risk identification and assessment is part of the AGR management's review of the risk situation, and has recently been integrated into AGR's overall risk management.

### 4. Metrics and targets

AGR discloses metrics related to the company's CO<sub>2</sub> emissions (Scope 1, Scope 2, business travel).

See metrics and targets in the AGR key ESG figures and targets table below.

<sup>1)</sup> Full Akastor TCFD report see chapter "TCFD Report 2020" at the end of the ESG Report 2020

## AGR—key ESG figures and targets

ENVIRONMENT	2020	2019
Energy used (MWh)	580	580
Energy intensity (MWh per million hours worked)	2 816	943
CO <sub>2</sub> emissions scope 1 and 2 (tonnes)	148	148
CO <sub>2</sub> emissions intensity (tonnes per million hours worked)	718	240
CO <sub>2</sub> emissions scope 3 (tonnes)	7.5	(NEW)
Total waste (tonnes)	2.5	2.5
Recycling factor (%)	55	55
<b>SOCIAL (&amp; HSE)</b>		
Employees incl. hired-ins (FTE)	319	435
Female/Male (%)	30/70	29/71
Lost time incident frequency (LTIF)	0	0
Total recordable injuries frequency (TRIF)	0	0
Fatalities incl. subcontractors	0	0
Sick leave (% of hours worked)	1.6	2.3
<b>GOVERNANCE</b>		
Integrity classroom training (%)	99	21
Code of Conduct e-learning (%)	49	70
Whistleblowing reports	0	0
Total revenue (NOK million)	637	573
EBITDA (NOK million)	31	14

## AGR

### Short term:

1. Include energy efficiency on rig- and vessel selection.
2. Place five consultants outside oil & gas.
3. One software sale outside of oil&gas.

### Long term:

1. 30% of Well Management revenue from carbon storage/ geothermal/P&A.
2. 20% of Reservoir Management revenue from "green projects".
3. 20% of SW sales from non oil & gas usage.
4. 30% of consultants on non oil & gas projects.

The Key ESG figures are explained in the Akastor group table

## COOL SORPTION



### About Cool Sorption

Cool Sorption A/S is a major supplier of Vapour Recovery Units (VRU) and systems. Cool Sorption enjoys a complete product portfolio, which ranges from small compact units to the industry's most complex systems, making it a recognized technology provider worldwide.

Cool Sorption exclusively sells products and services aimed at impacting the climate/environment positively by reducing emissions in the oil industry.

### ESG approach and focus areas

Cool Sorption's commitment to the environment is fully implemented and is the company's main purpose. Its own operations are primarily office-based, and the environmental impact from its own operations is minimal. Cool Sorption installs VRUs and systems for its customers, with the purpose of reducing VOC emissions.

Most volatile organic compounds (VOCs) that are captured and recycled by Cool Sorption's sold units have a Global Warming Potential (GWP) of higher than one in terms of CO<sub>2</sub>e. On top of the climate benefits of capturing VOCs, Cool Sorption's units also help with the reduction of smog: smog has severe health effects for humans as well as other animals

**Head quarters location:** Copenhagen, Denmark  
**Website:** www.coolsorption.com  
**Akastor's ownership interest:** 100%  
**Number of employees:** 30  
**Revenue (2020):** 132 MNOK  
**EBITDA (2020):** 6 MNOK  
**Share of non-oil revenue (2020):** None  
**Countries of operation:** Global operations, and office in Denmark  
**Certifications:** ISO 9001

and plants, all of which are adversely affected by the tropospheric ozone created when VOCs react with other pollutants in the air.

Cool Sorption has aligned its governing documents with Akastor, and the Cool Sorption board of directors is responsible for their implementation.

## COOL SORPTION SUMMARIZED TCFD REPORT 2020<sup>4</sup>

### 1. Governance

Cool Sorption's climate risk assessment is reported to Akastor and reviewed by the Akastor board of directors.

The management in Cool Sorption is working on an updated strategy process, in which the goal is to further formalize Cool Sorption's strategies concerning climate change, climate-related risks and opportunities, and ESG issues in general.

### 2. Strategy

Climate-related risks and opportunities are identified and managed through Cool Sorption's climate risk assessment process.

Cool Sorption, using the IEA's Sustainable Development Scenario, expects less activity within the oil & gas sector, which may create a reduced demand for an undefined time period. However, Cool Sorption expects that demand for its products and services will increase again after a technological breakthrough related to hydrogen and 'Power-to-X' technology.

Cool Sorption's risks and opportunities are included in Akastor's summarized assessment, presented in the ESG Report 2020.

### 3. Risk management

Climate risk identification and assessment is part of the Cool Sorption management's review of the risk situation, and is integrated into the organization's overall risk management.

The processes for identifying, assessing and managing climate-related risks are part of the annual considerations made when assessing risks to business continuity and the annual overall risk review.

### 4. Metrics and targets

Cool Sorption discloses metrics on climate related to the company's CO<sub>2</sub> emissions (Scope 1, Scope 2, business travel).

See metrics and targets in the Cool Sorption key ESG figures and targets table below.

<sup>4</sup> For Akastor's TCFD Report see own chapter in ESG Report 2020.



## Cool Sorption key ESG figures and targets

ENVIRONMENT	2020	2019
Energy used (MWh)	39	206
Energy intensity (MWh per million hours worked)	919	2 077
CO <sub>2</sub> emissions scope 1 and 2 (tonnes)	0.4	2.1
CO <sub>2</sub> emissions intensity (tonnes per million hours worked)	9.19	20.7
CO <sub>2</sub> emissions scope 3 (tonnes)		
Total waste (tonnes)	0.5	0.5
Recycling factor (%)	50%	50%
<b>SOCIAL (&amp; HSE)</b>		
Employees incl. hired-ins (FTE)	35	49
Female/Male (%)	31/69	37/63
Lost time incident frequency (LTIF)	0	0
Total recordable injuries frequency (TRIF)	0	0
Fatalities incl. subcontractors	0	0
Sick leave (% of hours worked)	2.9	1.8
<b>GOVERNANCE</b>		
Integrity classroom training (%)	90	92
Code of Conduct e-learning (%)	100	100
Whistleblowing reports	0	0
Total revenue (NOK million)	132	239
EBITDA (NOK million)	6	19

## COOL SORPTION

## Short term:

1. Reduce business travel activities, more virtual meetings
2. Find, develop and offer new emission reducing technologies to further increase VOC and methane capture

## Long term:

1. Aim to reduce the net greenhouse gas emissions from own operations to zero by 2030
2. 50% of revenue to stem from non E&P clients

The Key ESG figures are explained in the Akastor group table





DDW OFFSHORE

About DDW

DDW Offshore owns five modern Anchor Handling Tug Supply (AHTS) vessels with the capability of operating and supporting clients on a worldwide basis. The vessels are specially designed to perform anchor handling, towing and supply services at offshore oil and gas fields.

ESG approach and focus areas

DDW Offshore was fully owned by Akastor from October 2020 and is in the process of establishing an ESG roadmap for the future.

Hiring of crew is managed by a third-party company, which actively develops and contributes with HSEQ policies and practices for the crew.

DDW Offshore are following Akastor Governing Principles, and the DDW Offshore's Board of Directors are responsible for implementation.

Key reported ESG figures for 2020

Total CO<sub>2</sub> for DDW Offshore AS fleet is 23 366 t CO<sub>2</sub>. There were no reported HSE injuries and total FTE at year end was 15.

**Head quarters location:** Oslo, Norway  
**Website:** www.ddwoffshore.com  
**Akastor's ownership interest:** 100%  
**Number of employees:** 15  
**Revenue (2020):** NOK 128 million (of which NOK 8 million is registered in Akastor's consolidated accounts)  
**Share of non-oil revenue (2020):** None  
**Countries of operation:** Global operations, and office in Norway  
**Certifications:** None



Photo: DDW offshore



## FINANCIAL INVESTMENTS OVERVIEW

Company	Services offered	Ownership	Initial investment
NES Fircroft (NES)	NES Fircroft (NES) is the world's leading engineering staffing provider spanning the oil & gas, power & renewables, infrastructure, life sciences, mining, automotive and chemicals sectors worldwide. They provide tailored staffing solutions, sourced from a global talent pool by a dedicated, discipline-specific team of consultants.	15%	2017
Odfjell Drilling	Odfjell Drilling is a listed international drilling, well service and engineering company with 2,500 employees and operations in more than 20 countries.	Preferred equity instrument with carrying amount of USD 85.2 million plus a warrant structure of up to 5.9 million shares.	2018
Awilco Drilling	Awilco Drilling has delivered safe and efficient operations for a wide range of operators in the UK North Sea. Awilco Drilling prides itself on consistently achieving excellent HSEQ performance as well as high rig operational uptime, thus aligning itself with its customers' goals.	5.6%	2018

# TCFD REPORT 2020

## CORE ELEMENTS

### Governance

The organization's governance around climate-related risks and opportunities

### Risk management

The process used by the organization to identify, assess, and manage climate related risks

### Strategy

The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning

### Metrics and targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities





Task Force on Climate-Related Financial Disclosures (TCFD) table

TCFD Recommendation	Akastor's disclosure
<b>Governance: Disclose the organization's governance around climate-related risks and opportunities</b>	
a) Describe the board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>• The Akastor board of directors is presented with an annual risk review, which includes climate-related risks.</li> <li>• The boards of the industrial investment companies are provided with information concerning climate-related risks and opportunities.</li> </ul>
b) Describe the management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>• Climate risk areas are identified through a bottom-up process in the portfolio companies, then reviewed by Akastor management and followed up with regular business reviews. Risks are integrated and managed as part of the company risk assessment, reported to management, and annually to the board.</li> <li>• The companies in the portfolio have integrated management level reviews to assess climate-related risks.</li> </ul>
<b>Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</b>	
a) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.	<ul style="list-style-type: none"> <li>• The climate risk and opportunities identified are presented in the ESG Report 2020.</li> <li>• The largest risks are related to the transition to a low-emission economy, and an expected decrease in the oil &amp; gas sector, which will be challenging in terms of access to and cost of capital. In addition, large oil companies are shifting towards low-carbon production, leading to changes in customer requirements that may require new investments in technology. Overall, this may significantly reduce the value of Akastor's portfolio and make future transactions more challenging.</li> <li>• The companies have identified several climate-related business opportunities and have set short- and long-term (2030) goals. These include diversification into other industries and segments as well as the development of new products and services within existing business areas.</li> </ul>
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	<ul style="list-style-type: none"> <li>• Akastor has updated its sustainability policy, now including an investment strategy and an active ownership strategy. Climate ambitions and expectations for companies in the Akastor portfolio have been set as part of its sustainability policy.</li> <li>• The companies in the portfolio processes related to climate-related risks and opportunities have resulted in identifying gaps and setting targets for 2030.</li> </ul>
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> <li>• At the Akastor level, the IEA's Sustainable Development Scenario has been used to assess future demand of oil and gas, and reduction in emissions intensity is needed to ensure the industry is aligned with the goals of the Paris Agreement. However, Akastor has not stress-tested its current business model, strategy, or products and services against a 2°C or lower scenario.</li> </ul>
<b>Risk management: Disclose how the organization identifies, assesses and manages climate-related risks.</b>	
a) Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> <li>• At the Akastor level, climate-related risks and opportunities are included in regular risk reviews and Akastor's sustainability policy includes expectations for the companies in its portfolio.</li> <li>• Each company has their own processes for identifying and assessing climate-related risks. See company descriptions in their own sections in the ESG Report 2020.</li> </ul>
b) Describe the organization's processes for managing climate-related risks.	<ul style="list-style-type: none"> <li>• The portfolio companies have individual processes for managing climate related risks. The portfolio companies report its climate related risks and opportunities to Akastor. At Akastor level, risks and opportunities are managed through the sustainability policy, expectations to the companies and regular follow-up.</li> </ul>
c) Describe how processes for identifying assessing, and managing climate-related risks are integrated into the organization's overall risk management.	<ul style="list-style-type: none"> <li>• The companies' climate related risks and opportunities are systematically reported or integrated into Akastor level risk management.</li> </ul>
<b>Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</b>	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> <li>• Revenue from non-oil activity, and metric tonnes CO<sub>2</sub> for carbon emissions Scope 1 and Scope 2.</li> </ul>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<ul style="list-style-type: none"> <li>• Scope 1 and Scope 2 emissions are reported, and beginning with the 2020 report, business travel (Scope 3) is reported as well.</li> </ul>
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> <li>• Akastor has published its targets in its sustainability policy, which include a 2.5% annual reduction of CO<sub>2</sub>, and has established a roadmap. All portfolio companies have set their own targets.</li> </ul>

## AKASTOR GROUP'S CONSOLIDATED ESG FIGURES

**4.6** NOK  
billion  
total revenues

### KEY FIGURES FOR AKASTOR GROUP (INCL. AKOFS 100%)<sup>1</sup>

ENVIRONMENT	2020	2019
Energy used (MWh)	240 000	200 000
Energy intensity (MWh per million hours worked)	62 000	43 000
CO <sub>2</sub> emissions (tonnes) <sup>2</sup>	74 900	38 500
CO <sub>2</sub> emissions intensity (tonnes per million hours worked)	19 300	8 200
Total waste (tonnes)	2 600	5 800
Recycling factor (%) <sup>3</sup>	45	36
<b>SOCIAL (&amp; HSE)</b>		
Employees incl. hired-ins (FTE) <sup>4</sup>	2 241	2 583
Female/Male (%) <sup>5</sup>	18/82	18/82
Lost time incident frequency (LTIF) <sup>6</sup>	1.0	0.6
Total recordable injuries frequency (TRIF) <sup>6</sup>	1.7	1.3
Fatalities incl. subcontractors	0	0
Sick leave (% of hours worked)	2.7	2.0
<b>GOVERNANCE</b>		
Integrity classroom training (%) <sup>7</sup>	97	86
Code of Conduct e-learning (%) <sup>8</sup>	89	89
On-site compliance reviews (%) <sup>9</sup>	82	75
Whistleblowing reports	4	2
Total revenue (NOK million)	4 577	5 361
EBITDA (NOK million)	331	492

<sup>1</sup> The figures referred to in this report relate to companies in Akastor's industrial portfolio and AKOFS Offshore. DDW Offshore only reported CO<sub>2</sub> emissions and HSE.

<sup>2</sup> The GHG Protocol Corporate Accounting and Reporting Standard is used to calculate tonnes of CO<sub>2</sub> emissions; the 2020 figures are Scope 1: 72 950 and Scope 2: 1 950

<sup>3</sup> Recycling factor is calculated by weight of segregated waste per total waste.

<sup>4</sup> Including approximately 232 hired-ins.

<sup>5</sup> The reported figure is based on permanent employees (2 009 individuals).

<sup>6</sup> The reported figure for LTIF and TRIF is calculated using incidents per million hours worked and includes subcontractors.

<sup>7</sup> The participation rate is calculated as percentage of target group. The target group includes all managers and staff who interact with business partners, comprising 82% of all employees.

<sup>8</sup> The participation rate is calculated as percentage of target group. A new Code of Conduct e-learning programme was launched in 2020. The target group includes all managers and office-based employees with a computer, constituting 78% of all employees.

<sup>9</sup> The figure is accumulative and includes per cent of entities/country operations (>10 FTE, 20 in total) that have been the target of a compliance review between 2015 and 2020 by Akastor's or the portfolio company's compliance function.



## CONTACT DETAILS

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### Whistleblowing at Akastor

Ethicspoint Akastor

[akastor.ethicspoint.com](http://akastor.ethicspoint.com)

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