



TRANSPARENCY ACT STATEMENT 2023

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 11 corporate professionals, who are all located in offices at Fornebu, Norway. Akastor's largest shareholdings are HMM 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 more than USD 900m 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. Through its appointed board of directors, this is monitored by Akastor. 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, law-firms 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, 19 March 2024 Board of Directors of Akastor ASA




 Frank O. Reite | Chairperson



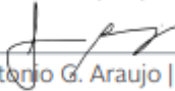
 Kathryn M. Baker | Director




 Asle Christian Halvorsen | Director




 Lone Fønss Schrøder | Deputy Chairperson



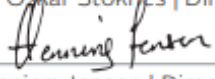
 Luis Antonio G. Araujo | Director



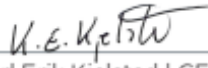
 Stian Sjølund | Director



 Svein Oskar Stoknes | Director



 Henning Jensen | Director



 Karl Erik Kjelstad | CEO