SUSTAINABILITY REPORT 2024

AKASTOR

Contents

This is Akastor

Akastor ASA is a Norway-based investment company focused on the oilfield services sector, with a portfolio of industrial and financial holdings. Our portfolio companies operate independently, managing their own operations

Headquartered at Fornebu, Norway, Akastor operates with a lean corporate team of 10 employees and a flexible mandate for active ownership and value creation.

Akastor shares are listed on the Oslo Stock Exchange under the ticker AKAST. Aker Holding AS, which is owned by Aker ASA, is the largest shareholder of Akastor, with a shareholding of 36.7%. The Board of Directors is chaired by Frank Ove Reite.

At the end of 2024, Akastor's total net capital employed was approximately NOK 5 billion.

Akastor's vision

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

Photo: Ilja C. Hendel

Reporting framework and performance metrics

Akastor and its holdings

This report outlines Akastor's ESG activities and results as an investment company and active owner. The goal of the report is to inform Akastor's key stakeholders about ESG activities at Akastor. The report seeks to provide an objective overview of the opportunities and challenges Akastor faces in this area and how the group manages them.

This Sustainability report highlights Akastor's performance as a group company and employer, aligned with the financial information in Akastor's annual report. The primary disclosure in this report is on Akastor ASA as a consolidated investment company, of which DDW Offshore is the only of our holdings which forms part of our consolidated financial reporting. Akastor's two main industrial holdings, HMH and AKOFS Offshore, are joint ventures that are accounted for using the equity method, which is a method also applied for GHG emission reporting, see pages 13-14. As independent entities, HMH and AKOFS Offshore report their own ESG data, available on their websites.

The table to the right shows key details about our three main holdings, DDW Offshore, HMH and AKOFS Offshore, which together contribute more than 80% of Akastor's net capital employed.

DDW Offshore

Service Offering

- Global full-service offshore and onshore drilling equipment provider with a broad portfolio of products and services
- Large installed base providing firm foundation for strong customer relationship and recurring streams

Location: Lysaker

CEO: Bruce Lethuillier

NCE per YE 2024: NOK 415 m

Co-owners: n.a.

Akastor's board representatives:

- Karl Erik Kjelstad

100% Ownership interest

HMH

Service Offering

- Global full-service offshore and onshore drilling equipment provider with a broad portfolio of products and services
- Large installed base providing firm foundation for strong customer relationship and recurring streams

Location: Houston and Kristiansand

CEO: Eirik Bergsvik

NCE per YE 2024: NOK 3 576 m

Co-owners: Baker Hughes

Akastor's board representatives:

- Karl Erik Kjelstad
- Kristian M. Røkke

50% Ownership interest

AKOFS Offshore

Service Offering

- Global full-service offshore and onshore drilling equipment provider with a broad portfolio of products and services
- Large installed base providing firm foundation for strong customer relationship and recurring streams

Location: Oslo

CEO: Geir Sjøberg

NCE per YE 2024: NOK 138 m

Co-owners: MOL

Akastor's board representatives:

- Eirik Thomassen
- Bruce Lethuillier (observer)

66.7%[1] Ownership interest

1) Reflects current ownership, where the remaining 33.3% is owned by MOL. Per year end 2024 Akastor's ownership was 50%, with Mitsui still owning 25%.

ESG Performance metrics

Akastor focuses on continuous improvement and relevant performance metrics, adhering to non-financial reporting standards. This Sustainability report follows the **Global Reporting Initiative (GRI) Standards**. The GRI content index is in the appendix of this report.

Akastor reports emissions using the **Greenhouse Gas Protocol**, a global standard for measuring and managing greenhouse gas emissions. Akastor's carbon footprint includes direct and indirect emissions across the three scopes of the GHG Protocol corporate standard. Details are on pages 13-14 below.

Photo: AKOFS Offshore

The identification of material risks and opportunities related to climate is integrated into our annual risk assessment process. This includes reviewing similar assessments conducted by our industrial portfolio companies. These exercises are performed in accordance with the methodologies and principles established by the **Task Force on Climate-Related Financial Disclosures (TCFD)**. For further details, please refer to the appendix.

As mentioned above, Akastor's 2024 Sustainability report does not fully cover all aspects of ESG performance across all of Akastor's investments, but is scoped to be aligned with the financial reporting and to be read jointly with the 2024 Annual Report as well as separate ESG reporting from Akastor's industrial investments, HMH and AKOFS Offshore.

This Sustainability report aligns with the sustainability reporting requirements outlined in **section 2-4 (6) of the Norwegian Accounting Act**. Given its current size and activities, Akastor will not be required to comply with the CSRD (Corporate Sustainability Reporting Directive) reporting requirements. As per current regulations Akastor would fall under the scope of the CSRD requirements in 2027 (for the FY 2026) but following the adjustments and simplifications to the CSRD reporting requirements as announced by the European Commission 26 February 2025, the likely expectation now is that Akastor will not fall under the scope of the CSRD implementation. Additionally, Akastor is not obligated to follow the Taxonomy reporting requirements that took effect on 1 January 2023.

Sustainability in Akastor

ESG Vision

Akastor aims to incorporate sustainability into its activities and views environmental, social, and governance (ESG) criteria as important indicators of sustainability. This involves:

Environmental: Ensuring that portfolio companies work to minimize the environmental impact of their operations.

Social: Providing safe and prosperous workplaces for all employees and contributing to the communities where they operate.

Governance: Implementing a sound and prudent governance model that balances efficiency, agility, accountability, and transparency.

Akastor's Sustainability Policy outlines the ESG vision and governs environmental, social, and governance aspects within Akastor's sustainability framework. It describes how sustainability is integrated into the investment process, operations, and governance of the organization. The policy is supported by the Code of Conduct, Governance Policy, and annual risk assessment. The policy is part of the mandate for the Akastor Audit Committee's regular review and is approved by the Board of Directors.

Akastor focuses on ESG activities that create financial and non-financial value, with priorities including anti-corruption, health and safety, human rights, and environmental impact. These areas support long-term ESG goals and stakeholder expectations. Akastor requires all industrial holdings to implement an ESG strategy aligned with group priorities, and mandates adherence to its Code of Conduct for all employees, contractors, and representatives. The Code of Conduct can be downloaded from: www.akastor.com.

Environmental

Akastor will be a part of the transition towards more energy -efficient solutions, and will use its role as an active, responsible owner to ensure that its industrial holdings implement strategies to reduce adverse impacts on the environment caused by their own and customers' operations.

Social

Akastor will provide equal opportunities to all employees, have a positive impact in local communities in which it operates and will ensure that its industrial holdings ensure safe, professional and healthy working conditions for their employees.

Governance

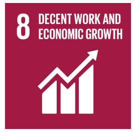
Akastor governance principles will be based on the highest industry standards and ensure full transparency and compliance with applicable laws. Long-term value will be created through good corporate governance in all our investments, and trusting our companies and managers with responsibility in return for accountability.

UN Sustainable Development Goals

Akastor values the UN's 17 Sustainable Development Goals (SDGs) and has identified four that it significantly impacts. Akastor urges its portfolio companies to align their work and strategies with relevant SDGs.

Photo: UN Sustainable Development Goals

Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all
Until renewable energy sources are fully developed to meet global energy needs, fossil fuels will remain essential for affordable and reliable energy. The conflict in Ukraine and global economic uncertainty have caused significant fluctuations in energy prices. As a result, some countries have increased investments in renewables, while others have relied more on coal, potentially impacting the transition to green energy.



Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
Akastor has a global portfolio and local presence. The company aims to ensure that the value from its operations benefits the communities in which it operates. Akastor focuses on protecting labour rights and maintaining safe and secure working environments for all workers.

Goal 12: Ensure sustainable consumption and production patterns
Akastor will continue to take responsibility for seeking to reduce consumption of materials and addressing challenges related to air, soil and water pollution.

Goal 13: Take urgent action to combat climate change and its impacts
Akastor and its industrial holdings both impact and are impacted by climate change. They are inherently exposed to a range of physical and transition risks. Akastor and each portfolio company are assessing their risks and opportunities concerning climate change.

Governance in Akastor

Foundation for sound investments

Effective corporate governance serves as the foundation for value creation. Akastor's corporate culture is guided by business practices, openness, honesty, and respect for others. These principles support sound investments.

Corporate governance is a priority for Akastor's board of directors, management, and employees, as well as in managing Akastor's portfolio companies.

Photo: Ilja C. Hendel

The board of directors of Akastor 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 follow the recommendations of the Norwegian Corporate Governance Board (Norwegian: NUES). The board of directors sets expectations for responsible and ethical business operations and has overall responsibility for ESG in the company.

For more details, refer to the Board of Director's Report for 2024 and the Corporate Governance Report for 2024, included in the Akastor Annual Report 2024.

Active ownership

Akastor takes pride in active ownership, which means using all available tools as an owner. This approach includes:

- **Identify and pursue opportunities:** Akastor's investment team seeks transactional and structural opportunities to add value to portfolio companies.
- **Collaborate with co-owners:** We ensure cooperation with co-owners through transparency, trust, and adherence to governing documents like shareholder agreements.
- **Implement governance models:** Establish and enhance governance models for each portfolio company, continuously seeking improvements.
- **Exercise management through directorships:** Appoint directors in each company to oversee operations and collaborate with management for value enhancement.
- **Support key functional disciplines:** Akastor's corporate team works with industrial holdings on finance, treasury, tax, legal, compliance, and ESG through regular reports and meetings to ensure quality performance and avoid issues.

Effective stakeholder management is crucial for active ownership, particularly concerning our interactions with co-owners and management in both industrial and financial holdings. We are convinced that establishing trust through collaboration and transparency is essential for achieving success and enhancing shareholder value. This collaborative approach enables the identification of mutual opportunities and the most effective strategies for pursuing them.

Key governance tools and indicators

Akastor is involved in monitoring and following up on companies in which it holds shares.

Akastor's approach to governance includes its role as an active owner. It sets out expectations for its industrial holdings in governing documents, such as the Code of Conduct. Akastor promotes cooperation and dialogue based on corporate governance processes. Below is a summary of key governance tools and indicators that Akastor applies and monitors.

Board representation
Akastor is represented on the boards of all industrial holdings as well as on the board of some of its financial investments, which is a key function to monitor the performance of the companies and to preserve the interests of the shareholders.

Risk assessment
Risk management is crucial for effective internal controls and protecting shareholders' investments and assets at Akastor. The goal is to identify potential risks and apply mitigation strategies, not to eliminate risk entirely.

40%

Share of female shareholder-elected directors on the board (2 out of 5)

60%

Independent shareholder-elected directors on the board (3 out of 5)

Diversity and impartiality
Akastor supports diversity and impartiality – not just in order to meet statutory requirements, but also because we believe it is good for business.

An important task in 2024 has been to ensure that all companies in the Akastor group comply with the gender balance requirements recently introduced for Norwegian private limited liability companies.

Code of Conduct and Integrity Policy
Akastor's Code of Conduct outlines key guidelines for corporate responsibility, integrity, ESG commitment, business practices, and personal conduct. Combating corruption is essential to Akastor's Integrity Programme, which supports compliance with procedural requirements and control functions.

The Akastor Integrity Policy details the processes and internal controls necessary to implement the Code of Conduct principles. Each industrial holding's board of directors is responsible for adapting these policies to their companies.

Code of Conduct

Akastor's Code of Conduct outlines key guidelines for corporate responsibility, integrity, ESG commitment, business practices, and personal conduct.

Integrity training and awareness
Integrity safeguards against corruption and unethical conduct, forming a key pillar of value-based business at Akastor. Training and awareness campaigns help representatives identify integrity risks and respond to unacceptable practices. The group offers dilemma-based training and e-learning courses for all employees, with specialized sessions for specific roles such as workshop and supply chain staff.

Whistleblower channel
Whistleblowing serves as a crucial mechanism for identifying and addressing adverse conditions within the company, allowing for appropriate corrective measures. All employees of Akastor and its industrial holdings are obligated to report any violations of the Code of Conduct. Akastor encourages the reporting of any concerns related to potential breaches of laws, ethical standards, or expected conduct/behavior. Employees may convey their concerns to their line manager, compliance officer, top management, or through the anonymous whistleblowing channel.

The whistleblowing channel is available for reports concerning all companies owned by Akastor. Although this channel is facilitated by an external service provider, all notifications will be forwarded to Akastor's General Counsel and investigated according to the Whistleblowing Investigation Procedure. This process guarantees complete anonymity and safeguards against retaliation. Furthermore, all individuals impacted by a whistleblowing notification, including those accused, shall have protective rights and benefit from a fair process. The whistleblowing procedure is overseen by Akastor's board of directors and its audit committee.

Third-party risk
Working with third parties carries potential integrity risks. Akastor uses risk-based evaluations and monitoring for suppliers, service providers, and joint venture partners.

Akastor has maintained a strict approach toward third-party representatives (agents) for years, continuing this focus in 2024. Industrial holdings using sales agents or other third-party representatives must report on control activities, such as thorough due diligence, integrity training, and monitoring of services and payments.

Country risk evaluations
Akastor manages a "Country Watch List" to assess and approve operations in high-risk countries based on their risk levels.

These procedures help Akastor identify risks such as corruption, sanctions, labour issues, human rights impacts, and environmental concerns. The due diligence process relies on screening tools, media reports, and sometimes external service providers, enabling early risk management or withdrawal from risky businesses.

Photo: Ilja C. Hendel

Climate related issues

The Energy Trilemma

The Energy Trilemma involves addressing three often conflicting objectives: (1) ensuring energy security, (2) providing access to affordable energy, and (3) achieving environmental sustainability. While the development of renewable and green energy sources is crucial to addressing global climate challenges, an excessive focus on sustainability alone may compromise energy security and accessibility. This scenario could have severe consequences for communities with limited energy resources or financial constraints.

In most cases, governments and energy consumers would likely prioritise energy security over sustainability when these targets conflict. Ensuring secure access to affordable energy often precedes the focus on sustainable energy sources.

Within this context shaped by the Energy Trilemma, Akastor's portfolio companies contribute in the energy transition by offering advanced services and products that enable clients to produce conventional energy sources more efficient. This approach ensures access to secure and affordable energy while minimising the carbon footprint as much as possible. It can help avoid increases in other, potentially more environmentally damaging, energy sources.

Akastor's primary investments reside in the oil and gas industry, focusing on leveraging core methodologies and technologies to support their customers in mitigating their environmental impacts.

Climate focus in our governance model

Akastor ensures compliance with its expectations, including ESG matters, primarily through board representation in its industrial and financial holdings. Akastor has also created an ESG network that includes representatives from HMH and AKOFS Offshore, meeting regularly to share knowledge and experiences on ESG topics.

Additionally, Akastor benefits from the larger ESG network of its major shareholder, Aker ASA.

Both HMH and AKOFS Offshore have implemented ESG strategies and conducted climate-related risk assessments in line with TCFD principles. With the rise of mandatory non-financial disclosure requirements like CSRD, Akastor and its holdings are preparing compliance plans for these regulations.

ESG considerations are integrated into Akastor's investment policy, impacting both analysis and decision-making processes. This approach strengthens Akastor's business model and helps avoid investments in companies that fail to meet minimum ESG standards.

Managing climate related risks and opportunities

As an investment company, the transition risks and physical risks Akastor is exposed to are closely linked to the risks identified by the companies in which it holds ownership interests. The primary climate-related risks for Akastor arise from its industrial investments associated with the oil and gas industry's transition towards a low-carbon economy, and from the shift where fossil fuel-driven energy is replaced by renewable energy sources.

While this transition presents risks and challenges, it also offers several opportunities that the companies are pursuing. Successfully capitalizing on these opportunities will not only mitigate climate-related risks but also help the companies preserve their market shares and potentially gain new ground in certain areas. This, in turn, will benefit Akastor through value-enhancing transactions. In some cases, increased business in sustainable operations may even be necessary for realizing an asset's potential.

Each industrial holding evaluates climate-related risks and opportunities as part of its annual risk assessment. This evaluation is conducted in accordance with the methodology outlined by the Task Force on Climate-Related Financial Disclosures (TCFD). The TCFD is an internationally recognized reporting framework for climate-related risks, which Akastor seeks to comply with in both format and content.

According to scenarios described by the International Energy Agency (IEA), fossil fuels will continue to play an important role in meeting global energy demand for many years. While there is a shift towards renewable energy sources, Akastor's industrial holdings are positioned to adopt a dual approach. They will use their core competencies to support oil and gas production while gradually exploring new markets within non-oil industries and renewable energy sectors. Akastor aims to identify opportunities as part of the transition towards more secure and energy-efficient solutions in the future.

Failure to implement sufficient and appropriate mitigating measures for the ESG strategy could result in significant consequences, such as losing market positions or having product lines become obsolete and replaced by more energy-efficient alternatives. Therefore, meeting sustainability requirements is becoming essential for achieving business targets.


Photo: Føn Energy Services Sweden

Emission reporting

The following reporting focuses on carbon emissions, particularly CO2. Aligned with the Greenhouse Gas Protocol (GHG-protocol), we categorize emissions into:

- Scope 1 (direct emissions)
- Scope 2 (indirect emissions from purchased electricity)
- Scope 3 (other indirect emissions)

Scope 3 emissions are limited to waste and air travel emissions both for Akastor and for HMH and AKOFS. Our commitment extends beyond compliance, and as an active owner we encourage our industrial holdings to seek opportunities to reduce emissions and enhance efficiency.

DDW Offshore - Skandi Peregrino

2024 GHG emissions for consolidated subsidiaries (Akastor AS and DDW Offshore)

Reported by	Description	Reporting	Unit	Emission factor	Unit	Source	Emission	Unit
Scope 1								
DDW Offshore	Fuel Oil for DDW Offshore's three vessels	23,066	tCO2e	-	tCO2e	DOF emission report	23,066	tCO2e
Total Scope 1							**23,066**	**tCO2e**
Scope 2								
Fornebuporten	Electricity for Akastor AS	101,378	kWh	11	g CO2 per kWh	Wattn	1	tCO2e
Fornebuporten	District cooling, forAkastor AS	22,613	kWh	4.77	g CO2 per kWh	Oslofjord Varme	0	tCO2e
Fornebuporten	District heating for Akastor AS	54,561	kWh	3.74	g CO2 per kWh	Oslofjord Varme	0	tCO2e
DDW Offshore	N/A							
Total Location based Scope 2							**1**	**tCO2e**
Total Market based Scope 2							**1**	**tCO2e**
Sum Scope 1 and 2							**23,067**	
Scope 3								
AMEX	Air travel emissions for Akastor AS	93		-	tCO2	Amex (travel agency)	93	tCO2e
Fornebuporten	Waste for Akastor AS	3,705	Kg	21,280	Kg CO_2 per tonnes	DEFRA	79	tCO2e
Portfolio (HMH and AKOFS)		34,448					34,448	tCO2e
Total Scope 3							**34,620**	**tCO2e**

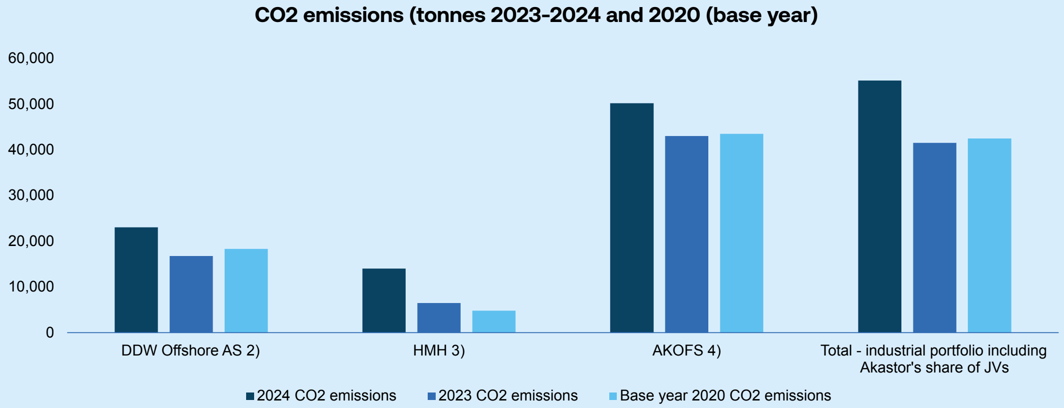
2024 GHG emissions for 50% owned joint ventures (HMH and AKOFS)

The table and overview below are based on the GHG Protocol's investment-specific method, whereby we include HMH's and AKOFS Offshore's scope 1, 2 and 3 emissions, proportional to our ownership interest of 50% (which is included in the consolidated Akastor scope 3 reporting).

Reported by	Description	Source	Emission	Unit	Akastor ownership	Akastor Scope 3	Unit
Scope 1							
AKOFS Offshore	AKOFS scope 1	AKOFS emission report	50,181	tCO2e	0.5	25,091	tCO2e
HMH	HMH scope 1	HMH emission report	4,805	tCO2e	0.5	2,402	tCO2e
Total Scope 1			**54,986**	**tCO2e**	**0.5**	**27,493**	**tCO2e**
Scope 2							
AKOFS Offshore	AKOFS scope 2	AKOFS emission report	18	tCO2e	0.5	9	tCO2e
HMH	HMH scope 2	HMH emission report	9,208	tCO2e	0.5	4,604	tCO2e
Total Scope 2 (Location based)			**9,225**		**0.5**	**4,613**	
Sum Scope 1 and 2			**64,211**			**32,106**	
Scope 3							
AKOFS	Air travel emissions	AKOFS emission report	363	tCO2e	0.5	182	tCO2e
HMH	Air travel emissions	HMH emission report	4,076	tCO2e	0.5	2,038	tCO2e
	Waste	HMH emission report	246	tCO2e	0.5	123	tCO2e
Total			**4,685**	**tCO2e**	**0.5**	**2,343**	**tCO2e**
				tCO2e	**Total Akastor**	**34,448**	**tCO2e**

2024 CO2 emissions – Development 2023 – 2024 and 2020 (base year)

Data include Akastor's consolidated subsidiaries and JV's scope 1 and 2 emissions.



Akastor's industrial portfolio	2024 CO_2 emissions	2023 CO_2 emissions	Percent change (%)	Base year 2020 CO_2 emissions	Base year Percent change (%)
DDW Offshore AS[1]	23,066	16,766	38%	18,322	26%
Akastor AS	1	1	1%	2	(22%)
Total - consolidated subsidiaries	**23,067**	**16,767**	**38%**	**18,324**	**26%**
HMH[2]	14,013	6,484	116%	4,832	190%
AKOFS[1]	50,199	43,058	17%	43,512	15%
Total - industrial portfolio including JVs	**64,211**	**49,542**	**30%**	**48,344**	**33%**
Akastor 50% ownership	32,106	24,771	30%	24,172	33%
Total - industrial portfolio including Akastor's share of JVs	**55,173**	**41,538**	**33%**	**42,496**	**30%**

1) Increased emissions due to increased utilization of vessels
2) Increase primarily driven by improved maturity in reporting, and that HMH now reports on a global basis

Social awareness

Akastor invests in its employees

The Akastor corporate organisation relies on a small group of key professionals, making it crucial to maintain a positive work environment and retain skilled staff. Akastor encourages skill development and knowledge sharing.

Employees receive competitive benefits, including on-site health centres, insurance for occupational injuries, accidents, sickness, disability, travel, and insurance for group life.

Primary caregivers get full wages for childbirth or adoption, and when children or close family members are ill.

Akastor's wellness programme includes health insurance, access to an on-site clinic, annual health assessments, and membership to the Lifestyle fitness centre with training sessions during work hours.

Akastor Team

Social performance indicators

Akastor aims to ensure safe, prosperous workplaces and community benefits. Key principles implemented both for Akastor as well as for its industrial holdings (where it is monitored at board level), include:

Health, Safety & Security (HSSE)
At year-end, Akastor's industrial holdings, AKOFS Offshore and HMH, had 2,666 employees, including contractors. HSSE is a top priority, with systems in place to integrate these values into company culture and ensure safe working conditions across all sites.

Equality and Diversity
Akastor promotes a harassment-free workplace and equality regardless of gender, sexual orientation, or background. Regular employee surveys are conducted to assess and improve the work environment. The whistleblower channel is also an important tool that allows employees to file anonymous reports on any negative conditions that needs attentions and measures. Moreover, efforts are ongoing to increase female representation in this male-dominated industry.

Key 2024 figures

Number of employees	10 (9 FTEs)
Employee turnover	9 %
Nationalities represented	5
Share of women	40 %
Sick leave	≤ 1 %

Supply Chain – Transparency
Supply chain activities focus on integrity and adherence to the Code of Conduct. Measures are in place to meet the 2022 Transparency Act requirements concerning human rights and decent working conditions. No breaches were reported in 2024. The Transparency Act statement is available on Akastor's website and attached to the Sustainability report.

Social Engagement
Akastor supports that its industrial holdings actively engage in local communities, supporting sustainable development through donations to local charities. Focus on local content and expertise aligns with UN SDG 8 for decent work and economic growth. Collaboration with educational institutions, such as internships and thesis opportunities, further supports social goals.

Akastor has recently entered into a cooperation agreement with the foundation HUB Ocean that supports the important work of collecting and analysing ocean data, which both can be used for business purposes but which is also important to raise awareness and knowledge on the marine environment. Focus on this work is aligned with UN SDG 14 on seeking to contribute in sustainable use of the oceans and marine resources.

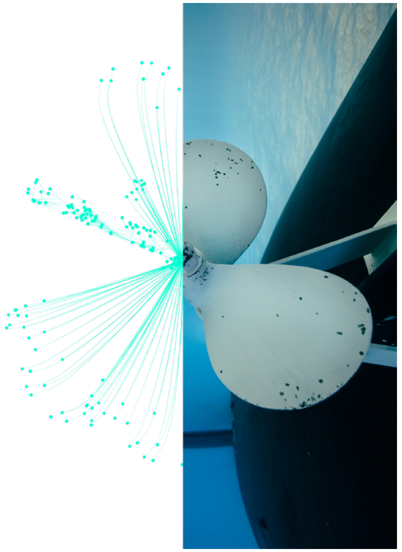
Akastor also supports different social initiatives, such as the annual campaign from the Norwegian Cancer Society, which aims to raise funds and awareness for the fight against cancer.

Additionally, Akastor supports the foundation HMM Helsehjelp that offers direct healthcare aid to Ukraine, raised by funds from private individuals and companies. What makes HMM Helsehjelp unique is that they have zero administration costs, as all work is done voluntarily. For more information, please visit helsehjelp-ukraina.no.


Photo: HMH Kristiansand

HUB Ocean

Photo: HUB Ocean – ShipPropeller



Appendix

GRI Content index 2024

Statement of Use: Akastor has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.		
GRI 1: Foundation 2021		
DISCLOSURE	**LOCATION**	**PAGE**
GRI 2: General Disclosures		
2-1 Organizational details	Akastor ASA. Publicly listed company on Oslo Stock Ex- change. Global operations. Headquarters: Oksenøyveien 10, NO-1366 Lysaker, Norway	
2-2 Entities included in the organization’s sustainability reporting	Akastor and it's holdings	4
2-3 Reporting period, frequency and contact point	Annual, 01.01.2024-31.12.2024, https://akastor.com/contact	
2-4 Restatements of information	None	
2-5 External assurance	No	
2-6 Activities, value chain and other business relationships	Akastor and it's holdings	4
2-7 Employees	Social Awareness	15-16
2-9 Governance structure and composition	Governance in Akastor	8-10
2-10 Nomination and selection of the highest governance body	See Akastor Annual Report	
2-11 Chair of the highest governance body	See Akastor Annual Report	
2-12 Role of the highest governance body in overseeing the management of impacts	Governance in Akastor	8-10
2-14 Role of the highest governance body in sustainability reporting	Governance in Akastor, TCFD Assessment	8-10, 19-21
2-17 Collective knowledge of the highest governance body	Governance in Akastor	8-10
2-18 Evaluation of the performance of the highest governance body	See Akastor Annual Report	
2-19 Remuneration policies	Akastor General Meeting, https://akastor.com/investors/annual-general-meetings	
2-20 Process to determine remuneration	See Akastor Annual Report	
2-22 Statement on sustainable development strategy	Sustainability in Akastor, Climate related issues	6-7, 11-12
2-23 Policy commitments	Sustainability in Akastor, Governance in Akastor	6-7, 8-10
2-24 Embedding policy commitments	Sustainability in Akastor, Governance in Akastor	6-7, 8-10
2-25 Processes to remediate negative impacts	https://akastor.com/about/whistleblowing-channel	
2-26 Mechanisms for seeking advice and raising concerns	Governance in Akastor	8-10
2-27 Compliance with laws and regulations	Governance in Akastor	8-10
2-28 Membership associations	UN Global Compact	
2-29 Approach to stakeholder engagement	Governance in Akastor	9-10
2-30 Collective bargaining agreements	No	

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DISCLOSURE	LOCATION	PAGE
GRI 3: Material Topics		
3-1 Process to determine material topics	Climate related issues	11-12
3-2 List of material topics	TCFD disclosure	20-21
3-3 Management of material topics	Governance in Akastor, Climate related issues	8-10, 11-12
GRI 201: Economic Performance 2016		
3-3 Management of material topics	See Akastor annual report	
201-1 Direct economic value generated and distributed	See Akastor annual report	
201-2 Financial implications and other risks and opportunities due to climate change	TCFD disclosure	20-21
201-3 Defined benefit plan obligations and other retirement plans	See Akastor annual report	
GRI 203: Indirect Economic Impacts 2016		
3-3 Management of material topics	Social Awareness	15-16
203-2 Significant indirect economic impacts	Sustainability in Akastor	6-7
GRI 205: Anti-corruption 2016		
3-3 Management of material topics	Governance in Akastor	8-10
205-2 Communication and training about anti-corruption policies and procedures	Governance in Akastor	8-10
GRI 305: Emissions 2016		
3-3 Management of material topics	Climate related issues	11-14
305-1 Direct (Scope 1) GHG emissions	Climate related issues, Emission reporting	11-14
305-2 Energy indirect (Scope 2) GHG emissions	Climate related issues, Emission reporting	11-14
305-3 Other indirect (Scope 3) GHG emissions	Climate related issues, Emission reporting	11-14
305-4 GHG emissions intensity	Climate related issues, Emission reporting	11-14
305-5 Reduction of GHG emissions	Climate related issues, Emission reporting	11-14
GRI 308: Supplier Environmental Assessment 2016		
3-3 Management of material topics	Climate related issues	11-12
308-1 New suppliers that were screened using environmental criteria	No	
GRI 405: Diversity and Equal Opportunity 2016		
3-3 Management of material topics	Social Awareness	15-16
405-1 Diversity of governance bodies and employees	Governance in Akastor, Social awareness	8-10, 15-16
405-2 Ratio of basic salary and remunera-tion of women to men	No	
GRI 414: Supplier Social Assessment 2016		
3-3 Management of material topics	Social Awareness	15-16
414-1 New suppliers that were screened using social criteria	No	

TCFD Disclosure - Climate Risk and Opportunities assessment 2024

Core elements

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

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

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

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

TCFD Disclosure - Climate Risk and Opportunities assessment 2024 cont.

TCFD Recommendation	Akastor's disclosure
Governance: Disclose the organization's governance around climate-related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities.	The Akastor Board of Directors is presented with an annual risk review, which includes climate-related risks and opportunities. The board of directors uses the risk and opportunity assessment to review and follow up with the management's report on the company's ESG strategy. The boards of the industrial investment companies are provided with information concerning climate-related risks and opportunities.
b) Describe the management's role in assessing and managing climate-related risks and opportunities.	Climate risk areas are identified through a bottom-up process in the industrial holdings, then reviewed by Akastor management and followed up through regular business reviews. Risks are integrated and managed as part of the company risk assessment, reported to management and annually to the board. The companies in the portfolio have integrated management-level reviews to assess climate-related risks.
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.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	The climate risk and opportunities identified are presented in the Sustainability Policy. The largest risks are related to the transition to a low-emission economy, and an expected decrease in the oil and 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. The companies have identified several climate-related business opportunities and have set short- and long-term (2030/2050) goals. These include diversification into other industries and segments as well as the development of new products and services within existing business areas.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Akastor has implemented a Sustainability Policy, with an ESG vision and strategic targets. The policy also includes an investment policy and an active ownership strategy. Climate ambitions and expectations for companies in the Akastor portfolio have been set as part of its Sustainability Policy. The companies in the portfolio processes related to climate-related risks and opportunities have resulted in identifying gaps and setting targets for 2030 and 2050.
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	At the Akastor level, the IEA's SDS and net-zero emissions by 2050 have been used to assess future demand of oil and gas. The world will continue to have demand for energy, both from conventional fossil fuel as well as renewable energy sources, but it is clear that a reduction in absolute emissions is needed to ensure that the industry is aligned with the goals of the Paris Agreement.
Risk management: Disclose how the organization identifies, assesses and manages climate-related risks.	
a) Describe the organization's processes for identifying and assessing climate-related risks.	At the Akastor level, climate-related risks and opportunities are included in frequent risk reviews and Akastor's Sustainability Policy includes expectations for the companies in its portfolio. Each company has their own processes for identifying and assessing climate-related risks which are reported to their respective Board of Directors.
b) Describe the organization's processes for managing climate-related risks.	The portfolio companies have individual processes for managing climate-related risks, which is supervised by their respective boards and where Akastor have appointed directors. Additionally, there is an Akastor group ESG network that meet regularly to discuss ESG risks and management of same.
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	The companies' climate-related risks and opportunities are systematically reported or integrated into Akastor-level risk management. At the Akastor level, the risks and opportunities are managed through its Sustainability Policy, expectations for the companies and regular follow up.
Metrics and targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Metrics include revenue from non-oil activity, and metric tonnes CO2 for carbon emissions (Scope 1 and Scope 2).
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 (GHG emissions) and the related risks.	Scope 1, Scope 2 and emissions business travel (Scope 3) are reported.
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Akastor has published its targets in its Sustainability Policy, which include an ambition to reduce its GHG emissions. All portfolio companies have set their own targets.

TCFD Disclosure - Climate Risk and Opportunities assessment 2024 cont.

Physical risk	
Physical risk Acute risks related to extreme weather events and chronic risks like rising sea level and ecosystem changes	**Risks** 1. Increased frequency of extreme weather and such conditions cause off-hire or delays in projects 2. Disruptions in operations, logistics or infrastructure
	Opportunities • Increased need for products and services such as repairs, maintenance and more robust equipment • Portfolio companies have experience with delivering on their engagements in harsh weather conditions
Transition risk	
Regulatory risks Stricter regulations such as CO2 taxes, cap-and-trade schemes, energy efficiency requirements and reporting requirements	**Risks** 3. Increased regulations with GHG emission reduction and energy efficiency targets, including EU Taxonomy 4. Increased costs due to change in GHG pricing, e.g., CO2 emission tax 5. Restrictions on use of assets
	Opportunities • Increased demand for low-carbon and efficient products and services • New regulation may create opportunities for new business, using portfolio companies' core competence
Market risks Changes in market demand, customer requirements and investor behaviour	**Risks** 6. Reduced demand for our portfolio companies' services in the oil and gas sector 7. Customers issue reduction targets for own operations which have specific requirements for zero- or low-emission products/services 8. Declining access to and increased cost of capital, investors favouring green or non-oil initiatives over oil and gas initiatives, e.g., the EU Taxonomy
	Opportunities • Continued demand for specialized products and services with less carbon footprint than conventional products and services • Using core competence, current product and services, portfolio can be used for other markets (offshore wind, geothermal, hydrogen, tidewater turbines, subsea mining etc.) • Possibility to win projects if portfolio companies can show customers that, if they use their products and services, they can reduce climate impact per energy unit produced/ operating more effectively than alternatives • Expected reduced drilling activities may prolong the lifetime of existing wells and increase demand for maintenance services • Plugging and abandonment of wells will be highly demanded in a reduced oil production scenario
Technology Risks Step-wise or radical technology shifts leading to increased need for investments or risk of stranded assets	**Risks** 9. Substitution of existing products and services with lower emissions options, risk of write offs or stranded assets 10. Risk of under- or over-investing in R&D and in climate-friendly technologies (need for upgrade of existing technology to meet today's expectations)
	Opportunities • Increased demand if able to invest and develop attractive technologies and solutions
Reputational Risks Risk of stigmatization leading to loss of good- will, brand value and employee attraction	**Risks** 11. Stakeholder concerns regarding oil and gas industry 12. Difficulty attracting talent and retaining experienced personnel with an oil and gas profile
	Opportunities • Strengthen company's brand of contributing to less CO2 per unit produced • For those that view the oil service market as an attractive market to invest in, Akastor should be viewed as a sustainable and responsible alternative

Transparency Act Statement – Akastor ASA

Introduction

This statement is issued pursuant to section 5 of the Norwegian Transparency Act, which is set to promote respect for fundamental human rights and decent working conditions in the production of goods and the provision of services. It ensures public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions. This statement summarises Akastor's implementation of the requirements in the Transparency Act and the results of Akastor's due diligence.

Akastor's Commitment

Akastor is an oil service investment company that primarily owns shareholding interest in operational companies within the oil service segment. Accordingly, Akastor has limited operational activity of its own and its primary business activity is to create shareholder value through active ownership of its industrial holdings and other investments.

Akastor is a small team of 10 corporate professionals (9 FTEs), who are all located in offices at Fornebu, Norway. Akastor's largest shareholdings are HMH and AKOFS Offshore, two industrial holdings that jointly employ a workforce of about 2,500 people, primarily located in Norway, USA and Brazil. Total turnover in these two companies combined is almost USD 1 billion and both operate globally, particularly in their sourcing of products and services from suppliers.

Akastor's commitment to uphold human rights and ensure decent working conditions extends to its role as an active owner. Akastor sets its expectations for its industrial holdings in the Akastor governing documents, including the Code of Conduct. Through its board positions in the companies in which Akastor is invested, Akastor guides and monitors the companies to ensure that they have implemented prudent governance processes that safeguard human rights and ensure decent working conditions in their entire value chain. Since Akastor's investments operate globally, there is a continuous focus on ensuring that fundamental human rights and decent working conditions are preserved throughout its supply chain.

Governing Documents

Akastor's human rights policy is embedded in Akastor's Code of Conduct as well as in the Sustainability Policy, both of which form important premises for how Akastor exercises its ownership interests.

The Code of Conduct contains Akastor's ethical commitments and requirements, including Akastor's expectations to personal conduct and business practices. Akastor's Sustainability Policy governs environmental, social and governance ("ESG") impacts of Akastor's own performance and investment decisions, as well as Akastor's role as an owner.

The Akastor Integrity Policy provides further details on the responsibilities and requirements needed to monitor and avoid or mitigate integrity risks, including breach of human rights. It forms the basis for certain important tools and measures in this respect such as;

- Risk assessment;
- Integrity training;
- Whistleblowing channel;
- Supply management, including supplier screening;
- Know your customer procedures, including performing an appropriate integrity due diligence as part of onboarding of a customer, partner or supplier;
- Risk based approach, including by exercising extra caution in certain areas of operation.

The Integrity Policy also provides certain associated documents and which are used to document compliance with human rights and decent working conditions, which includes:

- Supplier declaration;
- Integrity DD questionnaire;
- Third Party Representative Due Diligence and Acceptance Form;

Responsibilities
The responsibility to ensure that the policies are implemented and complied with rests with the Akastor ASA board of directors, who regularly receives reporting from management on implementation and compliance. The Audit Committee supports the Board in executing oversight over the management of the company and has been given a review role related to ESG topics, including risk of adverse impacts on human rights and decent working conditions. The more detailed implementation processes, including training and establishment of risk-based assessment, monitoring and control procedures are in practice the responsibility of the General Counsel.

Similar responsibilities as described above apply for each industrial holding with respect to safeguarding human rights and decent working conditions. This is monitored by Akastor through its appointed directors in the respective boards. Additionally, the industrial holdings regularly report to Akastor on these matters as part of quarterly and annually financial reporting.

Results from due diligence of risks relating to human rights and decent working conditions
Akastor applies a risk-based approach to its due diligence of matters relating to human risks and decent working conditions, which in turn means that the level of caution exercised is adjusted to reflect the inherent risk of adverse impact as identified in the particular areas and businesses where Akastor or its companies operate.

The inherent risk related to Akastor's supply chain is currently considered moderate, since Akastor's suppliers mainly are Norwegian entities or reputable and fairly transparent international corporations within such areas as banks, lawfirms and audit firms. Within Akastor's supply chain, IT and software services and hardware are considered to have moderately higher inherent risk. IT and software services and hardware are linked to Asian production and the mining of metals and minerals are associated with high inherent risk of adverse impacts due to the nature of such operations and its locations.

The highest inherent risk of adverse impact in the Akastor portfolio lies in its industrial holdings that operate in the global oil service industry. Whilst this is a mature and globally regulated area, where most companies are transparent and diligent, there is a challenge faced from their supply chain. Particularly when sourcing services or products in countries with weaker human rights and worker conditions regulations.

Risk Mitigation Measures
While Akastor and its industrial holdings have not identified any actual adverse impacts or significant risks through risk assessments or due diligence, we recognize the inherent risk in our global supply chain. To address this:

- We conduct risk assessments.
- We maintain policies, procedures, and contractual terms.
- We perform due diligence during onboarding and ongoing monitoring of business partners.

Akastor uses different watchlist tools for continuous monitoring of different parties relevant for its investments and ownerships. These watchlists monitor all global adverse media on different ESG issues and will notify the General Counsel if there are any adverse incidents relevant for Akastor. Akastor's industrial holdings use similar tools and programs for continuous monitoring of parties relevant for them.

Whistleblowing Channel
Akastor provides a whistleblowing channel for external reports related to human rights and decent working conditions. To date, we have not received any grievances or whistleblowing concerning these matters.

Commitment to Remedy
If Akastor or any of the companies in which Akastor has ownership interest cause or contribute to adverse human rights impacts, we will take necessary steps to remedy them.

Conclusion
Akastor remains dedicated to transparency, accountability, and responsible business practices. We strive to uphold human rights and decent working conditions in all our business activities.

Fornebu, 25 March 2025
Board of Directors of Akastor ASA

AKASTOR

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