



SUSTAINABILITY POLICY



AKER ASA

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THE SUSTAINABILITY POLICY GOVERNS **ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)**

ASPECTS OF AKER'S OWN
PERFORMANCE AND INVESTMENT
DECISIONS, AS WELL AS AKER'S
ROLE AS AN ACTIVE OWNER.

1. POLICY AMBITION, OBJECTIVE AND SCOPE

Aker ASA ("Aker") is an industrial investment company developing businesses and exercising active ownership to create value. Aker's ambition is to ensure that invested companies represent profitable, safe, and sustainable operations. By integrating sustainability in operations and business decisions, Aker makes companies resilient, more successful and create long-term value.

The Sustainability Policy governs environmental, social and governance (ESG) aspects of Aker's own performance and investment decisions, as well as Aker's role as an owner of companies. This policy communicates long-term ambitions and sustainability expectations for all investments and business partners - including its value chains. As an owner, following up on these ambitions and expectations, Aker will

focus on larger portfolio companies as well as in a risk-based approach. Throughout this policy, when referring to portfolio companies, this is defined as larger enterprises¹⁾ where Aker has significant influence²⁾. Realizing long-term ambitions will require a realistic, risk-based and step-by-step approach with a clear focus on continuous improvement.

If any investments in Aker's portfolio are associated with serious and/or systematic violations of this policy, laws, regulations, international norms or unethical behavior, actions will be taken to mitigate adverse impacts.

The Sustainability Policy is supplemented by Aker's Code of Conduct, and Anti-Corruption Policy. It is reviewed by Aker's Audit Committee and approved by the Board of Directors.

2. POLICY FRAMEWORKS

The following frameworks are core to this Sustainability Policy and guide how Aker integrates ESG:

- **The UN Global Compact³⁾, the UN Sustainable Development Goals** and the UN Global Compact SDG implementation framework
- **The Global Framework Agreement** between Aker ASA, Fellesforbundet (The Norwegian United Federation of Trade Unions), Tekna, Nito and IndustriALL Global Union
- **EU's Sustainable finance package**, including the EU Taxonomy regulation, the Sustainable Finance Disclosure Regulation, and the Corporate Sustainability Reporting Directive
- **The OECD Guidelines for Multinational Enterprises**
- **The Norwegian Code of Practice for Corporate Governance**
- **The Task Force on Climate-Related Financial Disclosures**
- **World Economic Forum: Measuring Stakeholder Capitalism and First Movers Coalition**



1) Larger enterprises are companies where two of the following three conditions are exceeded during the accounting year: revenue of NOK 70 million, total balance of NOK 35 million and an average of 50 employees.

2) Significant influence is defined as 20 percent of voting power.

3) Since 2022 Aker has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment, and anti-corruption.

3. POLICY COMMITMENTS AND REQUIREMENTS



3.1 CONTINUOUS BUSINESS DEVELOPMENT FOR LONG-TERM SUSTAINABLE VALUE CREATION

Over decades Aker has developed through shifting market trends, technologies, regulations, and customer preferences. Most shift and new business opportunity have been built on the shoulders of existing businesses. Most new effort is complementary to, not in conflict with, existing portfolio.

Today, sustainability is an important part of this market shift. With steady progress and a balanced risk exposure, Aker commits to always take steps for **long-term sustainable value creation**. Aker will explore **new areas of business** and strive to **continuously develop Aker** towards new horizons.



3.2 GOOD GOVERNANCE

Aker commits to **good corporate governance** guided by the Norwegian Code of Practice for Corporate Governance and the UN Global Compact SDG implementation framework. Aker shall strive to ensure that the board of directors across the Aker group meet relevant independence requirements, are diverse, and that the competence covered includes ESG. In accordance with the Aker model, employee representatives are normally part of the board of directors. In establishing executive remuneration, relevant ESG measures is encouraged to be included. The board of directors in Aker companies has the overall responsibility for integration of

ESG. In addition, ESG performance, risk monitoring, reporting, internal controls, and compliance is normally also part of the Audit Committee's oversight.

As described in Aker's **anti-corruption** policy, Aker shall have zero tolerance for all forms of corruption, money laundering and all other economic crimes.

Aker is committed to **data privacy, cyber security and responsible and safe use of data**.



3.3 CARE FOR THE PLANET

Aker has for decades been active in the oil and gas industry – and oil and gas will going forward also be important for Aker. The transition to a low carbon economy needs technology, financing, energy, and competence. Over the recent years Aker has invested heavily into the energy transition. Aker will continue its transition and investment for a future low-carbon economy, while still also investing in the oil and gas industry as long as energy systems, economies and societies are in need of such products.

Aker will engage portfolio companies and strive to make fossil fuel production and other industries where it is invested greener through **emissions reduction, technology development and improvements**.

Aker will engage its portfolio companies to scale green growth through **climate solutions technologies and renewable energy** creating new industries, sustainable energy, emissions reduction and green jobs. Aker will strive to create a collective purchasing power for emerging green technologies and actively engage the Aker portfolio companies to take part in relevant sectorial commitments for green supply.

Aker will strive to protect, preserve, and restore the climate. Aker expects companies that can to strive to organize business activities such that their associated emissions are in line with the UN Framework Convention on Climate Change (Paris Agreement) and the 1.5-degree trajectory. Aker expects companies to set climate targets, and strive for a net zero or near to net zero ambition for 2050.

Aker will strive to protect, preserve, and restore the **environment and biodiversity** on land and in the ocean. Aker aims to minimize its ecological footprint. Aker strive to minimize impact on ecosystems, in particular in relation to operations in or near biodiversity sensitive areas and if affecting endangered species. Aker will strive to respect and protect water and ocean resources and to minimize water and ocean impact. Aker will respect animal rights and welfare.

Aker's long-term ambition is **zero waste**⁴⁾, sound resource utilization and the realization of the circular economy. Aker will encourage solutions that can be scaled, solve waste challenges and serve corporate zero waste commitments. Aker will strive to minimize and, over time, ultimately end environmental pollution both on land and in the ocean.



3.4 RESPECT FOR PEOPLE

Aker shall respect **human rights**, including labor and children's rights and to protect vulnerable individuals and groups of people affected by our business. Aker shall abide by minimum social safeguards⁵⁾. Aker shall strive to identify, prevent and report on salient human rights including prevent child labor, forced labor and modern slavery, and protect vulnerable groups such as migrant workers. Aker recognizes the rights to freedom of expression, association and organization, trade union rights, privacy, and collective bargaining, and will strive to safeguard these throughout our business. Aker recognizes and strives to obtain free, prior, and informed consent of indigenous communities, and will interact with indigenous communities in a way that respects their history, culture, and customs.

Aker shall perform human rights impact assessment and due diligence to understand and mitigate potential and actual adverse impact and ensure that Aker, through its operations, does not cause or contribute to adverse human rights impacts. Aker shall implement and enforce effective systems to minimize risks of adverse human rights impact in its operations and in its value chain. If Aker cause or contribute to adverse human rights impact Aker shall take necessary steps and strive to remedy the adverse impact.

Aker shall work systematically for **health, safety, and well-being**, strive for zero harm and continuous improvement throughout the value chain. Aker shall ensure a **health-promoting working environment** that provides a basis for a healthy and meaningful working situation and prevents harmful effects from physical and psychological influences and a standard of welfare consistent with the level of technological and social development of society. Aker shall strive to offer non-excessive working hours and safeguarding a work-life balance.

Aker shall strive to ensure **equality, diversity, and inclusion** throughout its business. Aker shall ensure equal opportunities and strive for a balance between the genders, increased diversity and inclusion in all parts and levels of the businesses. Aker does not tolerate any form of discrimination on the basis of among others gender expression, sexuality, disabilities, race and religious beliefs.

Aker is committed to the Aker model and cooperation between Aker as the main shareholder, management, and employee representatives, and of having an open dialogue with authorities and other stakeholders.



3.5 PROSPERITY FOR ALL

Aker will strive to reduce **economic inequality and promote financial inclusion** and resilience. Aker will strive for decent living wages, access to technology and equal economic and social benefits throughout our value chain.

Aker will strive to ensure a **just transition** and create employment opportunities throughout the energy transition.

Aker shall engage in the development of **science, technology and innovation** and the use of best available technology in support of the sustainability agenda. Aker aspire to be a frontrunner in using, sharing, collaborating, and scaling for solving global challenges and shall contribute to the diffusion of knowledge and know-how throughout our operations.

Aker shall ensure **corporate transparency and responsible tax compliance**.

⁴⁾ A Zero waste business will be diverting 90% from landfill and incineration.

⁵⁾ Minimum social safeguards involve abiding by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Further, we recognize the UN Convention on the Rights of the Child and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and our responsibilities under these.

4. BUSINESS DEVELOPMENT, INVESTMENTS, AND ACTIVE OWNERSHIP

Aker shall ensure that the above ambitions and expectations are integrated into investment analyses and decision-making processes and ownership practices.

Aker is a responsible and engaged owner that build strong and resilient companies. Aker engages on corporate ESG practice through its board and nomination committee positions, exercise of ownership rights at general meetings and regular dialogue through investment directors, administrative functions such as legal, compliance, sustainability, communication, and through reporting. Regular engagement includes among others investment review meetings, resource network meetings, quarterly and annual

reporting and reviews. To ensure sustainable and responsible business practices, Aker shall actively engage in the corporate development and be a resource for its portfolio companies in implementing ESG.

Aker expects its portfolio companies to:

- Have a board approved sustainability policy
- Have a sustainability supplier declaration
- Integrate sustainability in corporate business strategy, targets and operations

5. REPORTING

Aker and portfolio companies shall transparently engage and communicate with stakeholders and conduct sustainability materiality analyses. Aker and portfolio companies shall strive to address material risks and opportunities, changes in legal requirements and global norms and carefully consider the views of key stakeholders in developing the sustainability agenda. The sustainability and climate risk and materiality analysis, reporting and performance shall be reviewed by the Board of Directors.

Aker and portfolio companies sustainability reporting practices shall be in accordance with recognized international standards and preferably be assured by an independent third-party.



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