



# SUSTAINABILITY REPORT 2020

ESG in Aker BP



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## REPORTING PRACTICE

In Aker BP's sustainability report for the 2020 fiscal year, we describe our business activities in the context of sustainability performance and development and present our approach to environmental, social and governance (ESG) issues. Furthermore, we present a balanced picture of the opportunities and challenges we encounter in this area and how we work to address them. We always adopt a precautionary approach to the way we work in Aker BP.

Just like our previous sustainability report (2019 Sustainability Report – ESG in Aker BP, March 2020), this year's report is based on the GRI Standards (GRI 2018). Reference has also been made to the United Nations Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), CDP, GHG Protocol emission scopes and the UN Global Compact.

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Aker BP has initiated evaluations of potential impacts of the EU Taxonomy and the implications on our business, as well as reporting practices.

This report is prepared by the HSSEQ department in cooperation with relevant departments such as Communication, People & Organisation, Supply Chain, Strategy & Business Development, Finance and

Compliance. It has been reviewed by an internal review committee consisting of the Chief Financial Officer, Senior Vice President HSSEQ, VP Strategy & Portfolio, VP Communications, VP Supply Chain Management & Strategic Partnerships, VP People & Organisation, VP Investor Relations and by the Audit and Risk Committee prior to approval by the Board of Directors.



## LETTER FROM THE CEO

# STRONG, SUSTAINABLE PERFORMANCE IN A DEMANDING YEAR

Oil and gas companies that want to thrive in the future must be increasingly adaptive, efficient, and sustainable. In 2020, a year that brought rapid change and unprecedented challenges, Aker BP demonstrated that we have what it takes to deliver strong and sustainable performance under exceptionally demanding conditions. We proved that we have the strategy, people, flexible portfolio and financial robustness necessary to prosper in a more volatile future.

As we enter 2021, Aker BP is uniquely positioned for value creation. Our operational performance has never been better. Our balance sheet has never been stronger. Moreover, we have a hopper of attractive investment opportunities to pursue. All of these factors are vitally important, especially in the context of sustainability. I believe that only companies that produce the most carbon and cost efficient barrels of oil will have a future in our industry.

### **Mounting pressure on oil and gas industry**

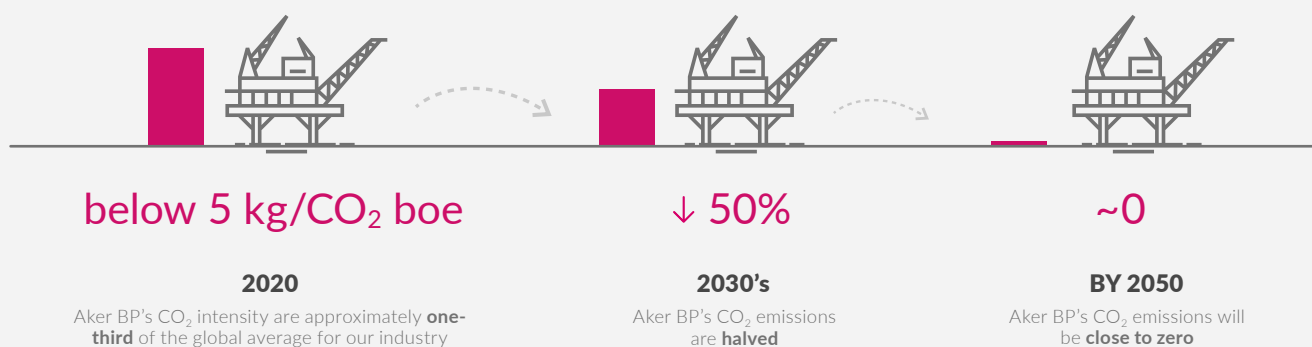
A major global energy transition is underway. Over time, it will undoubtedly lead to less dependence on fossil fuels. However, for the world to maintain an affordable, secure,

and sustainable energy system throughout this transition, oil and gas will remain essential for decades to come.

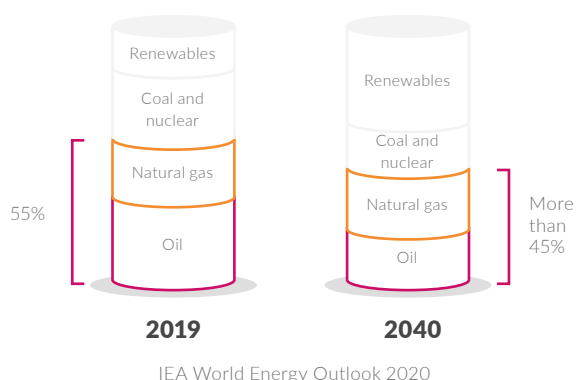
In its Sustainable Development Scenario, the International Energy Agency (IEA) outlines a comprehensive transformation of the global energy system that is fully aligned with the goals set forth in The Paris Agreement on Climate Change. IEA scenario projections indicate that oil and gas will continue to account for more than 45 percent of the global energy mix in 2040. It should also be noted that demand for oil and gas continues to rise outside the energy sector, for example in petrochemical industries.



## AKER BP CLIMATE STRATEGY



## OIL AND GAS – ESSENTIAL TO THE ENERGY TRANSITION



comprehensive changes to our industry, and at Aker BP we set out on this journey many years ago.

### Pure-play oil and gas

Aker BP is a pure-play oil and gas company, and we plan to keep it that way. Other companies are better suited to invest in the renewable energy sector than we are. Our competitive advantage is in oil and gas.

Aker BP will seek to maximise value creation from our assets and activities. In doing so, we will not only maximise profits for our shareholders, but also make significant contributions to society through the taxes we pay. The energy transition will require massive financial resources. The profits and taxes our business contributes can be redeployed to wherever the economic and environmental returns are most beneficial.

Nevertheless, pressure on the oil and gas industry is mounting. As part of Norway's climate action plan announced in January 2021, Norway has set a target to gradually increase the total cost per tonne of CO<sub>2</sub> from around USD 80 in 2020 to USD 235 in 2030 (real 2020 terms). This change takes into account the EU Allowances' (EUA) prices, ensuring that by 2030, the total cost of emissions amounts to USD 235 per tonne CO<sub>2</sub>. Aker BP's planning assumptions include a projected increase in both the cost of EUA traded under the EU Emissions Trading System (EU ETS) and national carbon emission tax over the next decade.

At Aker BP we recognise that the world is facing serious climate change, and we are not afraid to acknowledge that we are part of the challenge. However, I truly believe that the climate challenge can only be overcome if oil and gas companies mobilise the full range of their technological and commercial capabilities. Such mobilisation will require

Aker BP is committed to minimising emissions from our operations. Reducing emissions is indisputably important from an environmental perspective. However, as I outlined above, the rising cost of CO<sub>2</sub> emissions is also beginning to directly impact the financial performance of our business.

The energy transition is also about how we generate new industries and business opportunities, and Aker BP is determined to play a central role in this. To that end, we have built and continue to foster a culture of data sharing and collaboration across our operations. Cognite, a company we co-founded to help us liberate and contextualise data, serves as an excellent example of how we work. Another example is our collaboration with Aker Offshore Wind, a Norwegian offshore wind power developer. Aker BP contributes our industrial and technological expertise, but we, along with other field operators, are also potential customers for offshore wind power.

## Sustainable operations

In 2020, our per-barrel production costs amounted to USD 8.3, a significant decrease from the corresponding 2019 figure. Our goal is to achieve a production cost of USD 7 per barrel, a target which will require relentless focus on improving efficiency and bringing new wells on stream to maximise the capacity utilisation of our assets.

**We have made it our strategic priority to deliver best-in-class low carbon emission oil and gas production.**

In 2020, our CO<sub>2</sub> emissions intensity was below 5 kilograms CO<sub>2</sub> per barrel of oil equivalent (boe), which is approximately one-third of the world average for our industry. This achievement places us firmly among the top performers in our industry. We aim to remain below 5 kg CO<sub>2</sub>/boe. As outlined in our strategy, we expect to reduce our CO<sub>2</sub> emissions by 50 percent during the 2030s, and by 2050 our emissions will be close to zero.

I am proud to say that in a difficult year with COVID-19 restrictions, we have delivered a strong safety record. In 2020, we recorded a positive safety trend with no process safety events for the second year in a row and a decrease in both our Serious Incident Frequency (SIF) and Total Recordable Injuries Frequency (TRIF) compared with 2019. We recognise that maintaining and further improving our HSE performance will require tireless efforts and continuous

attention. However, we build on a strong foundation of systematic learning from incidents and structured risk management. This will allow us to further strengthen our safety culture. Our goal remains unchanged: No one should be injured or harmed while working at or for Aker BP.

## Prioritised initiatives

We have made it our strategic priority to deliver best-in-class low carbon emission oil and gas production.

To achieve our goal, Aker BP has established a structured process to map energy use and identify energy optimisation opportunities. Once identified, such opportunities are ranked according to environmental, technical, and financial effects, and the best projects are selected for implementation. In 2020, we cut 77,650 metric tonnes of CO<sub>2</sub> equivalents through such initiatives. A total of 17,650 metric tonnes of these reductions are of lasting effect on an annual basis.

The Skarv field in the Norwegian Sea serves as an example of our approach. In this case, we reduced plant pressure losses in gas export by installing a larger bypass Joule-Thomson valve. This measure, combined with various other adjustments, resulted in a 5,400 metric tonne reduction in annual CO<sub>2</sub> emissions and lower power requirements. Energy efficiency projects such as one at Skarv are key enablers in reducing emissions from our operations. It is encouraging to note that significant reductions can be achieved through smart use of digital tools, with limited capital spend.

CO<sub>2</sub> equivalents in  
2020 reduced by

**77,650  
tonnes**

from the  
previous year

**17,650  
tonnes**

of these reductions  
are of lasting and  
annual effect



Another initiative that I am proud to share with you is a Next Generation Discharge and Emissions Tracker for the oil and gas industry. This tracker is being developed in a collaboration between Center for the Fourth Industrial Revolution (C4IR) Ocean, Aker BP, and Cognite. In this partnership, Aker BP provides data and operational expertise from our offshore facilities and Cognite is responsible for application development and the provision of the underlying data integration technology through its Cognite Data Fusion platform. The tracker's objective is to help optimise chemical consumption and discharge in the oil and gas industry. We view this as a pilot project for a new industry standard, and I invite other oil and gas companies to join us in this venture and share data.

### Contributing to society

The societies and communities in which Aker BP operates should benefit from our presence. Through our social investments we strive to have a meaningful and sustainable impact. We contribute to local economies through employment and developing national and local suppliers, and through the taxes we pay in Norway.

In June 2020, the Norwegian Parliament made temporary changes to the country's petroleum tax regime, aimed at encouraging companies to resume investments after oil prices plummeted in March. Aker BP immediately responded and sanctioned the Hod re-development project in the North Sea. Total investments in the Hod project are estimated at approximately NOK 5.7 billion. At year-end 2020, more than 100 contracts had been awarded. Three-quarters of the total contract value for platform construction and subsea installations have gone to Norwegian supplier companies.

Aker BP, Equinor and LOTOS announced a coordinated development of the North of Alvheim, Krafla, Askja and Fulla licences – NOAKA – in June 2020. Aker BP is operator of NOA and Fulla, and is moving full speed ahead to submit a plan for the development and operation within the time window of the temporary tax system. NOAKA is one of the largest remaining area developments on the Norwegian continental shelf. It represents a field of the future and will be powered from shore, which will bring emissions from

production close to zero. In the development phase, the employment effect from the NOAKA area is estimated to reach 50,000 FTEs (full-time equivalents).

With projects such as Hod and NOAKA, Aker BP is generating significant value for our owners and society as a whole. We also contribute to maintaining Norway's world-class supply industry capabilities and expertise.

### Prepared for a challenging 2021

With the outbreak of the COVID-19 pandemic and the subsequent collapse in oil prices, 2020 became a dramatic year. The Aker BP team tackled the challenges head-on.

Safeguarding the health and safety of our employees is always our number one priority. Aker BP has invested and continues to commit time, money, and other resources to avoid spreading COVID-19 offshore. We have set up a dedicated project organisation tasked with managing the pandemic's impact. I am truly proud of the work its members have done and how our organisation has responded to the demanding regime of personnel transport, quarantine hotels, and testing. The pandemic has required dedication and motivation from us all, but our efforts have paid off and our operations have not experienced any COVID-19 related disruptions.

The Aker BP team is prepared for the major energy-sector transition ahead. We continue to develop our leaders and employees and maintain a particular emphasis on digitalisation and lean implementation to drive our improvement agenda. Together, we will continue to push to improve Aker BP's energy efficiency and reduce inefficiencies throughout our operations, thus further reducing our carbon footprint.

The COVID-19 pandemic will continue to dominate both our personal and work lives in 2021. Aker BP's measures to protect people and operations will remain in place for as long as is necessary. We emerged from 2020 a stronger company, and we will continue on that trajectory. By creating substantial value for our owners and for society, I am convinced that Aker BP will play a key role in the energy transition going forward.

**Karl Johnny Hersvik**  
CEO, Aker BP ASA

# Invitation to share data

## Dear oil and gas companies,

You are hereby invited to contribute to the Next Generation Discharge and Emissions Tracker. The tracker is a digital application that will optimise, track, and eventually develop better and more efficient practices for oil and gas chemical consumption and discharges.

The tracker will deliver value for you in three ways:

- 1 It provides process engineers with a digital tool to monitor and minimise emissions to air and chemical discharges to sea, ensuring optimal efficiency
- 2 It enables operational optimisation across assets
- 3 It increases transparency for authorities and other stakeholders through seamless reporting





The Next Generation Discharge and Emissions Tracker is developed by the Centre for the Fourth Industrial Revolution (C4IR) Ocean, Aker BP and Cognite. Aker BP provides the tracker with data and operational expertise from offshore facilities and has decided to make the data open and publicly available through the non-profit Ocean Data Platform, also managed by C4IR Ocean.

Using this data will allow us to address negative environmental impacts from our industry and build solutions that reduce our environmental footprint. The effect will be much larger if we have access to share more data. Join the project by by contacting Bjørn Tore Markussen, CEO at C4IR Ocean.

If you have any questions, please don't hesitate to contact me in person by sending a teams chat or an e-mail to [karl.johnny.hersvik@akerbp.com](mailto:karl.johnny.hersvik@akerbp.com)

Best regards

Karl Johnny Hersvik, CEO, Aker BP ASA





# COMPANY PROFILE

Aker BP is an independent exploration and production company conducting exploration, development and production activities on the Norwegian continental shelf (NCS). Measured in production, Aker BP is one of the largest independent oil companies in Europe. Aker BP is the operator of Alvheim, Ivar Aasen, Skarv, Valhall, Hod, Ula and Tambar, a partner in the Johan Sverdrup field and holds a total of 135 licences, including non-operated licences. This report covers our operated assets. As of 2020, all the company's assets and activities are based in Norway and within the Norwegian offshore tax regime.

The company is headquartered at Fornebu outside Oslo and has offices in Stavanger, Trondheim, Harstad and Sandnessjøen. Aker BP ASA is owned by Aker ASA (40%), bp p.l.c. (30%) and other shareholders (30%). The company is listed on the Oslo Børs with ticker "AKRBP". Information about Aker BP entities included in the consolidated financial statements is available to the public. Read more about Aker BP at [www.akerbp.com](http://www.akerbp.com)

At the end of 2020, Aker BP had 1,748 employees. 53 new employees were recruited in 2020. There were no significant

changes to the organisation and its supply chain in 2020. Aker BP purchased goods and services for about USD 3 billion and engaged around 1,400 direct suppliers in 2020, mainly within the oil and gas service sector. Our suppliers are generally contracted for high-technology services such as engineering, equipment and drilling and well services, or leasing of rigs and marine services. Most Aker BP suppliers are based in Norway, some in Europe and a few outside Europe. Several have sub-suppliers outside Europe.

Aker BP is a member of the Norwegian Oil and Gas Association, which is an employers' association for oil and supplier companies. In addition to being a central party to agreements between employers and trade unions, the Norwegian Oil and Gas Association works to improve risk management related to working environment issues, standardisation efforts including harmonisation with the International Organisation for Standardisation (ISO), and other framework conditions affecting its members. The Norwegian Oil and Gas Association supports the United Nations Intergovernmental Panel on Climate Change (IPCC) and works actively with its members on how to reduce greenhouse gas emissions from the NCS.



Supplier engagement: A-  
Climate change: B



FTSE4Good



## 2020 KEY INFORMATION

**1,748**

employees

including 53 new in 2020

**USD 3B**

purchased  
goods and services

**1,400**

direct suppliers engaged

**4.5 kg**

CO<sub>2</sub>/boe

CO<sub>2</sub> intensity

**0.03%**

CH<sub>4</sub>/saleable gas

Methane intensity

**1.2 pr. mill**

exp. hours

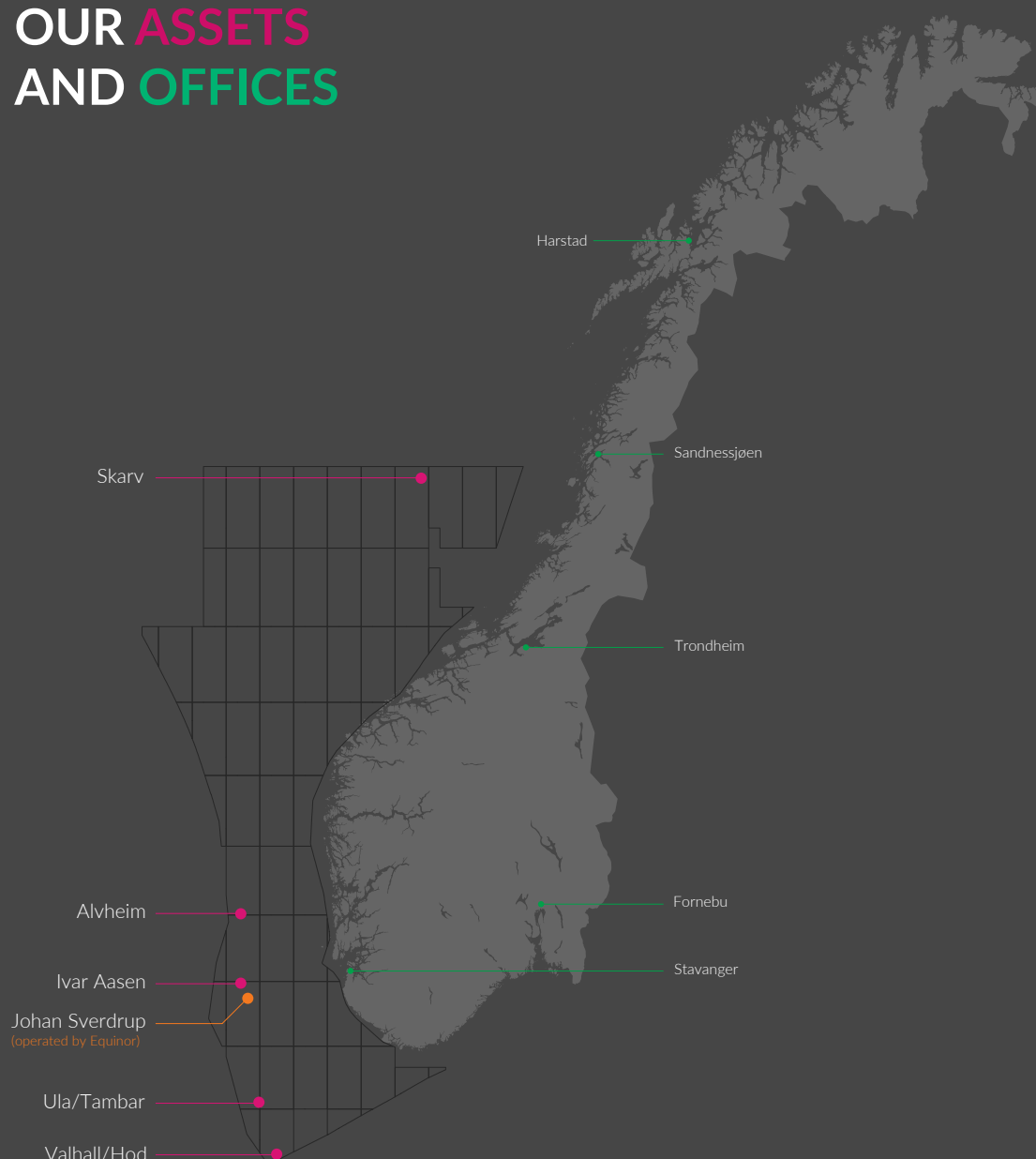
Total recordable  
injuries frequency

**0.5 pr. mill**

exp. hours

Serious incident  
frequency

## OUR ASSETS AND OFFICES



# S

**SØKENDE**

**Enquiring**

We are curious and aiming for new and better solutions.

# A

**ANSVARLIG**

**Responsible**

We put safety first and strive to create value for our owners and for society.

# F

**FORUTSIGBAR**

**Reliable**

We build trust and reputation through reliability and consistent behaviour.

## Ethics and integrity

The company's values of Enquiring (Søkende), Responsible (Ansvarlig), Predictable (Forutsigbar), Committed (Engasjert) and Respectful (Respektfull) define the way we work in Aker BP. The values also guide our behaviour in the workplace and supplements our Code of Conduct.

Aker BP's Code of Conduct sets out requirements for good business and personal conduct for all Aker BP employees and members of its governing bodies. It also applies to directors, contract personnel, consultants and others who act on Aker BP's behalf.

Aker BP's Code of Conduct was updated in 2020 to address changes in relevant regulatory frameworks and clarify expectations for employees, contract personnel, consultants and others who act on Aker BP's behalf to act responsibly. The update includes a commitment to comply with the Code of Conduct by signing an annual declaration of compliance. This update also addresses issues related, for example, to money laundering, conflicts of interest, protecting confidential information, sponsorships and donations and reporting of concerns. A statement declaring that Aker BP opposes all forms of child and forced labour, modern slavery and human trafficking was added to reflect compliance with applicable laws and Aker BP's continuous efforts to protect human rights. The Code of Conduct is available in both English and Norwegian.

In 2020, Aker BP developed a Human Rights Policy in cooperation with relevant functional units and internal stakeholders. The policy establishes Aker BP's commitment to human rights and describes how human rights impacts are managed in our supply chain and across our operations.

Both the updated Code of Conduct and the Human Rights Policy are anchored with the Board of Directors and communicated internally and on the company's website.

In Aker BP, employees and consultants are encouraged to speak up about negative circumstances and seek advice if they are in doubt. They can report a concern to their line manager, a representative of senior management, the Compliance or Legal departments or other functional units, or report anonymously via the company's Integrity Channel. Aker BP has a strict non-retaliation policy for those who report concerns. Reporting a concern shall have no negative impact on the individual's opportunities or professional development.

The Aker BP Integrity Channel is available to employees and external parties and is managed by an independent third-party, which guarantees the confidentiality of the reports. All documentation is stored in accordance with the relevant policies for data retention, data protection and data destruction.

Three whistleblowing cases were received via the Integrity Channel in 2020, which is lower than the average benchmark for companies of similar size. Actions were taken to address the concerns raised and the reports are now closed.

The Compliance department, responsible for handling integrity reports, launched several awareness initiatives about speaking up in 2020, and will continue with internal awareness activities to ensure that employees feel safe to report potential violations of laws or the company's Code of Conduct and other internal policies and procedures.



# E

**ENGASJERT**

## Committed

We are committed to each other,  
the company and society.

# R

**RESPEKTFULL**

## Respectful

We have high ethical standards.  
We have respect for those we  
work with and value diversity.

### Governance

Aker BP's General Assembly is the company's highest authority and nominates the Board of Directors as the highest governing body. The Board of Directors approves the organisation's purpose, values and strategy, reviews the company's risk profile and is responsible for decision-making on financial, environmental and social impacts. The Executive Management Team (EMT) makes day-to-day decisions on these matters.

The Board of Directors has two sub-committees: The Audit and Risk Committee (ARC) and the Compensation and Organisational Development Committee. The ARC assists and facilitates the Board's responsibilities within integrity of financial reporting, the financial reporting process, internal controls, company risks, corporate governance, compliance and auditing.

The Compensation and Organisational Development Committee ensures that remuneration arrangements support the corporate strategy and enable recruitment, succession planning and leadership development, as well as motivation and retention of senior executives.

Oversight of HSSEQ and operational risks is under the direct purview of the Board. The Board has also established the Safety and Environmental Assurance Committee (SEAC) to support the administration's work on health, safety, cyber security and environmental matters. This committee is organised as an independent committee with members from bp p.l.c. and Aker BP and reports to the Board on a quarterly basis.

More information about Corporate Governance in Aker BP is available in the Annual Report for 2020.

### Stakeholder engagement

Our stakeholders are the many individuals, organisations and authorities who are in some way affected by Aker BP's activities – whether it is in our role as an energy provider, an employer or as a business that helps boost local and national economies through jobs and revenue. We engage with our stakeholders, listen to their differing needs and take mitigating actions. An open and proactive dialogue with stakeholders facilitates our ability to access the resources we require throughout the life cycle of our assets. The input and feedback we receive serve as a basis for the decisions we make.

Stakeholders are prioritised based on the anticipated potential impact of our activities, both offshore and onshore. For example, when planning the development of a new field, we analyse the potential impact of our activities and who would be affected. More than 40 key stakeholders normally receive the Impact Assessment report in the public hearing. This enables stakeholders to present their views, and their feedback brings relevant issues to Aker BP's attention and provides the input we need to evaluate the necessary adjustments.

A stakeholder management plan is developed as part of our work to identify and mitigate key issues related to projects and activities. Our aim is to establish good relationships with key stakeholder groups engaged by Aker BP; employees, trade unions, investors, communities where we operate, non-governmental organisations, authorities, contractors, suppliers and trade unions.

## Risk management

The responses and measures we use to control, manage or optimise our risks are embedded in our governance and business management system, and are complemented by our risk management framework. We continually improve and strengthen the business management system to control and optimise inherent risk, based on learning from our experiences.

Risk management is fully integrated in all our activities and permeates our decision-making at all levels. Communication of important risks arising across workstreams is ensured by our enterprise risk process, which encompasses all business units, and is reviewed by the EMT, Audit and Risk Committee and the Board of Directors.

Amid an unprecedented focus on enhancing business performance through digital means we still rely on the collective experience and insight of our workforce to identify and act to manage risk throughout all phases of our activities. We systematically support the improvement of our workforce by using our three lines of assurance model for levels of independence in the assurance of Aker BP's business management system. Performance across the model is communicated to and evaluated by the Audit and Risk Committee and the EMT.

We support improvement through pro-active context-specific training and coaching on how to apply the risk management framework. The current focus areas in the training are to safeguard major HSSE risk in our operations, and financial risk associated with major investment decisions. In 2020, we completed a program aimed at Asset Operations and plan similar training for the Project organisation in the first half of 2021.

The overall objective of risk management in Aker BP is not only for our workforce to understand the process, apply the

methods and use the systems, but also for them to take on a behaviour and mindset where risk is always considered and discussed upfront.

Identifying opportunities and performance optimisation is a natural part of what we do to support our goals and sustainable business growth. We structurally apply the company's strategy process to set the overall direction, goals, and targets.

Aker BP's key risk factors are detailed in the board of directors report included in the 2020 annual report.

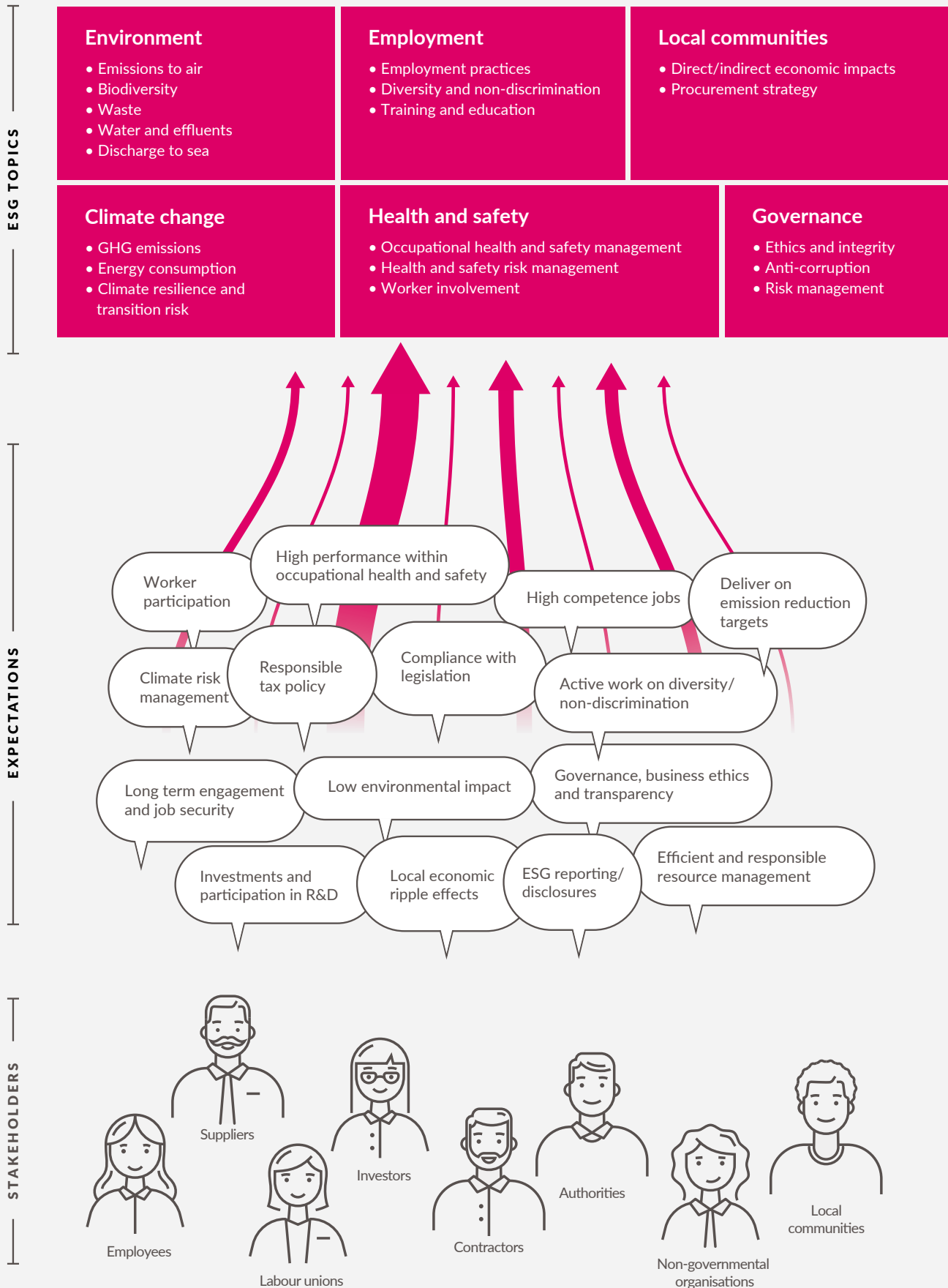
## Cyber security

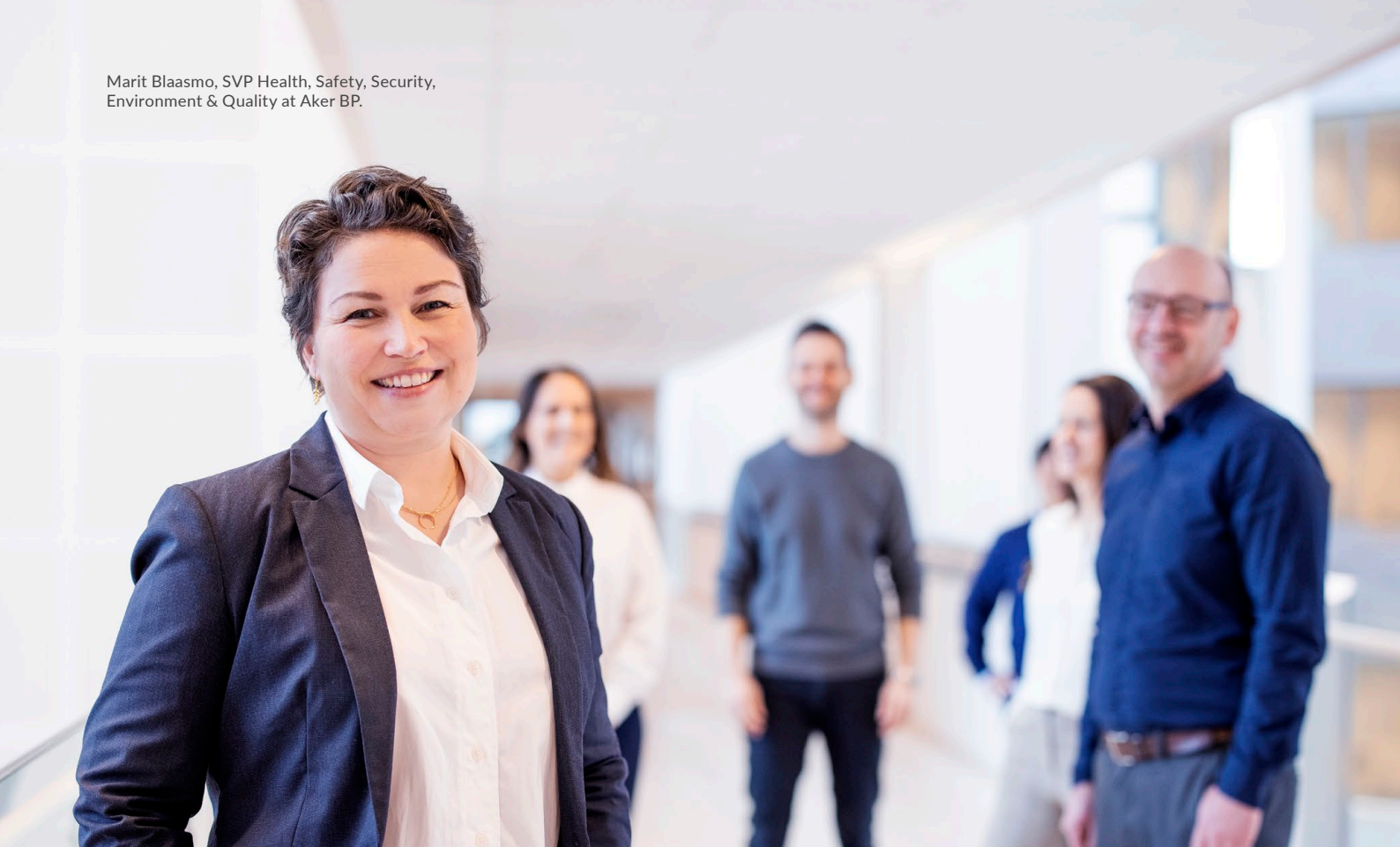
Managing cyber security and the associated risk is of high importance to Aker BP in order to ensure the protection of personnel, onshore and offshore assets, as well as digital assets, against cyber threats. The Chief Information Security Officer and his team are responsible for Aker BP's Cyber Security Program, which includes Governance, Security Operations and Cyber Risk Management. The governing cyber security policies and processes are part of our business management system.

The administration regularly report on cyber risk management to the Board of Directors and the EMT to ensure that the cyber security program is maturing according to our needs and expectations, as well as providing decision support to the management team.

Cyber security improvement projects constitute a significant portion of the digitalisation program in Aker BP. Through our cyber security program, we have established proactive methods and controls to prevent cyber security incidents, while simultaneously balancing protection, usability and cost.

## STAKEHOLDER ENGAGEMENT





## OUR SUSTAINABILITY APPROACH

Aker BP acknowledges that there is an energy transition underway, but on the same horizon we see that oil and gas will remain essential for the world to maintain an affordable, secure and sustainable energy system. The low-carbon, cost-efficient barrels of oil will still need to be produced in a transitioning world and this is at the core of Aker BP's strategy.

Furthermore, linking the company strategy to the United Nations Sustainable Development Goals (SDGs) provides a broader perspective that enables us to translate our activities into a global context. This, in turn, means that we must ensure that Aker BP's strategy and ambitions are aligned with and understood by our employees, our collaboration partners and the communities where we operate. Aker BP ASA's operations take place on the NCS, where there is an extensive legal framework in place that significantly impacts the exploration for, development, production and marketing of oil and gas.

### Governance

Our operations generate direct and indirect economic impacts through job creation, investments and a need for competence. Aker BP also engages in social investments and community development programmes which further

strengthen our contribution and impact. Aker BP's corporate governance ensures that we can maximise long-term value creation in a safe and prudent manner. The business management system describes how we govern, execute and improve our operations, and is the framework for creating and sustaining value, trust and predictability.

Environmental, Social and Governance (ESG) issues are represented through multiple policies and corresponding process areas. Examples of key governance tools are the Code of Conduct, which is our public commitment to conduct our business with integrity, and the Anti-Corruption Policy implemented to ensure that all business operations are conducted in an ethical manner and in compliance with applicable laws and regulations. Furthermore, the Speak-up Policy describes the principles for reporting any concerns regarding compliance with legislation and/or ethical standards.

Aker BP is committed to a responsible tax policy, including professionally executed tax compliance and tax planning, and maintaining a constructive and open relationship with the tax authorities. Aker BP's Tax Strategy is owned by the Chief Financial Officer and the strategy is reviewed by the Audit and Risk Committee.



These governance tools support targets described in *SDG 16: Peace, justice and strong institutions* and *SDG 17: Partnership for the goals*.

## Social

Our licence to operate depends on safe operations carried out under the highest Health, Safety, Security, Environment and Quality (HSSEQ) standards. HSSEQ is always the number one priority in all of Aker BP's activities and our HSSEQ policy describes our standards and expectations to ensure that Aker BP is a safe workplace, where the goal is to prevent any kind of harm. Healthy and safe working conditions are a recognised human right. The health and safety of workers and surrounding communities are broadly covered by *SDG 3: Good health and well-being*.

Aker BP established a Human Rights Policy in 2020. This policy establishes Aker BP's commitment to human rights and describes how human rights impacts are managed in our supply chain and across our operations. Aker BP values the unique contributions of our employees and believes that a diverse and inclusive workforce emphasises deliveries and accomplishments. We also established a Diversity & Inclusion Policy in 2020, outlining the principles we commit to, with clear targets and a plan for action in line with *SDG 5: Gender equality*. Our industry offers employment opportunities across the entire value chain to our own employees, contractors and suppliers. Aker BP acknowledges our responsibility for employment-related factors, such as working hours, job security, diversity, employee relations and compensation as outlined in *SDG 8: Decent work and economic growth*.

Aker BP's supplier network is built on worldwide business relationships. Suppliers and strategic partnerships are essential to our operations and value creation, as they represent core risks and opportunities in the company's overall sustainability performance. All business relationships are expected to comply with the governing frameworks, both external legislation and internal principles representing internationally recognised standards for integrity and ethics. Aker BP works diligently to identify risks and violations of legislation related to labour rights, anti-child labour, anti-corruption, and HSSEQ conditions in line with *SDG 1: No poverty* and *SDG 10: Reduced inequalities*.

## Environment

In its Sustainable Development Scenario (SDS), the International Energy Agency (IEA) outlines a major transformation of the global energy system in line with the goals from the Paris Agreement. In 2040, it is estimated that oil and gas will still account for more than 45 percent of the global energy mix, which indicates that oil and gas will continue to play a vital role as an energy source for many decades as outlined in *SDG 7: Affordable and clean energy*. Demand for oil and gas is also growing in other industries. However, it is not enough to merely invest in oil and gas development projects the same way that the industry did before. The oil and gas companies of the future need to be more adaptive, more efficient and more sustainable to ensure cost-efficient solutions adapted to future conditions and needs, as outlined in *SDG 13: Climate action* and *SDG 9: Industry, innovation and infrastructure*.



Aker BP collaborates with the industry through several governing bodies in the Norwegian Oil and Gas Association. Through our participation in the Climate and environment forum, we contributed to the climate strategy “The energy industry of tomorrow on the Norwegian continental shelf – climate strategy towards 2030 and 2050”, setting the industry ambitions for 2030 and 2050.



**Aker BP's contribution as a pure-play oil and gas company is threefold:**

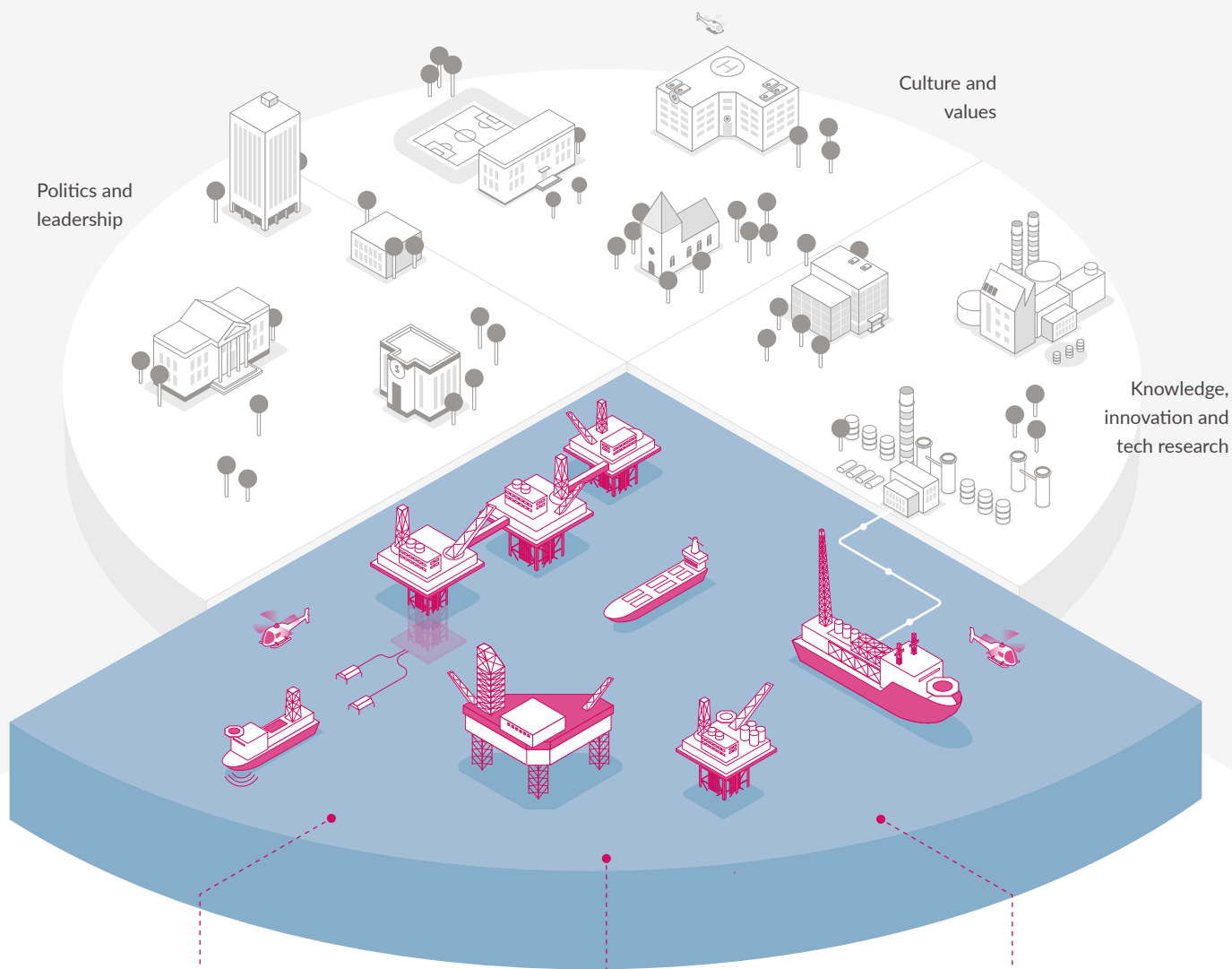
- We will maximise value creation from our assets and activities, meaning profits distributed back to our shareholders and through the taxes we pay. Profits or taxes can then be redeployed in renewable energy technology.
- We are committed to minimising emissions from our operations.
- We contribute knowledge, data and experience to support development of new industries and business opportunities to further strengthen the energy transition.

Consequently, we will continue to deliver low-carbon, cost-efficient barrels of oil while we continuously strive to reduce the impact from our operations as considered in *SDG 3: Good health and well-being*, *SDG 11: Sustainable cities and communities*, *SDG 12: Responsible consumption and production* and *SDG 13: Climate Action*.

Emissions and discharges from Norwegian petroleum activities are regulated through several statutes, including the Petroleum Act, the CO<sub>2</sub> Tax Act, the Greenhouse Gas Emission Trading Act and the Pollution Control Act. Furthermore, petroleum operations on the NCS are subject to the European Union Allowances (EUA) for emissions traded under the European Union's Emission Trading System (EU ETS), in addition to the specific Norwegian carbon taxes.

Discharges of oil and chemicals in connection with exploration, development and production of oil and gas are regulated under the Pollution Control Act. In accordance with the provisions of the Pollution Control Act, the operator must apply for a discharge permit from relevant authorities in order to discharge any pollutants into the sea. Actions to minimise these impacts are underscored by *SDG 14: Life below water*. All operators on the NCS must establish sufficient procedures to monitor and report any discharges to sea. Aker BP's HSSEQ policy, Common governing model for climate and Environmental strategy describe our commitment to safeguard the environment.

In September 2020, the Board of Directors endorsed Aker BP's revised climate strategy, which lays out an updated approach to energy efficiency measures and targeted projects to further reduce the carbon footprint from our exploration and production activities. We expect to reduce our CO<sub>2</sub> emissions by 50 percent during the 2030s, while it will be close to zero by 2050. At year-end 2020, the CO<sub>2</sub> emission intensity (net Aker BP) was 4.5 kg CO<sub>2</sub>/boe, which is about one-third of the global average. The target for CO<sub>2</sub> emission intensity is set at below 5 kg CO<sub>2</sub>/boe. Relentless efforts are required to improve energy efficiency and reduce waste in our operations and thereby further improve our carbon footprint. All new field developments will be powered by renewable energy and thereby have close to zero emissions.



## OUR VALUE CHAIN

### UPSTREAM

#### EXPLORATION



Finding oil and gas

#### DEVELOPMENT



Drilling wells for exploration, appraisal and production

#### PRODUCTION



Extracting oil and gas

Transportation and storage, moving oil and gas to shore

### MIDSTREAM

Refining, marketing and distribution to everyday products and transportation

### DOWNSTREAM



FEATURED ARTICLE

# ÆRFUGL REDUCES CO<sub>2</sub> PER BARREL BY UP TO 30 PERCENT ON SKARV





## The Ærfugl project shows how profitable developments go hand in hand with low CO<sub>2</sub> emissions.

Aker BP manages natural resources to create value. This is why Aker BP is maximising value by utilising available resources in the best possible manner, keeping costs low and emissions at a minimum. To reach these goals, the people in Aker BP always strive to outperform themselves by always doing their very best and always seeking improvement. The Ærfugl project is an excellent example of what they do and how they do it.

### Delivered as promised

Ærfugl is an almost 60-kilometre-long narrow gas and condensate field in the Norwegian Sea. It is located near the Skarv field, about 200 kilometres west of Sandnessjøen.

On 12 November 2020, operator Aker BP and partners Equinor, Wintershall Dea and PGNiG reported that production had started from Ærfugl Phase 1. This was on the same date as promised in the Plan for Development and Operation (PDO) in 2017.

Aker BP, along with its alliance partners, suppliers and licence partners has not only completed the project safely, efficiently, on time and within budget during a time with a "black swan"; COVID-19 and a substantial decline in the price of oil; it has also achieved major improvements since the PDO was approved, including significantly accelerated development of Phase 2, from 2023 to 2021, and improved project economy.

### Lower break-even

Ærfugl is the first new field tied back to Skarv, and it is expected to increase the gross asset production from around 85,000 to 140-150,000 barrels of oil equivalent per day.

When Ærfugl Phase 2 is completed, the CO<sub>2</sub> emissions per produced barrel of oil equivalent on Skarv will be reduced by up to 30 percent by 2022. This is due to the increased share of production from Ærfugl. In addition, the production from Ærfugl comes in at high inlet pressure before processing, which eliminates the need to run an extra compressor to export the gas to the pipeline.

"The Ærfugl project strengthens Skarv both commercially and in terms of environmental footprint. The Skarv area has high prospectivity and a multitude

of possibilities, and Ærfugl gives us the opportunity to study sustainable power supply solutions in the future," says Ine Dolve, Senior Vice President, Operations & Asset Development.

Ærfugl has become one of the most profitable development projects on the Norwegian continental shelf. The initial estimated break-even price was USD 18.5 per barrel of oil equivalent (converted from gas) at PDO submission. Due to increased reserves, earlier production, a stronger dollar and accelerated tax depreciation, the break-even price has improved to less than USD 15 per barrel.

"Ærfugl is the first major step to transform the Skarv facilities into a major hub for the surrounding discoveries. The Skarv journey has only just begun," says Sverre Isak Bjørn, Vice President Operations & Asset Development in the Skarv area.

### Innovative alliances

Ærfugl is an alliance project, and three alliances have been involved in the execution. Innovation has allowed the alliances to adopt new technology. They built the first digital twin of both topside, wells and subsea, and set up a large degree of automation. They also installed the world's first Electrically Heat Traced Flowline (EHTF).

In the alliances, Aker BP works with the best suppliers in a long-term perspective. Together they succeed by working in an integrated team. All alliance partners are equal, they share risk and have incentives that reward all parties when they deliver. They reap the best experience and knowledge from each other and put the best person on the job - regardless of company. Mutual respect and trust enable them to own challenges and solutions together. This is exactly what alliances are all about. It is not them and us, it is one team.

Aker BP's goal is to produce oil and gas as efficiently as possible to return greater value from our oil and gas resources to investors and society. The successful start-up of production from Ærfugl Phase 1 demonstrates the ability to deliver on this strategy through the excellent performance shown by the Aker BP project team and alliance partners, despite extremely challenging times.



# ECONOMIC IMPACT

As an upstream exploration and production company, Aker BP is to a large extent a price taker in the commodity markets, and therefore manages its economic performance primarily by controlling cost and production volumes. A rigorous system is in place for budgeting, forecasting, and managing these parameters, with the aim of supporting sound financial decisions, providing guidance to our licence partners, debt owners, shareholders and petroleum authorities, as well as to continuously monitor our financial risk.

The management approach starts with our vision of becoming the leading independent exploration and production company. We use the following targets and performance metrics to measure whether we are on track to achieve our vision:

## Our vision:

- Zero incidents
- Unit production cost below USD 7/boe
- Sanctioning hydrocarbon projects at a break-even price of USD 30/barrel or lower
- Producing oil and gas with CO<sub>2</sub> intensity below 5 kg CO<sub>2</sub>/boe (net Aker BP)

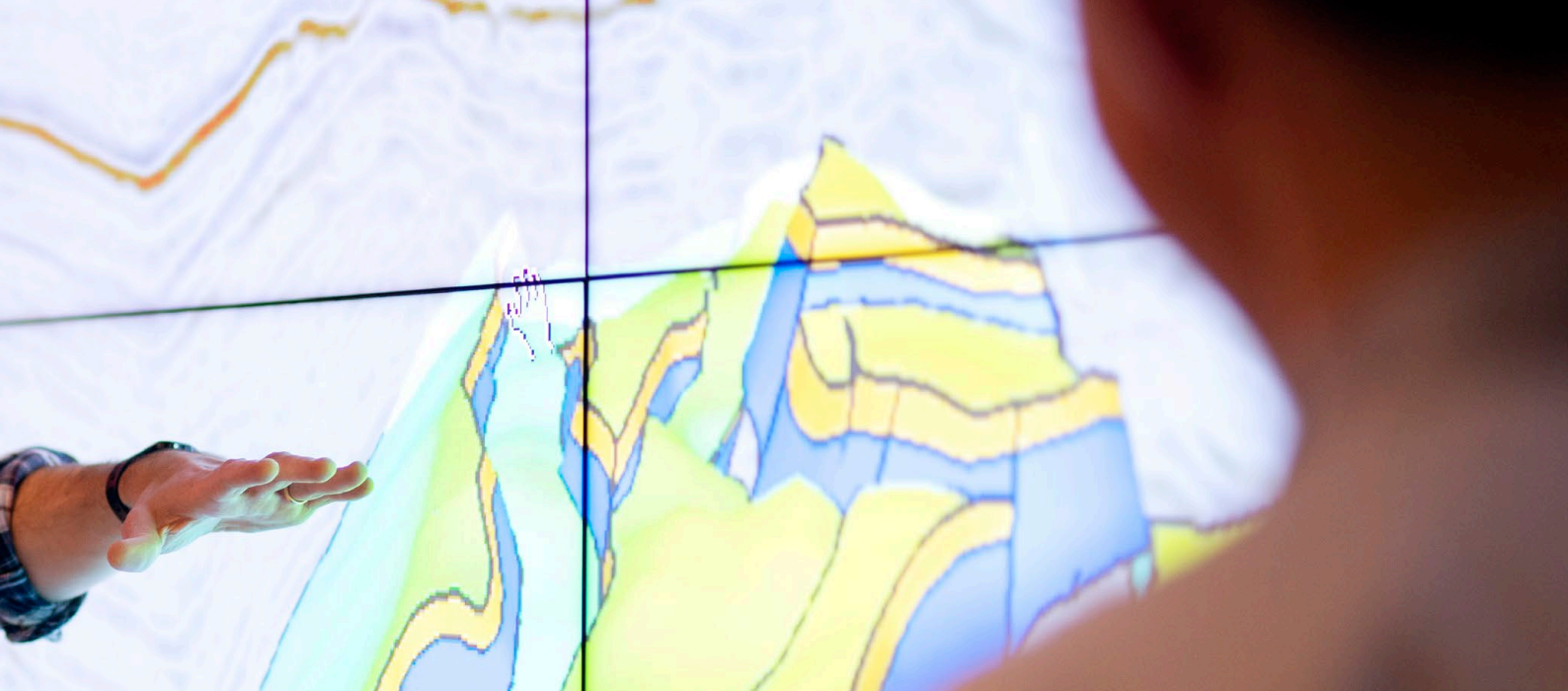
An annual strategy process in the first half of each calendar year assesses the current state of the company in relation to the vision and defines focus areas for the coming years. The strategy is sanctioned by the Executive Management Team

(EMT) and the Board of Directors. This process is repeated in each business unit in the second half of the year, which yields a set of prioritised initiatives with corresponding Key Performance Indicators (KPIs) for the next year, both at a corporate level and per individual business unit. The company's KPIs, targets and prioritised initiatives are approved by the Board of Directors. Each member of the EMT is responsible for the performance of their respective business units. A dedicated performance management system is used throughout the company to report and monitor progress on the initiatives and KPIs. Climate strategy is an integral part of the described annual strategy process.

Sustainability is embedded into our performance and reward framework. The CEO and EMT performance evaluations include an evaluation of progress and results on the climate-related KPIs and initiatives. The company's performance on the CO<sub>2</sub> emission intensity KPI and its deliverables on specific CO<sub>2</sub>-reducing projects are assessed as part of the semi-annual performance evaluation. The performance in these two items, along with other company KPIs and initiatives, feed into the Aker BP bonus program. A monetary reward is calculated based on company performance and is paid out to all permanent employees and, under some circumstances, certain temporary employees.

## Direct economic value created

Aker BP ASA generated total income of USD 2,979 million in 2020. Due to the temporary fiscal tax regime, the company received net tax refunds of USD 181 million. The company paid USD 41 million in CO<sub>2</sub> fees, USD 4.5 million to the NO<sub>x</sub> fund and purchased CO<sub>2</sub> quotas for USD 19.7 million. The company paid USD 425 million as dividend to its shareholders.



## Risks and opportunities posed by climate change

Aker BP manages and reports enterprise-level threats and opportunities through an enterprise risk management process across the business units. The purpose of this process is to create robustness relative to performance delivery. The EMT, Audit and Risk Committee, Safety and Environment Assurance Committee, and Board of Directors all engage in the risk review process.

Climate-related risks and opportunities are captured as an individual strategic risk category. These risks are identified, assessed and followed up as an integral part of the overall strategic processes and risk management system in Aker BP. Risks are defined in a short (0-3 years), medium (3-10 years) and long-term (10-25 years) perspective. Our short-term horizon reflects how our measures contribute to positioning ourselves to meet the low-carbon economy recognised in the Paris Agreement and obligations for annual reductions in CO<sub>2</sub> emissions. In the short term, risks and opportunities are predominantly of an operational nature. Our medium-term horizon reflects a reduction of CO<sub>2</sub> emissions with 50 percent during the 2030s – a goal of significant importance and embedded in our strategy. In a medium-term perspective, we consider a broader set of elements and mechanisms to address the climate challenge, both through transition risks (market, regulatory, reputation, technical and operational) and physical risks. Aker BP considers energy efficiency, flaring reduction, fuel switching (from diesel to natural gas), fugitive emissions (methane) and detailed emission reporting to be short and medium-term strategies. In the medium term, risks and opportunities are predominantly of a tactical nature. Our long-term

horizon reflects highly energy-efficient operations and a low carbon footprint in a market still dependent on oil and gas. In our long-term perspective, our ambition is to reach close to net-zero emissions by 2050. Supplying electrical power from shore to offshore installations is a long-term objective in our climate strategy. Also in a long-term perspective, risks and opportunities are pre-dominantly of a strategic nature.

To assess and manage climate-related risks, we use scenario analysis, sensitivity testing and an internal carbon price. Climate-related considerations are embedded in our decision-making and we use a set of strict financial criteria, including our internal carbon price, for all investment decisions.

### Scenario analysis and portfolio robustness

Aker BP recognises the recommendations made by the Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD). In line with the best practice recommended by the TCFD, Aker BP employs scenario analysis to assess potential impacts of the climate change and energy transition on our business, financial performance and the long-term strategy. We evaluate selected scenarios to assess possible shifts in the macroeconomic outlook, technology developments, policy and legal implications, and we analyse projected demand for our products (oil, gas and natural gas liquids). Each energy transition scenario yields a range of commodity prices (e.g. power, gas, oil) and environmental fees and taxes. We apply these assumptions in our valuation models to test the resilience of our portfolio.



Our scenario analysis includes IEA's Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS) published by the IEA as part of the World Energy Outlook (WEO) reports. These scenarios are commonly used by our industry peers, and can help the investors and other stakeholders in assessing portfolio resilience across companies. We also test the IEA's Delayed Recovery Scenario (DRS) introduced in the WEO 2020 report to reflect the risks of a prolonged COVID-19 pandemic and a more severe and long-lasting shock to the global economy than assumed under the STEPS and the SDS.

The IEA's Stated Policies Scenario (STEPS), previously known as the New Policies Scenario in the WEO 2019 report, considers specific policy initiatives that have already been announced, illustrating where the current frameworks and policy ambitions would take the energy sector towards 2040. These commitments are enough to make a significant difference; however, there is still a large gap between the projections in STEPS and a trajectory consistent with the Paris Agreement goals. The IEA's Sustainable Development Scenario (SDS) charts a path that is aligned with the Paris Agreement by limiting the rise in global temperatures to "well

below 2°C". In this scenario, a surge in clean energy policies and investments put global emissions on track for net-zero by 2070, while also meeting the development aspirations of a growing global population.

While the SDS is recognised as one of the most ambitious scenarios in terms of the speed and scale of transformation of the global energy system, attention is turning to what it would mean for the global energy sector to reach net-zero emissions by 2050. This is examined in a new scenario called Net Zero Emissions by 2050 (NZE2050), published for the first time in the IEA's WEO 2020 report. While no specific price assumptions for e.g. oil and gas are defined in the report for this scenario, the NZE2050 implies an even faster transition away from hydrocarbons and a significantly lower demand for oil. To reflect this uncertainty, we test our portfolio against an oil price that is lower than in the SDS. In this scenario, which we call "USD 45/barrels of oil (bbl) in 2040", the long-term oil price gradually declines to USD 45/bbl in 2040 (in real 2020 terms). The 2040 price in this scenario is therefore ~USD 9/bbl lower than in the SDS (in real 2020 terms).





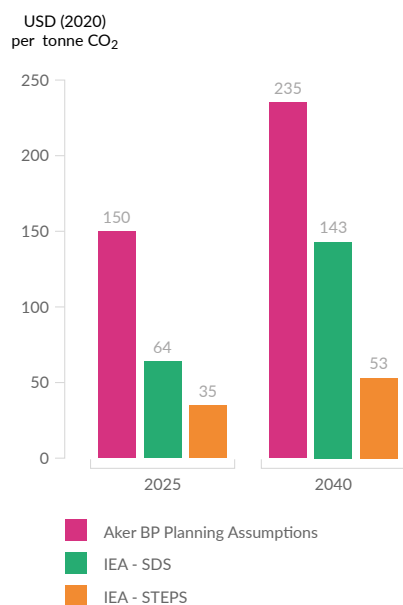
As regards carbon prices, Aker BP's internal assumptions significantly exceed prices assumed under the IEA's scenarios. Petroleum operations on the NCS are subject to the European Union Allowances (EUA) for emissions traded under the European Union's Emission Trading System (EU ETS) in addition to the specific Norwegian carbon tax. The combination of the national carbon tax and the EU ETS means that companies operating in Norway pay a much higher price per tonne of CO<sub>2</sub> emissions compared with most other countries with petroleum activities.

As part of Norway's climate action plan announced in January 2021, Norway has set a target to gradually increase the total cost per tonne of CO<sub>2</sub> from around USD 80 in 2020 to USD 235 in 2030 (real 2020 terms). This means that the national carbon tax will be regulated in a manner that takes into account the EUA prices, ensuring that by 2030, the total cost of emissions amounts to USD 235/tCO<sub>2</sub>. This target is reflected in Aker BP's planning assumptions, which show an increase in both the EUA and national carbon tax over the next 10 years, reaching the targeted level set by the

Government for 2030. As shown in Figure 1, Aker BP's carbon price assumptions are significantly higher than the prices assumed in the IEA's scenarios. We therefore keep Aker BP's internal carbon price assumptions for testing the portfolio value under the selected scenarios for oil and gas prices.

Figure 2 illustrates the changes in the net present value (NPV) of Aker BP's portfolio when Aker BP's planning assumptions for oil and gas prices are substituted with those from the selected scenarios, while keeping carbon price assumptions unchanged in all scenarios, as explained above. As shown in the graph, under the IEA's STEPS, the net present value of Aker BP's portfolio is 26 percent higher, reflecting the higher oil and gas price assumptions in this scenario compared with Aker BP's planning assumptions. When tested with the assumptions from the Delayed Recovery Scenario, the net present value of the portfolio is 5 percent higher. Under the low-price scenarios - the SDS and "USD 45/bbl in 2040" - the NPV decreases by 9 and 12 percent, respectively. While this indicates a lower value generation under these scenarios compared to our base case, the analysis shows that, even under the most ambitious energy transition scenarios, the impact on our portfolio value is limited to 12 percent.

**FIGURE 1**

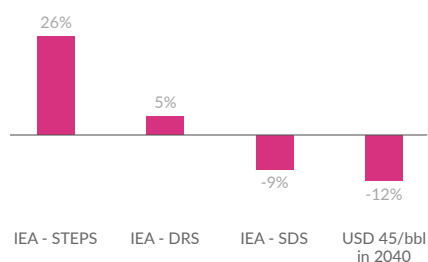


**Sources:** IEA WEO 2020; Aker BP Planning Assumptions Q1 2021.

**Notes:**

- 1) Aker BP's assumed carbon price reaches USD 235/tCO<sub>2</sub> in 2030, assumed flat thereafter.
- 2) The IEA's original assumptions in 2019 real terms were inflated by 2%.
- 3) IEA does not provide prices for the DRS, but states that "Carbon prices for the DRS are close to those of the STEPS".

**FIGURE 2**

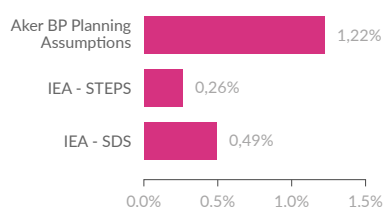


**Notes:**

- 1) The NPV of Aker BP's portfolio under the selected scenarios is compared to the NPV of the portfolio valued at Aker BP's planning assumptions (Q4 2020 business plan at Q1 2021 assumptions, NPV as of 01.01.2021). Same FX and carbon prices are used for all scenarios. Portfolio consists of producing assets and non-sanctioned projects.
- 2) IEA defines prices for the specific years up to 2040. We assume a linear price development between those years and flat prices from 2040; actual prices are used for 2020.
- 3) The "USD 45/bbl in 2040" scenario assumes oil price are the same as in the SDS until 2025, followed by a gradual decline to USD 45/bbl by 2040. SDS European gas prices are used for this scenario.

To illustrate the sensitivity of Aker BP's portfolio to carbon prices, we calculate the NPV of the total future carbon costs under different carbon price assumptions, shown as a percentage share of the NPV of Aker BP's portfolio. As shown in Figure 3, the NPV of the future carbon costs as a share of the total portfolio NPV is the highest under Aker BP's planning assumptions. This is because Aker BP's planning assumption for carbon prices is significantly higher than those in the SDS and STEPS. The NPV of the future carbon costs under the planning assumptions is limited to 1.22 percent of the total portfolio NPV, which reflects Aker BP's industry-leading performance in emission intensity.

**FIGURE 3**



## Summary of our climate-related risks

### Market risks and opportunities

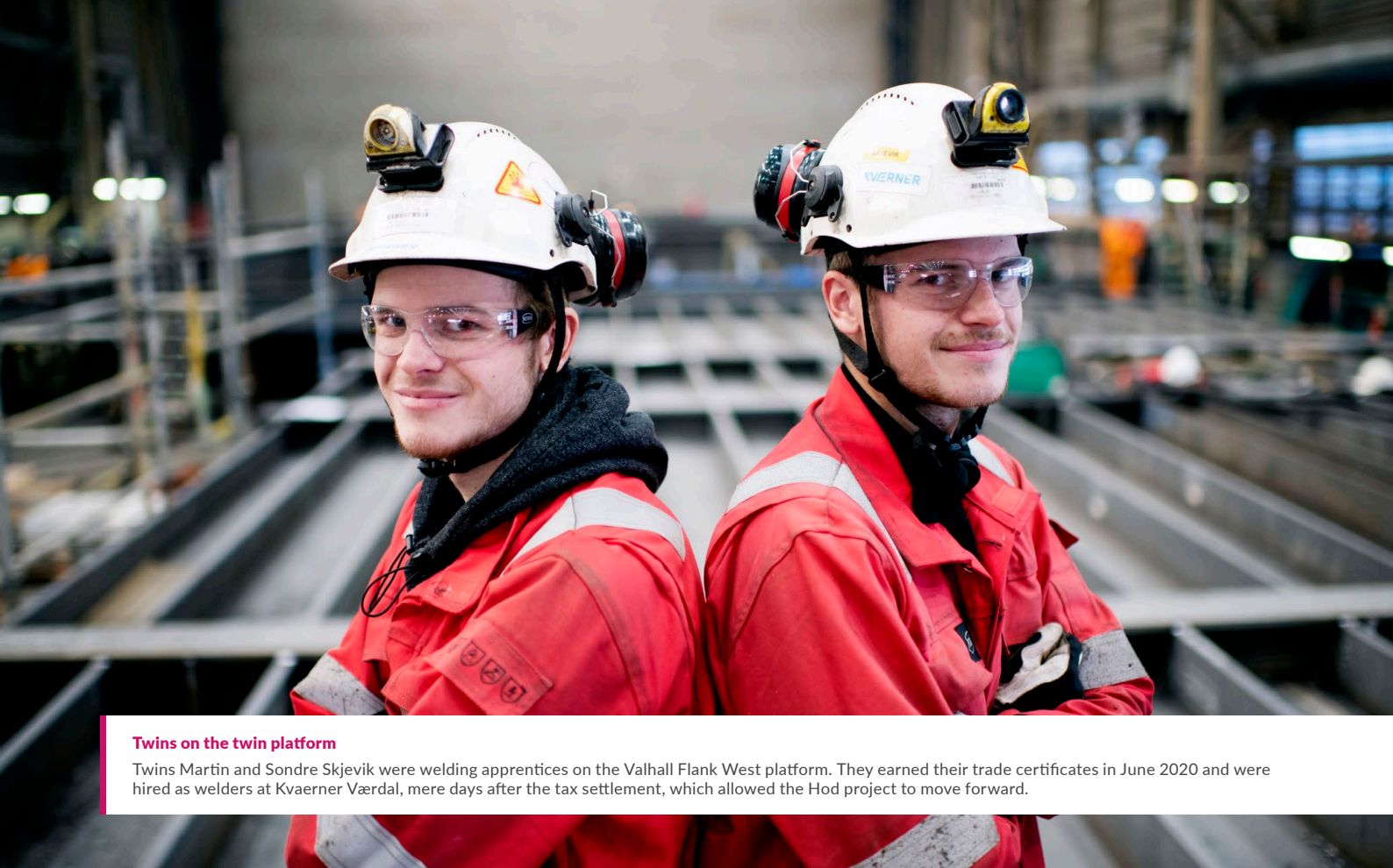
Changes in demand for oil and gas: Climate-related market risks could impact Aker BP over the longer term through lower demand and prices for oil and gas. To reduce emissions, the world will have to consume fewer hydrocarbons. Improvements in the cost competitiveness of renewable energy, continued innovation in low-carbon technologies and improvements in energy efficiency are needed to accelerate the transition to a low-carbon economy. While oil and gas will continue to play a major role in the energy mix over the next few decades (SDS, IEA's WEO report, 2020), the transition away from hydrocarbons is under way. This creates uncertainty around the longer-term outlook for the demand and prices for our products. Such risks represent both a threat and an opportunity for Aker BP. Consequently, we implement rigorous financial criteria to ensure our portfolio is financially resilient under multiple scenarios. Our target full-cycle breakeven oil price is at or below USD 30/bbl and we will sanction only projects that meet this requirement. About 80 percent of our contingent resources have breakeven oil prices below this level, making Aker BP's portfolio robust even in a scenario with low oil prices. As the industry focus on carbon footprint accelerates, Aker BP remains well-positioned, being an operator with industry-leading carbon efficiency, which gives us a strong competitive advantage in our sector.

### Regulatory risks and opportunities

**Carbon price:** Aker BP's activities are located solely in Norway, a country with ambitious targets for emission reductions and high carbon prices. The Norwegian Government has announced a target to increase the total cost per tonne of CO<sub>2</sub> from USD 80/tCO<sub>2</sub> to USD 235/tCO<sub>2</sub> in 2030 (real 2020 terms). The announced target provides a degree of insight into the future price development. However, the exact development in carbon prices towards 2030 remains to be seen. There is a risk that prices will increase faster and rise higher than what is anticipated, or that the political framework conditions will continue to change. An increase in carbon prices would have a negative impact on our costs and profitability. We manage this risk by requiring all potential projects to be assessed for CO<sub>2</sub> emission intensity and resilience against higher carbon taxes. We are also continuously working on measures to reduce emissions from our operations. Aker BP has already electrified its largest installation, Valhall, with power from shore, which in Norway is supplied from clean hydro-electric power, and we will electrify Ivar Aasen with power from shore in 2022. We are also a licence partner in Johan Sverdrup, which already receives power from shore. This has enabled us to operate with industry-leading CO<sub>2</sub> intensity. In 2020 our CO<sub>2</sub> emissions intensity was below 5 kg per boe. This is about one third of the industry average, and puts us firmly among the most carbon efficient E&P companies globally. Our goal is to stay below 5 kg per boe and continue efforts to improve further.

This implies that, in a scenario of increased global emission costs, Aker BP would become more competitive relative to most other impacted producers. Still, around eight percent of our production costs in 2020 were environmental taxes and fees. This is why we are continuously assessing the potential impact of rising CO<sub>2</sub> prices on our portfolio by making long-range forecasts of our CO<sub>2</sub> emissions and mapping these against potential future developments in CO<sub>2</sub> pricing and regulations. All our investment decisions are tested against the assumption for rising carbon prices.

**Other changes to the regulatory framework:** In order to meet its national climate commitments, there is a risk that Norway would implement changes to the political framework to ensure emission reductions from the petroleum industry. One example could be measures taken to reduce access to new acreage. In this case, Aker BP's and the Norwegian E&P industry's longer-term growth prospects would be reduced, which would also lead to a potential increase in the cost of capital. Another risk could be an enforcement of mandatory emission abatements that are not competitive with other uses of capital or are uneconomic. Aker BP manages these risks by continuously monitoring the external environment and actively engaging with our stakeholders.



#### **Twins on the twin platform**

Twins Martin and Sondre Skjevik were welding apprentices on the Valhall Flank West platform. They earned their trade certificates in June 2020 and were hired as welders at Kvaerner Værdal, mere days after the tax settlement, which allowed the Hod project to move forward.

#### **Physical risks**

Sea level rise and extreme weather are acute physical risk elements we consider to be climate-related. Our fixed offshore installations in the North Sea are subject to acute physical risk. Extreme waves/weather, if they become more frequent, can lead to operational limitations and production shut-ins. Three out of five fields could be exposed to this risk - the Valhall, Tambar and Ula platforms – primarily through threats to safe design limits and structural integrity. The most significant factor being what is referred to as “wave-in-deck”. This factor is controlled by the air gap between the sea level and installation deck. Risk to structural design limits is assessed as part of the quantitative risk analysis process, which covers one offshore asset installation each year and must demonstrate adherence to regulatory design limits.

Changes in working conditions (occupational health and safety) on our offshore installations from either an increase/decrease in temperature or precipitation patterns are considered chronic physical risk elements related to climate change. All our offshore installations in the North Sea are subject to chronic physical risk. Changes in precipitation patterns and extreme variability in weather patterns over time may affect the working environment by reducing for example “time-in-field”, meaning the period during which an offshore worker can be exposed to a

certain condition while performing their scope of work. Risk assessments are systematically performed by the Aker BP Working Environment team, including improvement recommendations. Working environment risks are assessed using industry standard approaches and become input in infrastructure design for new facilities and typical working procedures for existing facilities. Occupational health and safety exposure limits are governed by regulatory agencies.

#### **Reputation risks**

Aker BP faces reputation risks related to attracting and retaining talent, investors' perception of oil and gas investments and availability and cost of capital, as well as risks of climate-related litigation. We manage these risks by ensuring transparency and disclosures related to performance and governance, as well as ambitions and proactive external engagement and communication towards our stakeholders.

#### **Benefit plan obligations**

Aker BP employees are enrolled in the company's defined contribution pension plan. In combination with the National Insurance Scheme, each employee's pension contribution amounts to 25.1 percent of pensionable pay, capped at approximately NOK 1.2 million (this cap is regulated by Norwegian pension legislation). The plan is fully funded. No employees have a top-hat pension plan (pension on pensionable pay above NOK 1.2 million).



## Indirect economic impacts

All fields in our five operated hubs; Alvheim, Valhall, Ula, Ivar Aasen and Skarv, have performed and secured acceptance for the impact assessment studies as part of the government approval process.

One important part of the studies is to address economic impacts in each development.

Aker BP is committed to stimulate local engagement by creating jobs and growing local businesses in the communities where we operate. We invest in community projects that align with local needs and our business activities, and have prioritised goals that relate to economic development and education.

The Hod development, which was kicked off in June 2020 as a direct consequence of the Norwegian Parliament's stimulus package for the petroleum sector, is providing activity and jobs for supplier companies across Norway. Aker BP awarded one hundred contracts in 2020, each valued at more than one million NOK, for construction of the Hod B platform. 75 percent of the contract values for construction of the Hod B platform and subsea installations have gone to Norwegian supplier companies.

These contracts have been awarded to companies in a total of 23 municipalities in nine counties around the country, from cornerstone firms along the coast of Southern Norway, Western Norway and northward to Sandnessjøen, and also to a diverse range of companies in Eastern Norway. This is in addition to a number of smaller orders.

According to the Government's Northern Area policy, special focus should be given to the development and operation of fields located in Northern Norway to help stimulate local content and create value in the regions. The Helgeland region, where our Skarv supply base is located, is an important area for both Aker BP and our fields in the Skarv and Ærfugl area as regards asset support through rapid response times. Our strategy is to achieve optimal use of the existing industry in the region, including a wider activity set from Aker BP and increased opportunity for local businesses. Use of local industry will lead to shorter response times for asset support and strengthen the industry cluster in the region.



**Aker BP has continued the contract strategy from Skarv in the Ærfugl development project, where we focus on four elements to stimulate local engagement and value creation:**

- Maximising local impacts
- Decentralised contracts
- Local procurement function and active supplier development
- Close contact and cooperation with Nordland County, local municipalities in Helgeland, businesses, schools and educational institutions





In Helgeland, for example, we are helping to develop the skills of local companies to enhance their competitiveness in tender competitions with national and international firms. One way to do this is to split up contracts in sizes manageable for them and their capacity, giving them the opportunity to compete in tendering processes. Competitive local businesses are important to further develop the regional economy. In 2020, our enterprise and development program helped local companies secure contracts with Aker BP in the Helgeland region valued at about NOK 300 million, partly through the daily operation supporting the Skarv field, and partly through development of the Ærfugl field.

Aker BP is a member of the Oil and Gas Cluster Helgeland, an organisation located in Northern Norway whose key focus is how to involve local and regional business enterprises. This is an important network of competence and knowledge sharing to meet and discuss issues of mutual interest with the local industry.

To stimulate cooperation with schools and education, Aker BP supports activities and public agencies that contribute to the growth and development of the local community. We do this by offering studies, competence-raising measures and innovation processes and projects such as Kunnskapsparken Helgeland, Tverrfaglig Opplæringskontor, Studiesenter Ytre Helgeland and Sandnessjøen upper secondary school.

For example, we have supported Kunnskapsparken (Innovation Centre) Helgeland in Mo i Rana in their school and business program for many years. The project aims to ensure that industrial and technology companies in Helgeland have access to technical, financial and administrative expertise to ensure that young people can choose Helgeland in the future. It is important that our young people are informed about the opportunities that exist in the region and gain better knowledge of the region's working life and the skills they need.

During the last 3-year program period, the project collaboration involved more than 15,000 participants, and included activities and initiatives for students, teachers, advisors and headmasters in primary and secondary schools, as well as universities. A new 3-year contract for 2021-2023 has been signed, valued at NOK 750,000. Aker BP is further developing its cooperation agreement with Nordland County, focusing on local business development, schools and education.

## Anti-corruption

Aker BP has zero tolerance for corruption. Though we generally consider corruption risks in Norway to be low, we believe it is important to be aware that corruption also happens here, and that we need to be conscious of potential dilemmas and grey areas such as conflicts of interest, relationships with business partners, gifts and hospitality. Our goal is to act in an ethical and transparent manner, so that we can be a trusted business partner, employer and corporate citizen. Aker BP has not had any corruption cases in 2020, and our goal is to ensure that we have none in the future.

In 2020, Aker BP continued to strengthen its anti-corruption compliance program with training and awareness activities, introducing new internal procedures, business partner integrity due diligence and risk mapping of our supply chain.

In 2021, Aker BP's Anti-Corruption Policy will be updated to include guidelines for dealings with public officials, due diligence in merger and acquisition processes and rules for sponsorships and charitable donations. Additionally, all agreements with Aker BP representatives oblige agents or intermediaries to go through mandatory business ethics and compliance training.

Aker BP's Anti-Corruption Policy sets out a framework for preventing corruption and provides guidance to employees on how to apply the rules in their work. The internal control mechanisms for corruption prevention include audits, business partner due diligence and training, as well as awareness among employees.

Aker BP requires all new employees to participate in ethics and anti-corruption training when they join the company, and all existing employees and consultants receive Code of Conduct training annually. Aker BP launched an online Code of Conduct refresher course in 2020. The course addresses selected topics from the updated Aker BP Code of Conduct. A total of 2,075 employees, which corresponds to 97 percent of all employees and consultants, participated in the training in 2020.

The Code of Conduct training was also distributed to Aker BP's Board members; all 11 Board members (100%) completed the course. A classroom dilemma training for the EMT members and their direct reports was also carried out, addressing ethical dilemmas that managers might face in their work. The dilemma training topics included conflict of interest situations, whistleblowing, gifts and hospitality in a business context and reporting concerns. A total of 83 managers participated in this training, which corresponds to 94.4 percent of the target group.



Aker BP regularly communicates the company's anti-corruption compliance program and relevant policies and procedures to its employees via internal websites and targeted awareness campaigns. Among its anti-corruption awareness measures, Aker BP published internal guidelines on gifts and hospitality, providing a description of situations and examples on how to evaluate gifts and hospitality in a business context. Similar guidelines related to conflicts of interest have also been made available to all leaders in the company.

All employees are required to register gifts and hospitality from third parties. The gifts and hospitality register was established in 2019, and an internal website has been developed to provide information about ethics and anti-corruption, as well as relevant links to the gifts and hospitality register and whistleblower channel.

A Conflict of Interest register was established internally in 2020 to increase transparency and clarify reporting requirements around conflict of interest situations. All employees are required to report existing or potential conflict of interest situations in the register and the registration is submitted for approval to the line manager, who is responsible for implementing necessary mitigating actions. Information on conflicts of interest and expectations

for employees and managers was made available on the internal compliance website, the employee handbook and the internal workplace to increase awareness. A conflict of interest module was also included in the annual Code of Conduct training and was addressed as part of the ethical dilemma training for managers.

Aker BP's Anti-Corruption Policy is made available to its business partners on the external website and in contractual requirements set out for our business partners and suppliers to comply with our ethical standards, etc. In cases where a supplier or business partner does not meet these requirements, Aker BP will take necessary actions, which may include contract termination.

As part of the COVID-19 integrity risk evaluation, Aker BP updated its integrity risk matrix to reflect the heightened risk of fraud and corruption and conducted awareness activities among employees of the business units most exposed to such risks.

The company plans to improve its compliance risk assessment and risk monitoring activities in 2021 by conducting regular compliance risk assessments and implementing the results of such assessments dynamically in its operations.

## Procurement practices

Suppliers and strategic partnerships are a significant part of Aker BP's operations and value creation, as they represent core risks and opportunities in the company's overall sustainability performance. Aker BP's supplier network is built on worldwide relationships. Some suppliers are represented by multinational market leaders, some are strategic and long-term partnerships, while others are suppliers with strong roots in their local community and a short distance to Aker BP's operations.

We expect all our business relationships to comply with external legislation and internal requirements for integrity and ethics. Relationships are managed through evaluations, monitoring and reviews, both in terms of the selection phase and regular supplier performance management.

Aker BP puts effort into identifying risks and non-conformance with legislation for labour rights, anti-child labour, anticorruption, environmental, and HSSEQ conditions – including a proactive focus on improving transparency in the subcontracting tiers behind the company's contracted relationships. We handle any identification of this kind by implementing countermeasures. Continuous improvement work is an important contribution to achieve sustainable value creation in the company's operations, mitigating business risks, and improved competitiveness in a long-term perspective. This is embedded in Aker BP's strategic framework and embodied in the governing principles and guidelines, which are implemented in the company's business management system and Code of Conduct. The governing framework covers all supply chain activities and is available to all employees, who are obliged to pass internal mandatory training courses on an annual basis.

We use findings from regular supplier reviews and assessments along with annual quality assurance of supply chain processes and guidelines, for continuous improvement with Aker BP's strategic suppliers and alliance partners. Internal audits are also conducted to evaluate the level of compliance in accordance with Aker BP's management system.

Aker BP is also an active member of a EPIM JQS, a cross-operator initiative where due diligence and recertification audits of suppliers are conducted to evaluate the level of compliance with governing HSSEQ standards, and social criteria. This is an example of how standard processes for supplier qualifications and audit nominations on a digital platform are increasing the level of transparency between operators on the NCS.

Aker BP conducts regular supplier audits to ensure that all elements in its own and other participants' management systems have been established and function as intended. Five audits were conducted in 2020 based on findings in the regular follow-up, while 24 audits were conducted through

EPIM JQS based on the annual nomination process across the member operators. Countermeasures were implemented where we identified needs for improvement. No business relationships were terminated in connection with these audits.

Aker BP's process for following up suppliers is based on actual performance. Improving supplier risk monitoring and management has been in focus in 2020, as a result of the objective to have adequate insight into and control of the different levels of supplier risk profiles and their potential impact on the business and its supply chain. Implementation of improved methodologies will continue in 2021.



### The company's risk segmentation distinguishes between:

- *Strategic partnerships, high spend and high risk*  
Alliance partners and suppliers engaged in high-impact activities
- *Core suppliers, medium spend and medium risk*  
Key non-alliance partners and important suppliers not engaged in high-impact activities
- *Transactional suppliers, low spend and low risk*  
Majority of suppliers with low engagement and not engaged in high-impact activities

We are implementing a new supplier risk management and development structure for high-impact suppliers segmented as strategic or core. This structure addresses issues such as climate and environment, responsible sourcing, health and safety, contract management, capacity and security of supply, credit risk and financial health.

### Virtual inventory

Aker BP has been highly involved in leading the cross-operator sharing economy initiative to develop a solution to ensure full transparency in all materials and spare parts available across the member operators' inventory stock.

Since its implementation in 2020, this solution has saved significant costs by reducing production downtime. The initiative is also a positive contribution in the environmental perspective as it ensures optimisation in the use and reuse of material capacity among a significant volume of inventory across the operators. Aker BP will focus on increased use of this database solution in 2021 by implementing it as a standard alternative to traditional procurement.

## Tax

Aker BP holds no oil or gas assets outside Norway, meaning all activities are within the Norwegian petroleum tax regime. Our business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, employment taxes, indirect taxes such as VAT and excise duties, and we collect and pay withholding tax.

Aker BP is committed to comply with tax laws in a responsible manner, professionally executed tax compliance and tax planning, and constructive and open relationship with tax authorities. We report our payments to authorities in accordance with the Norwegian Accounting Act as part of the Annual Report.



**Aker BP's Tax Strategy is underpinned by the following principles:**

- Tax compliance
- Tax planning
- Relationship with governments
- Tax risk management

## AKER BP'S RESPONSIBLE TAX PRINCIPLES



### Tax compliance

Clear responsibility to comply with tax laws and regulations.

Timely and accurate filing of tax returns.

Active handling of tax correspondence and tax disputed with authorities.

Paying the right amount of tax at the right time.



### Tax planning

Any tax planning undertaken will support our business and reflects commercial and financial activity.

We do not engage in artificial tax arrangements.

We seek to conduct transactions with related parties on an arm's length basis and in accordance with current OECD principles.

Tax incentives and exemptions are sometimes implemented by government and fiscal authority in order to support investment, employment and economic development. Where they exist, we seek to apply them in the manner intended.



### Relationship with governments

We aim to build and sustain relationships with fiscal authorities that are constructive and based on mutual respect.

We work collaboratively with tax authorities wherever possible to resolve disputes and obtain certainty, but we are prepared to litigate when we disagree with a ruling or decision.

We engage with governments on the development of tax laws either directly or through trade associations and other similar bodies as appropriate.



### Tax risk management

We do not prescribe acceptable levels of tax risk.

We seek clarity within the law and evaluate the potential tax outcomes of our business transactions and we escalate tax risks and uncertainties to the relevant level within Aker BP to determine the appropriate management response.

We follow Aker BP's risk management system as part of our internal control process.

We identify, assess and manage tax risks and account for them appropriately.

Material tax risks and disputes are reported to the ARC, where CFO represents management, on periodic basis on how they are managed, monitored and assured.



Aker BP's Tax Strategy aligns with the fundamental principles for responsible behaviour described in our Code of Conduct. The CFO owns and implements our Tax Strategy, which is reviewed by the Audit and Risk Committee. The CFO is also responsible for ensuring that policies and procedures that support the strategy are in place, maintained and used consistently.

### **Anti-competitive behavior**

Aker BP is committed to protecting fair and open competition, and to compete in a fair and ethical manner. We do

not tolerate any violations of applicable rules relating to competition. We do not engage in or tolerate any violations of applicable rules, nor do we engage in any anti-competitive behaviour, such as price fixing, bid rigging, market sharing or abuse of market power. There have been no legal actions pending or completed during the reporting period regarding anti-competitive behaviour or violations of monopoly/anti-trust legislation in which the organisation has been identified as a participant.



# ACHIEVING OPERATIONAL EXCELLENCE

Aker BP is creating a new operating model to improve efficiency and production. By using the same methods, processes and standards for all operated hubs, operational excellence will become an attainable goal.

Over the past few years, Aker BP has been building strong alliances with key suppliers and taking giant steps into the digital era. Work processes have been optimised and new business models have been tested.

"The next step is to combine the experience and learning from these initiatives and put them into a new operating model applied across all Aker BP's operated assets," says Ine Dolve, SVP Operations and Asset Development.

## Operational excellence through standardisation

Aker BP's operated hubs are different in many ways, but the overall goals are the same: Aker BP's job is to operate its fields with zero accidents, high production efficiency, low costs and low emissions.

"The new operating model covers a broad range of areas, including maintenance activities, barrier management, digital and remote operations, procurement, logistics, and organisational structure both onshore and offshore," Dolve explains.

Standardisation in these areas is expected to yield significant benefits.

"Firstly, it will drive cost efficiency and safety by making sure everything is done according to best practice. Secondly, it will enable cost and competence synergies

through better collaboration across the organisation. Thirdly, it adds scale and speed to Aker BP's continuous improvement work. It is also an enabler for further digitalisation of manual processes," says Dolve.

## Remote First

The new operating model establishes the concept of "Remote First". Activities that can safely be performed onshore with the right quality should always be done onshore.

Aker BP already has the building blocks in place. A digital infrastructure with real-time access to data from Aker BP's offshore installations has been established with help from Cognite. All offshore operators are equipped with handheld digital devices with easy access to data and communication, and onshore collaboration centres remotely support offshore installations and rigs.

## Maintenance campaigns

Maintenance represents a significant part of Aker BP's production costs, and the company believes there is a vast potential for savings by optimising these activities.

"In the future, most of Aker BP's maintenance activities will be bundled in campaigns, focusing on one installation at a time. Each campaign will be planned in detail to ensure high precision and quality, which is expected to be more efficient and lead to more uptime and higher production efficiency," Ine Dolve concludes.

**It's always possible to improve. Aker BP sees the new operating model not as a finished product, but rather as a new, continuous process.**

Ine Dolve, SVP Operations and Asset Development.







# MAXIMISING VALUE FROM THE NOAKA AREA

In June 2020, Aker BP, Equinor and LOTOS announced a coordinated development of the North of Alvheim, Krafla, Askja and Fulla licences – NOAKA. Aker BP, operator of NOA and Fulla, is planning 25 wells in the area. The drilling strategy is optimised using the Collaborative Well Planning tool to reduce risk, increase recovery, and maximise value creation.

The operators team are now working full steam ahead towards a concept selection in the third quarter of 2021.

“In this stage of the project, we are very focused on the subsurface. We need to understand the full production potential in the area, reduce cost with respect to determining the right number of wells, and we need to optimise the drainage strategy,” explains Lars Høier, SVP and Asset Manager NOAKA in Aker BP.

NOAKA is located between Alvheim and Oseberg in the North Sea. The area consists of eight discoveries within a radius of 30 kilometres. Total resources are estimated at more than 500 million barrels of oil equivalent.

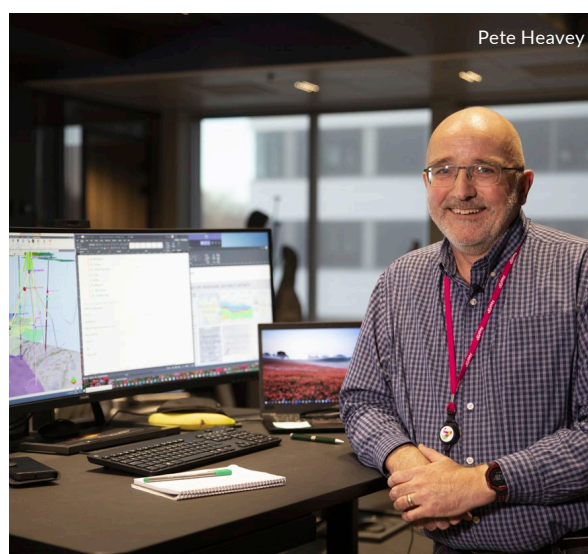
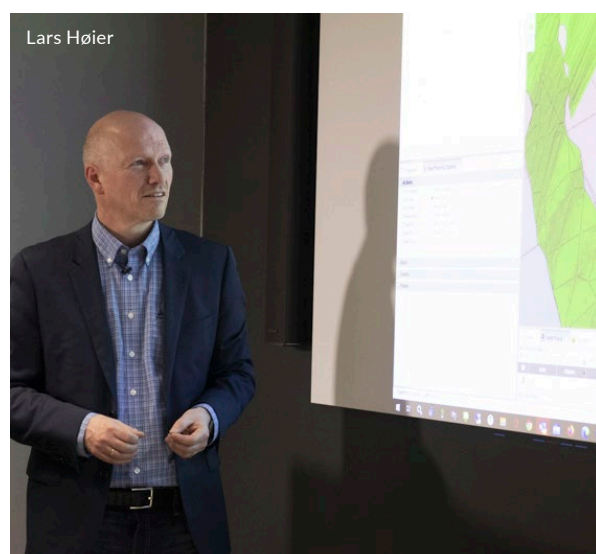
“Aker BP’s break-even hurdle for new developments is USD 30 per barrel. Successful well planning is one of

the most important factors in achieving this. We use Collaborative Well Planning to optimise our drilling strategy and further the potential to increase profitability from the area,” says Høier.

## Understanding value and risk

Collaborative Well Planning (CWP) is a collaboration method developed in Aker BP’s digitalisation program EurekaX. It includes software, data from multiple sources and a team of experts from different parts of the organisation working together in agile sprints.

“CWP is a way of working. We connect expertise from subsurface and drilling and wells by using software to share and visualise data in real time to actually test and design planned wellbores and drill centres together rapidly. This ensures that our experts, who individually





only see part of the picture, now all have a shared understanding,” says Pete Heavey, Senior Advisor in Well Delivery. He has led the development of CWP.

NOAKA is a complex development with many pieces of infrastructure. In the southern part, there will be a processing hub, located above the Frigg Gamma Delta reservoir, operated by Aker BP. At Krafla to the north, there will be an unmanned processing platform, operated by Equinor. In addition, there will probably be three unmanned wellhead platforms and four subsea tiebacks to ensure that all corners of the resource base are covered.

“The area contains several reservoirs and therefore many potential surface locations. In Aker BP, CWP lets us work together efficiently to build a shared understanding of the value and risk of specific wells and subsea template locations. We test a lot of ideas very fast, and CWP also allows us to test far more scenarios than we have previously been able to do in the concept selection phase of a project. This also means reduced risk and improved recovery,” Heavey explains.

## Huge value creation

NOA and Fulla will be the largest project ever for Aker BP. It will be developed using the alliance model, where Aker BP works together with suppliers as a single team with common goals and shared incentives.

“This development represents the field of the future with new digital standards. It will be powered from shore, resulting in close to zero emissions from field production. The employment effect of NOAKA is estimated at 50,000 FTEs in the development phase, including ripple effects. NOAKA is a huge value creation opportunity for Aker BP, but even more importantly, for the supply industry and society at large,” says Høier.

The target is a final investment decision before the end of 2022, within the time window of the temporary Norwegian tax system. Production start is targeted to 2027.

“We will then have established a new production hub for Aker BP, one that will generate value for decades. The well planning we are doing now, through CWP, is the start of this amazing adventure,” concludes Høier.





# ENVIRONMENTAL IMPACT

## Environmental management

Aker BP's environmental management system is an integral part of the company's HSSEQ management system and follows the guiding principles of ISO 14 001.

Aker BP's HSSEQ policy describes our commitment to safeguarding and avoiding harm to the environment. The policy establishes our standards and expectations for the organisation, including temporary personnel and contractors, and is approved by the Executive Management Team (EMT). Our CEO has the overall responsibility at company level. All functions are responsible for HSSEQ performance and work towards preventing and reducing environmental impact. All employees are committed to contributing toward a safer Aker BP.

Aker BP's environmental strategy includes a commitment to develop environmental competence and training through skills-based solutions, participation in R&D projects, joint industry projects and industrial forums. Through our strategy, we commit to keeping our environmental impact as low as reasonably possible. We value transparency around risk and how we handle environmental aspects related to our operations. We utilise the best available techniques (BAT) and industry standards. We are committed to energy efficiency and reducing emissions, along with, preventing discharges to sea and reducing the use of chemicals. We also commit to consideration, preservation and safeguarding of biodiversity.

Compliance with environmental regulations is considered a minimum and Aker BP has systems in place to ensure that all operations are carried out under strict environmental standards and industry best practices.

Our efforts to safeguard the environment are driven by clear environmental targets and objectives, both at the company level and in the business units, including our operative fields. We measure our performance against these targets and objectives and adjust both our ambition level and strategy accordingly. Major environmental issues are lifted to the Board of Directors.

In 2020, Aker BP operated with the following environmental key performance indicators with targets (not limited to): oil concentration in discharges to sea, greenhouse gas and CO<sub>2</sub> emissions, flaring volume and produced water re-injection percentage. KPI targets are set per field and will vary depending on field attributes. For example, produced water re-injection on Ivar Aasen was set at 95 percent in 2020 and there is no re-injection of produced water on Ula due to reservoir integrity challenges.

Annual HSSEQ programs are in place for both exploration and production drilling as well as other production activities. These plans include environmental objectives, activities and focus areas for each year.

We have developed robust processes to identify environmental aspects and risks for all operations. Aker BP evaluates the environmental impact from discharges to sea, emissions to air, waste, and how this affects biodiversity. We define measures to prevent, mitigate and reduce the impact. For example, introducing exploration drilling, potential changes in offshore operations or new projects that affect discharges to sea, emissions to air or disturbances of the seabed are subject to environmental impact assessments and evaluation of appropriate measures.

Our risk-based approach is triggered by both internal and external requirements. New or changed regulatory requirements or industry initiatives are some examples of external triggers. Environmental barrier development and barrier control follow regulatory and company requirements, in addition to specific Norwegian petroleum standards (NORSOK) for the environment.

Necessary training and education are provided through both in-house and external courses. Frequent awareness programs are also carried out both onshore and offshore. In 2020, we rolled out an environmental training program for all employees and contractors. The purpose was to raise awareness and educate all personnel on environmental risks and aspects relevant for Aker BP's operations.

In 2020, we revised parts of our environmental management system, updated several procedures and defined four new processes. Aker BP conducts internal audits in order to verify the effectiveness of our environmental management system and as part of our efforts for continuous improvement. In 2020, the Internal Audit and Investigation (IAI) team conducted an extensive audit of our environmental management system as part of our continuous improvement efforts and to ensure compliance. The outcome of the internal audit resulted in no deviations, only minor improvement recommendations. In addition, Aker BP's environmental management system and our operations on all assets are subject to continuous supervision and verifications by government agencies such as the Norwegian Environment Agency (NEA). We also undergo annual scope 1 emission verification through a third party (DNV-GL). This verification is required by and performed according to the European Union Emissions Trading System (EU ETS).

## CDP

Aker BP maintained a B score in 2020 for our climate change response to CDP. CDP is a not-for-profit charity that runs a global disclosure system for the benefit of society, investors, companies, cities and countries. We received a A- score for Supplier Engagement Rating (SER) in addition to the climate change score. The SER assesses performance on governance, targets, scope 3 emissions and value chain engagement. Aker BP contributes to increased disclosure on climate issues as well as better access to information regarding how we

manage sustainability and environment. Our CDP response details the following topics amongst many others; governance, climate-related risk and opportunities and impact on business strategy, as well as financial planning, targets and performance (intensity target and science-based target), emissions methodology and emissions breakdown, energy and fuel consumption, carbon pricing, and climate-related supplier engagement.

## Materials

Our products are oil and gas, and they are transported via pipelines or shuttle tankers; hence no materials are used to package our products. Excess materials used offshore are recycled and sent onshore for further recycling (approximately 90 percent).

## Energy

Achieving reductions in energy consumption and pursuing energy-efficient solutions and technology through energy management is an inherent part of Aker BP's strategy to be the best-in-class in producing low-carbon oil and gas. Our HSSEQ management system includes our commitment and is formalised through our Common governing model for climate.

Energy management is governed by ISO 50 001 and our energy management system embodies the principles from this standard. As an operating company on the NCS, Aker BP is required by law to conduct energy management. We work continuously to reduce our energy consumption and related emissions by implementing measures identified through energy improvement opportunities. These efforts are driven by established energy teams in each asset.

In 2020, we continued pursuing our efforts to reduce and optimise energy consumption, as well as to reduce emissions. The energy and emission reduction measures listed in the Emissions section resulted in a decrease in energy consumption of 3.55 MW.

Valhall already has power from shore while Ivar Aasen, which currently receives power from Edvard Grieg, will receive power from shore in 2022. Due to increased production from Ivar Aasen and Valhall, our total electricity consumption increased by 11 percent in 2020. In cases where new energy-intensive equipment is to be purchased, we perform a BAT assessment to ensure that the equipment is as energy-efficient as possible and applies low-emission technology, as described in our environmental strategy. Prior to 2020, we investigated how to develop data-driven energy optimisation by using EurekaX, our digitalisation program, in collaboration with Cognite. In 2020, we brought this effort to the Centre for the Fourth Industrial Revolution (C4IR) Ocean to continue developing a digital tool for energy optimisation. The Centre is a partner in the World Economic Forum Network for Global Technology Governance.



## Water and effluents

Aker BP's operations are not located in water-stressed environments. All our operations are situated on the NCS, with limited use of freshwater. Water is not a scarce resource in Norway, hence not a high risk and no managerial or board-level responsibility is required. According to the NEA, 6 percent of Norway is covered by freshwater and our sea areas are six times the size of our land areas.

Freshwater is only used for drinking water, accommodation and in some drilling operations offshore. Seawater is withdrawn and used for our operations, such as cooling and pressure support for the reservoir. In most cases, drinking water offshore is generated from seawater. Our climate strategy is to reduce waste and improve energy efficiency throughout the organisation, which includes evaluation of water makers.

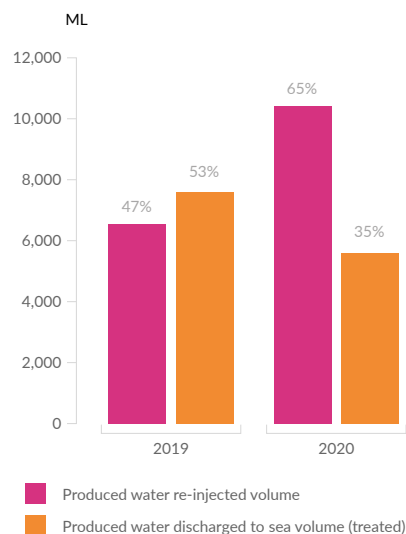
We are committed to preventing, reducing and managing our effluents. Our approach to generation and handling of effluents aims for the lowest possible environmental impact according to our environmental strategy, with the following order of priority:

1. Preventing occurrence
2. Reuse/recycling/reinjection
3. Reduction
4. Treatment and disposal/discharge

Minimum standards are set for the quality of effluent discharge. Discharged produced water is regulated by the NEA and the threshold value is 30 mg oil/L of produced water per month (weighted average). Chemicals are regulated with discharge permits. Produced water is discharged to the North Sea from Alvheim, Ivar Aasen, Ula and Valhall, and to the Norwegian Sea from Skarv. Produced water discharge is risk-rated by calculating an environmental impact factor (EIF). The EIF should be < 10 for minimal environmental risk. An EIF between 11-100 requires measures to reduce the discharges. Effluents (produced water) are managed through daily measurements of oil-in-water concentration or continuous online measurements.

Produced water is reinjected into the reservoir for pressure support or discharged to sea after sufficient treatment according to the best available techniques and regulatory requirements. The total volume of produced water has increased over the past three years. This is mainly due to the type of fields in our portfolio. Older fields have a higher water cut when producing oil and gas. In 2020, 90 percent of the produced water was reinjected on Alvheim, and 95 percent on Ivar Aasen. Aker BP's total volume of discharged produced water was 33 percent lower in 2020 than in 2019. We resolved the mid-water arch challenges reported for 2019.

Produced water treatment and reinjection are high priorities in the organisation, and produced water is reinjected into the reservoir where possible. We have ongoing projects to improve oil and water separation and the reinjection rate. If a significant spill occurs, it is investigated, and corrective actions are assigned. Lessons learned from incidents are shared across the assets and with our alliance partners.



In 2020, we focused on optimising the cleaning sequence of the membranes used to treat seawater for injection on Ivar Aasen. This effort resulted in a 35 percent reduction in chemical usage for one product and 30 percent for the other, compared with the usage in 2019. Discharges of these products were also reduced correspondingly.

Aker BP experienced no incidents of hydrocarbon spills greater than 0.1 m<sup>3</sup> in 2020. We had six incidents of non-hydrocarbon spills greater than 0.1 m<sup>3</sup>.

The Deepsea Nordkapp drilling rig experienced a leak of BOP fluid (hydraulic fluid) which resulted in a 4.9 m<sup>3</sup> discharge to sea. The chemical is classified as green/yellow. This incident was caused by a burst O-ring seal. The leak did not exceed the discharge permit for chemicals.

We also had three incidents related to the deluge system and firefighting foam. One resulted from testing the system, and 1.1 m<sup>3</sup> of firefighting foam was released to sea. The other incident resulted in 2 m<sup>3</sup> in the yellow category being released to sea. The last incident was due to maintenance of a defective detector, which resulted in an accidental release of 0.25 m<sup>3</sup> of fire foam.



During the loading of drilling fluid on the Maersk Integrator drilling rig, the hose was damaged as it drifted into the supply vessel propeller, resulting in the discharge of 0.77 m<sup>3</sup> of oil-based mud.

The last incident was loss of primary barrier function during the drilling of a well on Deepsea Stavanger. 1.47 m<sup>3</sup> of base oil (yellow category) was discharged to sea. The incident was reported to the Petroleum Safety Authority (PSA) due to the potential loss of a well barrier element. No investigation was conducted, as the reason for the leak was concluded to be dirt in the connector.

Aker BP's oil spill management includes trained personnel who work purposefully to prepare for and mitigate possible oil spills. Risk assessments are performed, and oil spill emergency preparedness plans are in place. Aker BP has also actively participated in the Norwegian Clean Seas Association for Operating Companies (NOFO) since 2001. NOFO is specially trained to manage oil spill response operations and assumes a key role with regard to mitigation measures and oil spill recovery at sea in cases where member companies are responsible for an oil spill. We work together with NOFO to make sure our oil spill contingency measures are dimensioned for our needs and use, making sure that we are prepared at all times.

### **Biodiversity**

Aker BP's exploration and production operations are concentrated in marine surroundings and we are committed to continuously work to protect and conserve the related ecosystems and species within, thus safeguarding genetic biodiversity. None of our operational sites are located near protected areas. Biodiversity protection measures are described and framed in our environmental strategy and environmental management system.

We minimise our impact on biodiversity and consider biodiversity in both planning and decommissioning activities. We are committed to preventing and reducing loss or degradation

of ecosystems in our exploration and production activities. We work to prevent and minimise our impact on sensitive species and population dynamics. We achieve this by performing environmental analyses to assess the relevant risks in the area and what impact our activities will have on birds, fish and marine mammals. We monitor activities in these areas to protect sensitive sea-bed fauna and corals, coastal habitats, fish spawning and seabird breeding and feeding grounds (covering impact on populations' dynamics). Biodiversity priority areas (known as SVO in Norwegian) are known and management plans for these areas are created with additional analyses that ensure minimal impact on and protection of natural habitats.

The NEA has strict regulations and aims to ensure that the water quality in marine areas helps preserve species and ecosystems. We implement and follow these regulations and guidelines. We set acceptance criteria per group of species and use a risk-based approach to finalise the environmental impact assessment. Aker BP also has an overview of the red-listed species from the International Union for Conservation of Nature in areas near exploration and operational sites, and this is included in the environmental risk assessment.

In 2020, we evaluated the environmental impacts of Ærfugl, a subsea tie-in to Skarv, in order to identify risks that must be addressed during the various activities in the project. We performed a detailed mapping of the pipeline route to avoid damaging sensitive seabed fauna such as corals and sponges in order to safeguard and preserve genetic biodiversity. King-Lear is being evaluated as a tie-in to Valhall or Ekofisk (ConocoPhillips), and we performed an environmental aspect and risk assessment for this project in 2020.

In order to verify the environmental impact on biodiversity in relation to our operations, the oil and gas industry in Norway performs sediment analyses and water-column monitoring, which allows us to detect negative impacts. Sediment surveys were performed on two of our fields in 2020; Ula and Valhall.

Two exploration wells were drilled in 2020, both in the Norwegian Sea. Additional systematic consideration of local threats to biodiversity is required due to the presence of corals. Alve North East was drilled in an area close to the Norne field. The environmental survey showed a relatively low occurrence of corals in the vicinity of the well. Nidhogg was drilled further south, west of the Skarv field. The environmental survey showed the occurrence of single specie bamboo coral. To observe the bamboo corals' resilience against physical damage from drill cuttings, a remote operating vessel (ROV) survey was carried out before and after the release of drill cuttings. The observation indicated that the corals were tolerant towards periods of high particle concentration in the water column.

## Emissions

Aker BP acknowledges the substantial challenge posed by global climate change and our responsibility to contribute to the solution. To meet the obligations in the Paris Agreement, the Norwegian government has committed to a minimum emission reduction of 50 percent by 2030. Aker BP is thus subject to this commitment. In addition to this obligation, our emission levels are controlled and limited by authority permits for each asset, strict environmental regulations and specific NCS standards. Aker BP is committed to undertaking necessary changes in the way we conduct our business, and we will continue to strategically position ourselves to reach a 50 percent emission reduction in the 2030s, and near-zero emissions in 2050. We use 2005 as our base year when calculating 50 percent emission reduction in the 2030s, aligned with the NCS industry collaboration KonKraft.

We use both our cross-company energy forum and sustainability forums to combine and drive our efforts towards reaching our emission reduction obligations. We have made it our strategic priority to be the best-in-class in producing low-carbon oil and gas. Our goal is to minimise emissions from activities on the NCS by choosing energy-efficient solutions and operations. New projects must perform feasibility studies for power from shore or power transmission. In cases where new energy-intensive equipment is purchased, the equipment must be as energy-efficient as possible and use low-emission technology. Two of the three assets generating power from gas turbines already use low-NO<sub>x</sub> combustion technology. We also have BLUNOX Selective Catalytic Reduction (SCR) technology installed on the Maersk Integrator drilling rig for flue gas cleaning.

Production KPIs and CO<sub>2</sub> intensity emission targets are included as part of the incentive structure. Our climate strategy is incorporated in the business management system and anchored in the corporate HSSEQ policy and plans for 2020.



### Emission scopes:

- **Scope 1:** Direct emissions from owned or controlled sources.
- **Scope 2:** Indirect emissions from the generation of purchased energy.
- **Scope 3:** Indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Our scope 1 and scope 2 emissions include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, and our consolidation approach for emissions, is operational control. Our upstream operated methane intensity was 0.03 % CH<sub>4</sub> in saleable gas, which is significantly lower than the industry average of 0.23 % as measured by the Oil and Gas Climate Initiative (OGCI 2019 performance data). The majority of our methane emissions originate from non-combusted gas, and is released through cold vent, fugitive sources, and from loading and storage on our FPSO. As an operating company on the NCS we are only permitted to conduct safety flaring. Flaring in general is very limited. Aker BP's work to reduce flaring and quantify emissions of non-combusted hydrocarbon gases has resulted in closed flares on four of five assets. We see a positive trend over the last three years where the hydrocarbon flaring has been reduced with 52 percent from 2018 to 2020, and with 39 percent from 2019 to 2020. We also have in place a system for methane leak detection to detect seeps and sweats, described in our CDP response for 2019.

**CH<sub>4</sub> Intensity**  
**0.03**  
 % CH<sub>4</sub> in saleable gas

Emissions of NO<sub>x</sub> and SO<sub>x</sub> decreased by 15 percent and 37 percent respectively, from 2019 to 2020. These reductions are mainly due to lower exploration activity in 2020, as two exploration wells were drilled compared with seven in 2019, as well as the decommissioning of Jette.





CO<sub>2</sub> intensity in Aker BP includes the equity share of CO<sub>2</sub> emissions from our non-operated and operated assets divided by the net Aker BP production. It does not include direct emissions from exploration drilling. Aker BP's CO<sub>2</sub> intensity target is set at below 5 kg CO<sub>2</sub> per barrel of oil equivalent (boe). In 2020, our CO<sub>2</sub> intensity was 4.5 kg CO<sub>2</sub>/boe. We consider our scope 1 emissions and the intensity metric to be a science-based target, but this approach has not undergone approval by the Science Based Targets initiative. Our CDP response for 2019 explains this target.

Several emission reduction measures were carried out in 2020, yielding a total reduction of 77,650 tonnes of CO<sub>2</sub>e.

An increase in the set point for flare release on Alvheim

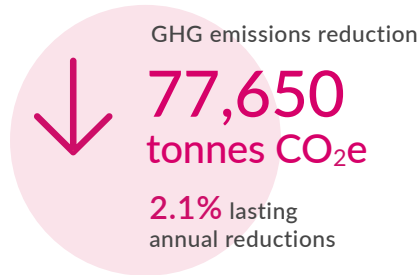
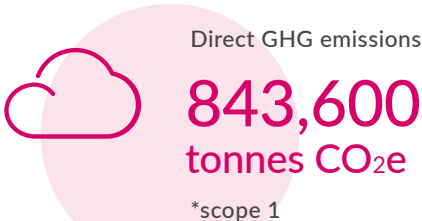


resulted in reduced flaring in 2020. The procedure for starting up new wells was also improved and both of these measures resulted in a flaring reduction of 1.8 million m<sup>3</sup> of gas from 2019 to 2020. This amounts to a reduction of 6,400 tonnes of CO<sub>2</sub>. Alvheim also reduced diesel consumption and NO<sub>x</sub> emissions by changing the fuel type in their boiler from diesel to gas. The NO<sub>x</sub> emissions were reduced by 55 percent.

We reduced the injection pressure on Ula by optimising our injection strategy. The decrease in injection pressure led to a reduction in fuel gas of 1.2 mill Sm<sup>3</sup>, corresponding to a reduction of 3,000 tonnes of CO<sub>2</sub>.

The CO<sub>2</sub> emissions for May through December 2020 on Skarv were reduced by approximately 60,000 tonnes during this period. We achieved this positive change by running two

of the three gas turbines that normally are in operation. A high share of high-pressure gas stream from the Ærfugl D4 well resulted in a lower need for recompression. This reduction was expected to last until 2026, but updated calculations show that due to a more rapid pressure drop, the third turbine will most likely run from 2021 and beyond. Skarv also implemented two other reduction measures resulting in a reduction of 5,400 tonnes of CO<sub>2</sub>.



**Emission factors for calculating CO<sub>2</sub>e:**

Greenhouse gas	Global warming potential (GWP) rates in a 100 yr perspective
Carbon dioxide (CO <sub>2</sub> )	1
Methane (CH <sub>4</sub> )	25
Nitrous oxide (N <sub>2</sub> O)	298

Source: Norwegian Environmental Agency

Aker BP increased its focus on scope 3 emissions in 2020 and included these emissions in the corporate climate strategy. We are in a continuous process of mapping our scope 3 emissions, and thus we have only included the emissions we have identified so far. Our scope 3 emissions include upstream categories 1-8 and downstream category 9 according to the GHG Protocol. Other downstream scopes are not included, as Aker BP is an upstream company.

Categories 1 and 2 are the two largest categories, covering all upstream emissions for Purchased goods and services and Capital goods. Along with other operators on the NCS, Aker BP has developed a joint practice for suppliers to report scope 3 emissions within four areas: steel, cement, big bulk chemicals and transportation. These four areas are considered the main contributors to category 1 and 2 emissions. In 2021, we plan to implement this practice across our strategic suppliers.

Categories 3, 4 and 9 (Fuel and energy-related activities, Upstream transportation and distribution, and Downstream transportation and distribution) cover our land transport and marine activities such as platform supply vessels, rig moves and shuttle tankers from Skarv and Alvheim. In 2020, our category 3 and 4 emissions amounted to 86,332 tonnes of CO<sub>2</sub>. In 2019, we converted two of our long-term supply vessels to hybrid configurations by installing batteries. As a result, in 2020 we achieved a reduction in fuel consumption during offshore operations near our installations of approximately 10 percent, which corresponds to a reduction in CO<sub>2</sub> emissions of approximately 240 tonnes.

All our platform supply vessels operating out of Stavanger have also been upgraded to connect to power from shore while in port. This reduces fuel consumption and emissions in port to zero. In 2021, we plan to continue optimising the effect of these measures and investigate the possibility of upgrading other vessels. We aspire to optimise the fleet across different vessel categories to reduce the total number of vessel days supporting our operations, thus reducing emissions.

In 2021, we plan to improve routines for end treatment and disposal of waste to match the principles of circular economy, prioritising reuse, recover and recycle (Category 5 Waste generated in operation).



### SCOPE 3 EMISSIONS CATEGORIES

#### UPSTREAM

1. Purchased goods and services
2. Capital goods
3. Fuel- and energy-related activities (not included in scope 1 or 2)
4. Upstream transportation and distribution
5. Waste generated in operations
6. Business travel
7. Employee commuting
8. Upstream leased assets

#### DOWNSTREAM

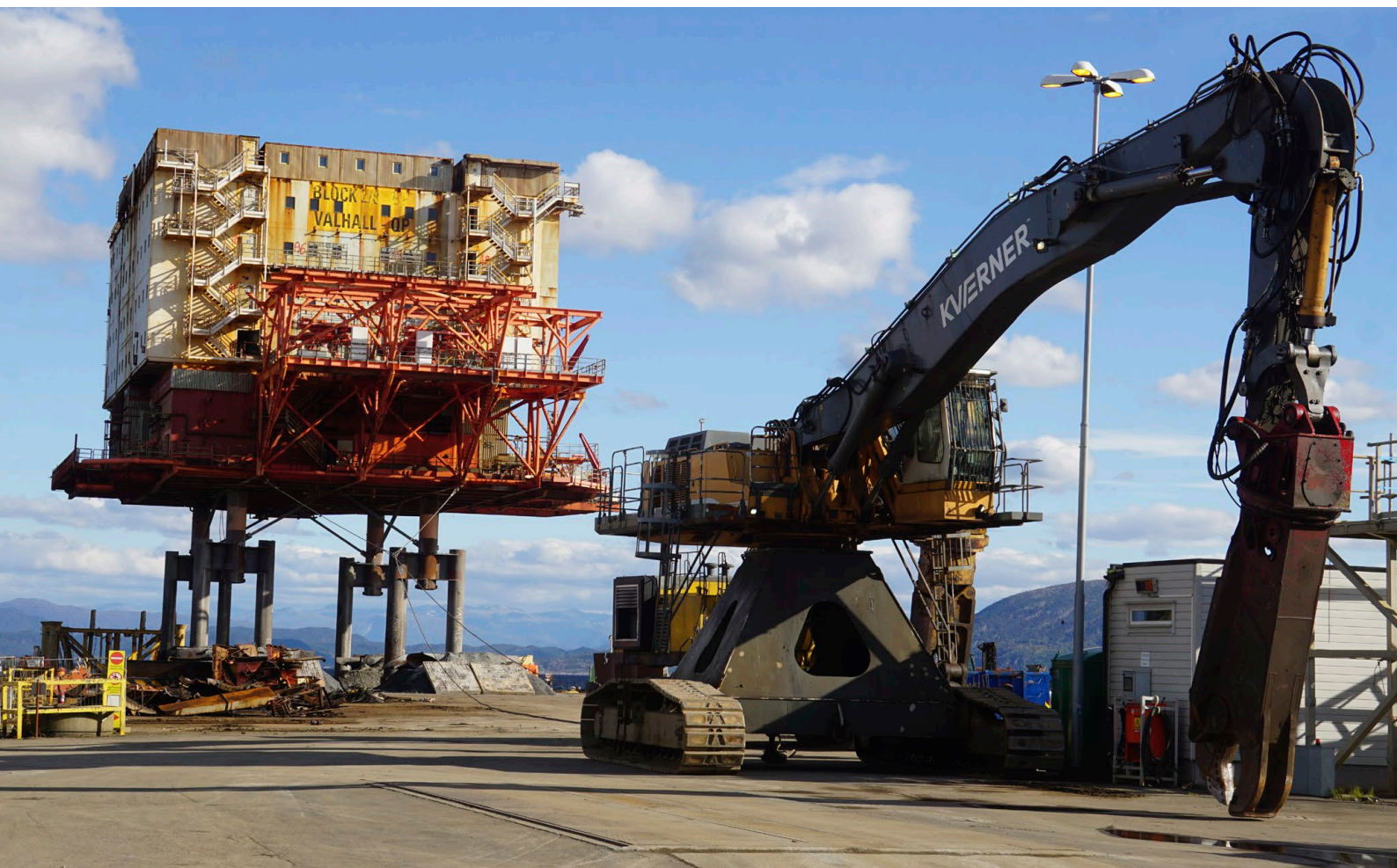
9. Downstream transportation and distribution
10. Processing of sold products
11. Use of sold products
12. End-of-life treatment of sold products
13. Downstream leased assets
14. Franchises
15. Investments

Aker BP has offices in five different locations in Norway (Category 8 Upstream leased assets), and business travel (Category 6 and 7 Business travel and employee commuting) between the offices and to offshore assets is necessary to carry out our operations. However, due to the COVID-19 pandemic, the amount of CO<sub>2</sub> emissions from business travel has been reduced from 5,489 tonnes in 2019 to 1,644 tonnes in 2020, a decrease of 70 percent. A majority of onshore employees also had home-offices in 2020. This has resulted in lower emissions from employee commuting to/from work. Due to offshore operations, helicopter transport is included as part of employee commuting for our offshore employees. Helicopter flights to Aker BP installations in 2020 led to the emission of 13 tonnes of CO<sub>2</sub>. As a measure to prevent COVID-19 infection among our offshore organisation and assets, Aker BP leased a charter plane to transport our offshore employees. Our total CO<sub>2</sub> emissions related to use of the leased plane amounted to 545 tonnes in 2020. Total employee commuting amounts to 558 tonnes CO<sub>2</sub>.

## Waste

Aker BP's operational activities are based offshore, and all significant production waste, both hazardous and non-hazardous, is generated on our fields. The largest fractions of hazardous waste, in terms of weight, come from our drilling operations. When we drill wells, the rock cuttings contaminated with mud and drilling fluids are carried back to the surface. We handle all production waste such as drilling mud and cuttings by following the same waste handling hierarchy described for water and effluents.

Oil-based drilling mud is reused as long as the technical quality of the mud is intact. In other cases, the mud is sent onshore for treatment and disposal. The oil-based mud contains a water fraction that is treated prior to discharge and the volumes are controlled by authority permits held by the waste disposal contractor. Both hazardous and non-hazardous waste is transported onshore. Aker BP uses ASCO as our main waste disposal contractor. Majority of the waste is handled in Norway and regulatory rules are followed.



### Dismantling for recycling

Valhall Living Quarter Platform (QP) was brought to shore on Stord in June 2019. Dismantling took place in 2020, with no undesirable incidents. Almost all of the metal has been recycled and the overall recycling rate on QP was more than 90 percent.



To strengthen our focus on generating less waste and increasing the utilisation of resources, Aker BP has ambitions to move towards a more circular economy. Aker BP aims to extend the lifetime of already purchased equipment by maintaining material integrity where feasible. We regard decommissioning as an area with potential and opportunities aligned with the principles of keeping products and materials in use. One example of this is the decommissioning of two production wells and four subsea structures on the Jette field. Both Christmas trees for flow control from the well and three out of four subsea structures removed from the Jette field were reused on Aker BP's Hanz field in 2020. In the near future, we plan to remove the Valhall Drilling Platform as well as the Valhall Production Compression Platform. The same strategy of maintaining materials and products for reuse will apply to decommissioning of these installations. We plan to decommission the steel jacket on the Valhall Living Quarters Platform in 2021. Steel from the jacket will be recycled and reused. Based on previous experience, we anticipate that recycling of steel from the jacket will be 99 percent.

In 2020, hazardous waste was either reused (0.5%), recycled (10.5%), recovered for energy use (4%), landfilled (43%) or discharged (42%). Discharged hazardous waste mainly consists of treated water fraction from oil-based mud. Non-hazardous waste was either recovered for energy use (44%), recycled (51%) or landfilled (5%). In 2020, we changed our waste reporting methodology and routines. Due to the change in how waste categories are reported, the waste numbers from 2020 are not directly comparable with numbers from previous years.

## Environmental compliance

Aker BP uses the annual submission of reports to authorities, audits performed by regulatory agencies and self-assessments to ensure environmental compliance. The compliance checks in the self-assessment process take into account both environmental aspects and regulatory requirements. In 2020, we had zero monetary fines of significant value, no non-monetary sanctions or cases brought through dispute resolution mechanisms.

During an inspection in September 2019, NEA identified a discrepancy between Ivar Aasen's reported discharges and the field discharge permit. Following the inspection,

we improved our systems for monitoring chemical usage and discharge across all Aker BP assets. NEA issued a new discharge permit for Ivar Aasen and the matter was closed. NEA reported the matter to the police in 2020.

In 2019, we experienced an exceedance of the discharge permit on Alvheim, which led to NEA conducting an inspection on the asset in 2020. By then, the matter had already been identified and handled by Aker BP. This was done as part of a full review on all assets to verify compliance with the respective discharge permits. Aker BP responded to the inspection report in April 2020 and the process was closed in June 2020. NEA reported this matter to the police in July 2020.

Aker BP was called in for questioning on both the Ivar Aasen and Alvheim matters during 2020. The police have not concluded on these matters, as per the end of 2020.

## Supplier environmental assessment

Aker BP's strategy is facilitated by engagement through strategic partnerships and alliances with key suppliers. We achieve joint environmental value creation based on a long-term sustainability approach.

We require our suppliers to commit to preventing and minimising their environmental impact, and encourage them towards innovation and selecting solutions that contribute to reducing the carbon footprint.

Aker BP's engagement with suppliers and strategic partners is described in the section Procurement practices under the chapter Economic impact, and includes environmental criteria. Our CDP response for 2019 also accounts for details in this matter, and specifically as regards climate.

In 2020, we established a shared scope 3 emission reporting methodology and template for suppliers, in cooperation with other operating companies. We plan to implement the new reporting practice within our strategic suppliers in 2021.

In 2020, we assessed major new suppliers using environmental criteria. None of the major suppliers were identified as having significant actual or potential negative environmental impacts.

# SUSTAINABILITY DATA

## ENVIRONMENT

### ENERGY

	2018	2019	2020	Units	GRI	
Total fuel consumed from non-renewable sources	13,860,062	13,824,322	13,665,790	GJ	302-1a	(1)
Total fuel consumed from renewable sources	0	0	0	J	302-1b	
Electricity consumption	576,554	509,503	566,175	MWh	302-1c	(2)
Electricity sold	0	0	0	MWh	302-1d	
Total energy consumption from non-renewable fuels and el. energy	-	-	15,704,022	GJ	302-1e	

### WATER AND EFFLUENTS

	2018	2019	2020	Units	GRI	
Produced water withdrawal total volume	13,859	14,063	16,100	ML	303-3a	(3)
Re-injected produced water volume	8,353	6,552	10,407	ML	-	
Percentage of produced water re- injected	60	47	65	%	-	
Produced water discharged to sea volume	5,527	7,595	5,599	ML	303-4b	
Percentage of produced water discharged	40	53	35	%	-	
Hydrocarbon discharged to sea within produced water	126	150	100	tonnes	-	
Total fresh water usage	215,070	280,796	189,826	m <sup>3</sup>	-	

### EMISSIONS

Scope 1	2018	2019	2020	Units	GRI	
Direct GHG Emissions - all gases	891,350	897,478	843,600	tonnes CO <sub>2</sub> e	305-1 a	
Third party verified direct GHG emissions - all gases	900,081	936,157	TBD	tonnes CO <sub>2</sub> e	-	(4)
CO <sub>2</sub> (Carbon dioxide)	-	-	817,691	tonnes	-	
CH <sub>4</sub> (Methane)	-	-	24,753	tonnes CO <sub>2</sub> e	-	
N <sub>2</sub> O (Nitrous oxide)	-	-	1,156	tonnes CO <sub>2</sub> e	-	
Reduction of GHG emissions	2,238	22,587	77,650	tonnes CO <sub>2</sub> e	305-5a	
Methane Intensity	0.02	0.03	0.03	% CH <sub>4</sub> /saleable gas	-	(5)

1. From fuel gas and diesel
2. Electricity from Edvard Grieg to Ivar Aasen and power from shore to Valhall
3. ML = megaliters
4. Third party verification for 2020 complete end of Q1 2021
5. Based on share of operated assets calculated as a percentage share of saleable gas production

Scope 2	2018	2019	2020	Units	GRI
Indirect GHG Emissions	159,391	143,152	157,046	tonnes CO <sub>2</sub> e	305-2a
Scope 3	2018	2019	2020	Units	GRI
Total CO <sub>2</sub> emissions from category 3, 4, 6 and 7	-	-	88,534	tonnes CO <sub>2</sub> e	305-3a (6)
NO <sub>x</sub> (Nitrogen oxide)	2,031	2,818	2,389	tonnes	305-7a
SO <sub>x</sub> (Sulphur oxide)	33	63	40	tonnes	305-7a
Non-methane VOC	2,677	3,204	2,392	tonnes	305-7a
Biogenic CO <sub>2</sub> emissions	0	0	0	tonnes CO <sub>2</sub> e	305-1c
CO <sub>2</sub> intensity	2018	2019	2020	Units	GRI
Equity share CO <sub>2</sub> emissions	-	-	346,955	tonnes CO <sub>2</sub>	-
Net production	-	-	77,101	mboe	-
CO <sub>2</sub> intensity	6.9	6.9	4.5	kg CO <sub>2</sub> /boe	- (7)
WASTE					
Hazardous waste	2018	2019	2020	Units	GRI
Total weight hazardous waste	-	-	42,067	tonnes	306-3a
Reuse	2	591	268	tonnes	306-3a/4b
Recycling	37	73	4,437	tonnes	306-3a/4b
Recovery, incl. energy recovery	6,132	3,044	1,688	tonnes	306-3a/4b
Landfill	11,457	7,296	18,099	tonnes	306-3a/5b
Discharge	-	-	17,574	tonnes	306-5b (8)
Non-hazardous waste	2018	2019	2020	Units	GRI
Total weight non-hazardous waste	-	-	1,803	tonnes	306-3a
Reuse	0	0.8	0	tonnes	306-3a/4c
Recycling	1,041	1,605	925	tonnes	306-3a/4c
Recovery, incl. energy recovery	923	1,147	793	tonnes	306-3a/4c
Landfill	98	182	85	tonnes	306-3a/5c

6. Not all scope 3 emissions are yet identified

7. CO<sub>2</sub> intensity for 2020 is based on equity share CO<sub>2</sub> emissions from non-operated and operated assets (excl. exploration drilling) divided by net Aker BP production

8. Discharged waste mainly consists of cleaned water fraction from oil based mud



Waste diverted from/to disposal	2018	2019	2020	Units	GRI	
Total weight of waste diverted from disposal	-	-	8,111	tonnes	306-4a	(9)
Total weight of hazardous waste diverted from disposal	-	-	6,393	tonnes	306-4b	
Total weight of non-hazardous waste diverted from disposal	-	-	1,718	tonnes	306-4c	
Total weight of waste diverted to disposal	-	-	35,758	tonnes	306-5a	(10)
Total weight of hazardous waste diverted to disposal	-	-	35,673	tonnes	306-5b	
Total weight of non-hazardous waste diverted to disposal	-	-	85	tonnes	306-5c	
Significant Spills	2018	2019	2020	Units	GRI	
Number of oil spills to sea (>0,1 m <sup>3</sup> )	1	0	0	-	-	
Oil spills (>0,1 m <sup>3</sup> )	2	0	0	m <sup>3</sup>	-	
Number of chemical spills to sea (>0,1 m <sup>3</sup> )	4	3	6	-	-	
Chemical spills (>0,1 m <sup>3</sup> )	4.6	2.0	10.5	m <sup>3</sup>	-	
Number of hydrocarbon leaks (>0,1 kg/s)	0	0	0	-	-	
Total mass of hydrocarbon leaks (>0,1 kg/s)	0	0	0	kg	-	
Flared hydrocarbons	30,421,380	23,978,199	14,569,657	Sm <sup>3</sup>	-	
Continuously flared hydrocarbons	0	0	0	Sm <sup>3</sup>	-	
Vented hydrocarbons	199,960	273,501	290,377	Sm <sup>3</sup>	-	
ENVIRONMENTAL COMPLIANCE						
	2018	2019	2020	Units	GRI	
Total monetary value of significant fines	0	0	0	\$	307-1a	
Number of non-monetary sanctions for non-compliance	0	1	0	-	307-1a	
SUPPLIER ENVIRONMENTAL ASSESSMENT						
	2018	2019	2020	Units	GRI	
New major suppliers screened using environmental criteria	100	100	100	%	308-1	

9. Waste diverted from landfill Includes waste that is reused/recycled/recovered

10. Waste diverted to disposal includes waste that is discharged or sent to landfill

## FEATURED ARTICLE

# SUSTAINABLE PLUGGING WITH NEW TECHNOLOGY

Aker BP was the first operator worldwide to use bismuth alloy to plug the top section of old oil wells. The technology is now used on 30 wells on the Valhall field. That means safer, permanent well plugging.

The gigantic Valhall field in the southern part of the North Sea has produced a billion barrels of oil equivalent. Old oil wells must be plugged to make room for new wells that will ensure 40 more years of production from Valhall. In fact, the ambition is to produce another billion barrels from the area.

"We'll continue to work on Valhall for many decades to come. That means we have to make sure that we shut down and abandon old wells safely, so that it's safe for us to be there when we continue to produce and drill new wells at the same time. We use the best available technology, and in this case, in the top part of the old wells, that means bismuth," says Martin Knut Straume, who is Aker BP's chief engineer for well plugging.

## Modernising an old giant

Aker BP has already started removing the old field centre on Valhall. The living quarters platform was removed in 2019. Another two installations will disappear over the next five years. All wells connected to the old drilling platform will be permanently plugged over the course of 2021.

"To put it simply, we're putting the cork back in the champagne bottle," says Egil Thorstensen with a smile.

"We're currently installing bismuth plugs in the top section of all the wells; in other words, in the 30-inch casing. That's the last thing we do before we cut and pull the pipes from the seabed to the platform, and the well is permanently abandoned," the drilling engineer explains. He has participated in qualifying the bismuth alloy technology in Aker BP.

Plugging wells on Valhall may pose an additional challenge both due to gas migration to the surface, and due to subsidence and compaction. The seabed around the Valhall field has sunk seven metres since the

early 1980s, and the top of the reservoir has dropped about 15 metres. Cement, which is commonly used as a barrier material to plug wells, can fail when subjected to wellbore or casing stresses resulting from subsidence and compaction events. In the worst case, hydrocarbons in old wells could migrate upwards and potentially leak into the sea.

"Aker BP installed a trial plug over two years ago, and was the first operator worldwide to use bismuth alloy in the top section of the well. When we use this technology, we make sure that the plug is 100 percent impermeable. Gas cannot leak to the surface," says Thorstensen.

## Impermeable

Bismuth is a metal with unique properties that make it particularly well-suited for applications in plug and abandonment operations. As a solid metal, it is completely impermeable. It is also as heavy as lead, making it less prone to contamination during its placement into the well. When melted, liquid bismuth flows like water, giving it the ability to flow into the smallest interstices in the well. When bismuth solidifies, it expands, which helps provide permanent sealing capability inside a wellbore. Unlike cement plugs, which need to be several dozens of metres in length in order to qualify as barriers, a 2.5-metre-long bismuth plug suffices to provide long term isolation in the well.

"We've been working with the technology firm BiSN in Houston for several years, both offshore and on onshore, to qualify bismuth alloy for well plugging. We installed the trial plug in the field in 2018. Since then, we've completed a comprehensive testing regime," says drilling engineer Kjetil Vadset, and adds:

"In 2020, Aker BP was actually the largest consumer of bismuth alloy on a global basis. That gives some indication of the scale of our operations."

### Minimises footprint

Bismuth alloy is more expensive than cement. However, total costs of plugging the top well sections are less due to decreased rig time for these operations.

“Even so, we have chosen to use it on Valhall because of the unique field conditions. For us, this is a matter of making sure that we minimise the carbon footprint from our operations, while ensuring that the wells are plugged and abandoned to the highest standard. Bismuth has what cement lacks: it changes almost instantaneously from liquid to solid when the heating source is removed, it is completely impermeable, and it is not affected by contamination issues,” says lead technical engineer Laurent Delabroy.

During the autumn of 2020 and winter this year, bismuth plugs were installed continuously from the Maersk Invincible rig on the Valhall field centre. The plugs are up to 2.5 metres long and weigh 9 tonnes. Good planning is essential for success. The work has been performed through the Jack-up rig alliance between Aker BP, Maersk Drilling and Halliburton. Time spent per well was cut in half to a record-low 30 hours this winter. This has resulted in significant cost savings and freed up several months of rig time that can now be used for new operations.

“We are incredibly proud of what we’ve accomplished,” says the team responsible for bismuth-plugging in Aker BP.

“We succeeded through strong teamwork and close collaboration with our solid technology partner, BiSN. And last but not least, because we are part of a company that dares to use new technology. Aker BP is not only the first in the world to develop and perform this type of operations, we are now the world’s largest users of this technology, and many other oil and gas operators are following suit. That says something about our company,” Delabroy concludes.



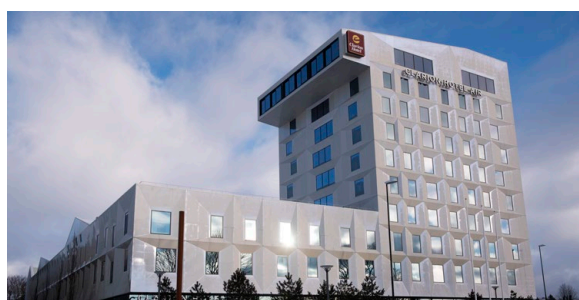
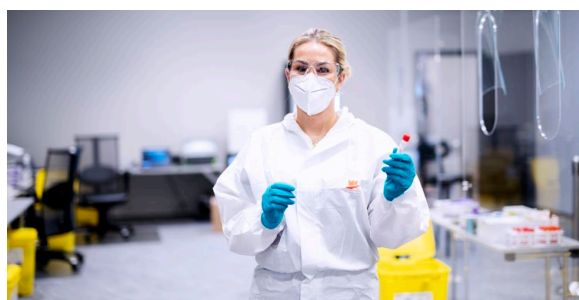


# ONE TEAM AGAINST COVID-19

When the pandemic hit the world in spring 2020, Aker BP had to respond quickly to prevent infection offshore. Drastic measures and rapid action prevented outbreaks of COVID-19 on Aker BP's installations.

Aker BP reacted promptly when COVID-19 developed into a rapidly-evolving pandemic. The main priority was to protect employees from contracting the virus and to maintain production from all of the company's assets. It was therefore crucial to prevent virus outbreaks offshore.

A response team was established and tasked with identifying and creating sufficient barriers. The team represented a broad range of disciplines from across the Aker BP organisation, many of which are members of Aker BP's emergency preparedness team.



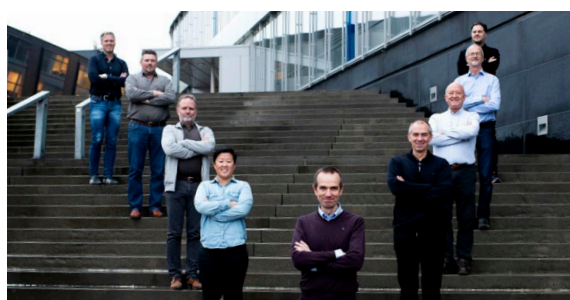
## Testing, quarantine hotel and chartered flights

At the same time as office staff were ordered to work from home, a number of barriers were being established. Aker BP booked a hotel as a quarantine venue for workers who had to use public transport to get to the heliport. After sufficient time at the hotel without symptoms, they were allowed to travel offshore.

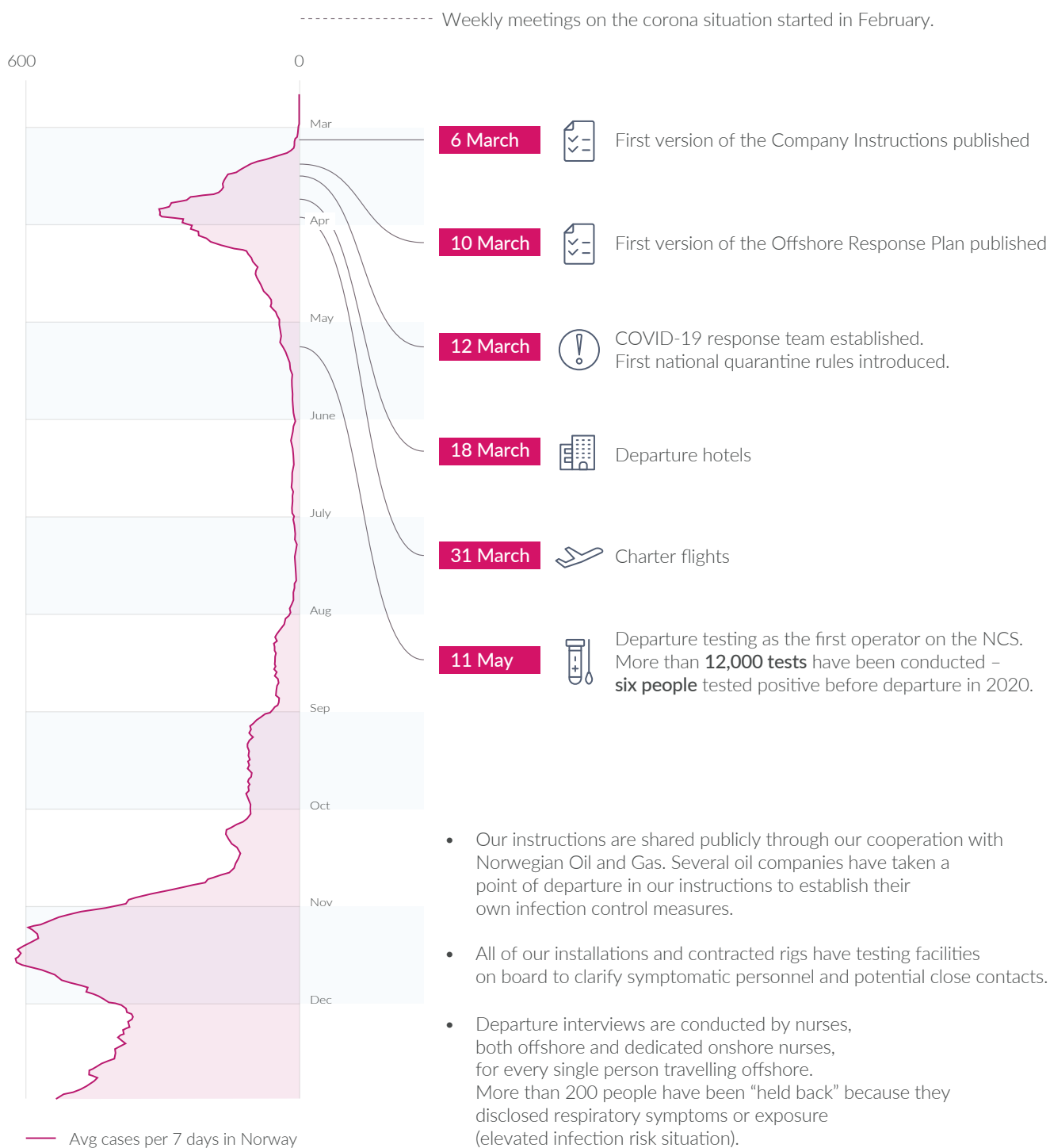
Aker BP also decided at an early stage to purchase its own equipment for COVID-19 testing. Testing is now done at the hotel, in Brønnøysund and on all the installations. Aker BP was the first operator on the NCS to test all personnel before travelling offshore.

In addition, an airplane was chartered and used to transport people from several cities to the heliports at Sola and Brønnøysund. This made it easier to avoid exposure from other travellers.

Clear communication of the established rules and instructions is essential to enforce the barriers. The response team use the Aker BP social channel Workplace to keep the rest of the company informed about the status of and changes in regulations or procedures. Workplace is also used to stream frequent digital town hall meetings where the executive management team shares information and answers questions from the employees. Staff from suppliers comply with the same rules as Aker BP's employees, which is another reason for the successful virus prevention on Aker BP's offshore installations.



## Our 2020 Covid-19 timeline







## SOCIAL IMPACT

Aker BP takes an entrepreneurial and forward-leaning position in the industry. Responsible and sustainable operations with dedication to safety, risk management and compliance with the applicable regulatory framework, is at our core. Our identity also reflects attributes such as a progressive stance, always looking for improvement and open to change. We are committed to contribute to a positive transformation of our industry.

Throughout 2020, we have increased our focus on anchoring the importance of our people and organisation in our strategy, whereas building, shaping and developing the Aker BP identity, organisation and people of tomorrow are the key essentials.

### Employment

Aker BP practices a flat chain of command and has many arenas and platforms for sharing information and dialogue between management and employees. We work to create an effective, inclusive and collaborative working atmosphere. Most employees have permanent positions; temporary employees or consultants are engaged in situations where we must maintain flexibility.

Approximately 19 percent of the total workforce holds a managerial position. The business management system is used to support our management approach, reflecting leadership principles and clarification of the roles and responsibilities of leaders. Our leadership principles and newly updated leadership development concept apply to all managers and describe what we expect from all leaders in terms of building an identity, shaping the organisation, and developing our people.

We focus on team performance and deliverables; we expect our leaders to translate relevant top-down goals and to use the specialists within the team to turn these goals into prioritised team actions, where everyone understands how their contribution is connected to the company's overall goals. The key to our team performance is the shared goals we achieve as a company. To reflect the one-team ambition and drive, we have configured our bonus program to measure company performance for all levels of our organisation.





Aker BP conducts quarterly employee satisfaction surveys to help identify organisational input, risks and opportunities. In 2020, we added surveys to evaluate psychosocial impact during COVID-19 and increased use of home offices. This allowed us to identify which measures management should take regarding fatigue related to COVID-19 and challenges associated with working from home.

Aker BP has established a change agenda that requires in-depth involvement from our employees. Discussions regarding changes have mostly taken place through our Works Council and Working Environment Committee, which have served as well-established and recognised arenas for employee representation and participation. Aker BP seeks to involve our employee representatives as early as possible before any significant changes to the organisation or operations are addressed and adopted. Aker BP has started exploring new ways to engage our employees. In 2020, we started a project with our employees to identify opportunities within ways of working, for example by using new technology for digital collaboration.

#### Parental leave and career breaks

Aker BP employees are entitled to parental leave in accordance with Norwegian legislation; 49 weeks with full pay or 59 weeks with 80 percent pay. We offer full pay during parental leave and an option for a further career break for up to 12 months (unpaid). During this period, employees are still covered by Aker BP's insurance plans. 153 employees (50 women and 103 men) took parental leave in 2020. The return to work and retention rate of employees that took parental leave is 100 percent. All Norwegian municipalities offer public childcare, enabling parents to return to work once their parental leave is over.



Aker BP offers employees flexible working hours, meaning that employees may choose when they start and end their workday, with core hours between 9am and 3pm. This allows for adjustment to family logistics and personal preference.

#### Benefits for both full-time and part-time employees

- Life insurance covering employees, their partners, and children
- Loss of licence insurance: Offshore workers must meet certain medical and fitness requirements; should they fail to pass the test and no longer be able to work offshore, an insurance pay-out will be implemented
- On-site health clinics, gym, and ergonomic counselling
- Extensive health insurance
- Disability and invalidity coverage
- Defined contribution pension scheme in addition to the Norwegian national insurance scheme
- Discounts on purchase of company shares

#### Occupational health and safety

A licence to operate on the NCS implies compliance with strict health and safety requirements from the Norwegian government. The government and the public both have high expectations for Aker BP's health and safety performance and the goal is always to prevent any kind of harm to our employees, temporary personnel and contractors.

Several structured measures are in place to manage occupational health and safety in order to fulfil this goal. A comprehensive occupational health and safety management system has been implemented to ensure that Aker BP identifies, understands and manages health and safety risks throughout its offshore and onshore activities. The management system is based on regulatory requirements, international, national and industry-specific standards and it is carefully monitored by the authorities. It includes processes for monitoring health and exposure to ensure that the health of workers is safeguarded, as well as the potential need for additional measures.

This is anchored in the HSSEQ policy and further described in two dedicated process areas for health and working environment, respectively. These areas are governed by occupational hygienists, the company nurse and ergonomist. The requirements and processes are subject to an annual update, in addition to ad-hoc updates based on lessons learned from e.g. incident investigations, research and audits. The requirements and processes are followed up through regular surveys, assurance activities, audits and risk assessments. Observations or incidents related to the working environment are registered using the company's established incident management process and reports are handled in accordance with the requirements described therein. Sensitive matters may be addressed through the safety representative, People & Organisation or the integrity channel.

In practice, the business management system ensures that Aker BP strives to understand the risks associated with its activities through systematic use of risk assessments, thoroughly described in a dedicated process area for Risk and barrier management. The understanding of risk forms the basis for systematic efforts for hazard identification, mitigation and incident reporting, as well as work environment surveys and occupational hygiene measurements.

Working environment health risk assessments (WEHRAs) are Aker BP's main tool to map its working environment risks. The method is based on our process to assess and treat risk, which ensures appropriate risk identification, analysis and evaluation. The objective is to evaluate whether the working conditions comply with regulations and requirements. It forms the foundation for planning and execution of risk reducing and preventive measures.

Furthermore, the results are used to identify the need for more detailed mapping and evaluation, and to form the basis for health monitoring. The quality and integrity of these assessments are ensured by the occupational hygienists facilitating the activity, as well as by the inclusion of relevant employees and safety representatives. The results are shared with the employer, employees, the Working Environment Committee and the Occupational Health Services.

WEHRA is also used to identify and follow up workers vulnerable to the risk of work-related injury or illness. The annual HSSEQ plans describe the need for working environment activities based on portfolio activities and projects. Findings related to assurance activities or incidents may also trigger an updated or new WEHRA. This includes but is not limited

to changes to the working environment, task complexity, work-related illness, requests from the Working Environment Committee and regulatory changes.

Aker BP did not experience any work-related fatalities in 2020 (including employees, contractors and hired personnel). We have registered seven instances of work-related illness; five among Aker BP employees and two among contractors/temporary personnel.

In 2019, Aker BP worked with the SINTEF research institute to evaluate and evolve our incident management processes. As a result, in 2020 we developed and implemented a guideline for organisational learning from incidents with a focus on achieving lasting change. The objective is to define and follow-up mitigating actions, to determine how to verify that the action has been implemented and ultimately, whether it yielded the desired effect.

Aker BP acknowledges that ensuring health and safety is a continuous effort and maintains a comprehensive health and safety training program. All Aker BP employees participate in mandatory e-learning training courses for chemicals, noise, ergonomics and psychosocial working environment. Mandatory pre-departure courses to ensure that all personnel travelling offshore have the necessary knowledge of HSSE requirements and guidelines, and extensive requirements for professional competence in the individual disciplines make it safe to travel to Aker BP locations. In 2020, we completed the asset-specific chemical training courses for the offshore employees.

Another key effort to strengthen HSSE awareness is the implementation of a set of Life-Saving Rules from the International Association of Oil & Gas Producers. The Life-Saving Rules represent industry-wide best practice in preventive HSSE efforts. Aker BP also strengthened its collaboration with other operating companies on the NCS in 2020 in order to ensure that the collective industry experience is utilised to maintain worker health and safety. The collaborative efforts include coordinating the annual cycle for preventive HSSE initiatives as well as common training material.

The goal of the 2020 Q4 Health and Working Environment learning package was to prevent work-related illness and long-term strain by increasing the understanding and knowledge of risk factors in the work environment that pose a health hazard and can lead to work-related illness. The aim is to strengthen our own behaviour in taking care of our own and others' health.



Aker BP provides a set of both occupational and non-occupational health services to prevent, discover and monitor work-related health risks. Employees also receive non-occupational health services related to personal health, physical therapy and health-promotive services such as support for increased physical activity, dietary advice and stress management.

All health care consultations, personal or related to occupational health, are registered in a health records system by dedicated health care personnel with a duty of confidentiality. Personnel who desire insight into details registered about themselves can contact the internal health department in Aker BP or the Occupational Health Service, depending on which entity performed the consultation. Information about occupational and non-occupational health services is communicated to personnel through various Aker BP communication platforms, both digitally and in-person.

Aker BP has devoted special attention to following up the psychosocial work environment in 2020, as the pandemic has temporarily changed the way we travel, work and meet. Measures have been implemented to ensure that the psychosocial effects on our employees are addressed and handled appropriately. One of these measures is the

establishment of a support telephone line staffed by health care personnel. The support was operative early in the pandemic to ensure that employees who may experience personal challenges have dedicated health care personnel available to support and advise them.

Aker BP HSSEQ policy commits us to avoid harm and injury to personnel and all assets, avoid work-related illness and ensure safe and compliant operations. Aker BP's emergency response organisation is dimensioned to handle emergencies and hazardous incidents. We systematically conduct training and exercises for all parts of our emergency response organisation to prepare for situations that may occur, and for the unexpected. Our HSSEQ management system includes processes and procedures for how to prepare for and respond to emergencies. Aker BP has emergency response teams for each field asset in operation and the onshore response organisation has the capacity to support the offshore organisation and secure Aker BP's interests on a strategic level. All personnel in our emergency response organisation are trained in applying a proactive approach if an incident occurs. This allows us to use our in-depth knowledge of our business to predict the potential outcome of any undesirable incident and task our resources to handle the situation.



Aker BP works closely with our partners' emergency response organisations to ensure that we have a shared understanding of emergency preparedness plans, our responsibility and our priorities. We are clear in our expectations as regards emergency preparedness, and exchange knowledge and experience with others to achieve a well-functioning emergency organisation.

One key element in our emergency preparedness is the concept of Defined Situations of Hazard and Accident (DSHA). These are predefined situations which contribute to the dimensioning of our emergency preparedness, for example fire, explosion, collision, work accidents and pandemic outbreaks. Each DSHA has specific emergency response plans and scaling factors to ensure prompt and precise handling.

As an operator, Aker BP has a duty to ensure that everyone working for Aker BP complies with regulatory requirements. The goal is to reduce the risk and consequences of incidents as much as possible. Information is obtained annually to safeguard Aker BP's disclosure requirements in accordance with current regulatory requirements. This response data is used to assess Aker BP contractors' risk in relation to following up health risk vis-à-vis the Norwegian Labour Inspection Authority, PSA, Norwegian Radiation and Nuclear Safety Authority and NORSOK S-WA-006:2018 E. A risk-based assessment forms the basis for further follow-up of contractors in the form of observation, inspection activities, etc.

According to national legislation, it is mandatory for companies of a certain size to formalise worker involvement and participation. Aker BP's structure of working environment committees includes committees on both the corporate and asset level. The purpose of the committees is to formalise worker involvement and provide employees with a clear voice in safety matters. The committee participates in planning safety and environmental work and closely follows up developments in issues relating to the safety, health and welfare of employees. Aker BP employees also have elected safety representatives both onshore and offshore. The role of the safety representative is to safeguard worker interests in matters concerning the work environment.

The company's overall HSSEQ performance exhibits a positive trend. However, to meet our ambition of no harm to people and the environment, we need to maintain our continuous effort to seek improvements in our HSSEQ performance.

Aker BP had zero Process Safety Events (PSE) in 2020, which is an encouraging result we aim to sustain. Three incidents

with high potential were nevertheless reported. One of these included a helicopter that lost altitude to a level below helideck under night conditions with rain and reduced visibility. The other two concerned dropped objects. These incidents were thoroughly investigated in accordance with the company's established incident management processes. The lessons learned have been shared both locally and, where relevant, across all operating assets.

The Total Recordable Injuries Frequency (TRIF) for 2020 is 1.2, which is significantly lower compared with the 2019 TRIF, which was 3.1. The Serious Incident Frequency (SIF) for 2020 has also improved from 0.6 to 0.5. In September, we experienced an unintentional release of deluge foam from fire water during the annual ESD test. This resulted in one Loss of Primary Containment (LOPC) incident.

Aker BP has developed quarterly learning campaigns focusing on major accident risk, personnel safety, dropped objects and health/working environment in cooperation with other operating companies. This initiative is delivered online and contains practical tasks to be performed in offshore as well as onshore teams. This is repeated annually with updated case histories and tasks and is a strong contribution to our proactive HSSEQ effort. Combining risk insight with lessons learned from events and successes make up the foundation for further improvement in our HSSEQ performance and requires a continuous and systematic effort from the entire organisation.

Aker BP has an audit department that reports to the CEO. Additional resources are hired when needed. The "Three lines of assurance" model is established as Aker BP's risk management and assurance framework. The role of the Internal Audit & Investigation (IAI) function is as an independent third line, to proactively provide effective assurance and oversight of the integrity of the internal control framework for all operations. IAI considers whether the business management system is operating effectively to respond to significant risks that could affect Aker BP's values, objectives and strategic priorities. Internal audit reports are provided to the EMT, CEO and Board through committees such as the Audit and Risk Committee.

The Petroleum Safety Authority Norway (PSA) carried out 16 audits of Aker BP's operations and activities in 2020. Other authorities, such as the Norwegian Environment Agency, Norwegian Directorate for Civil Protection and Norwegian Petroleum Directorate conducted seven audits. Aker BP received no notice of order from any of these authorities.

## SUSTAINABILITY DATA

# OCCUPATIONAL HEALTH AND SAFETY

	2018	2019	2020	Units	GRI
Fatalities Employees	0	0	0	-	403-9a
Fatalities Contractors	0	0	0	-	403-9b
Fatality rate Employees	0	0	0	-	403-9a
Fatality rate Contractors	0	0	0	-	403-9b
Serious Injuries Employees	0	2	1	-	403-9a
Serious Injuries Contractors	2	4	3	-	403-9b
Lost Time Incidents Employees	1	2	1	-	403-9a
Lost Time Incidents Contractors	3	8	3	-	403-9b
Lost Time Incident rate Employees+Contractors	0.5	0.8	0.4	per mill exp. hours	403-9a
Lost Time Incident rate Employees	-	-	0.3	per mill exp. hours	403-9a
Lost Time Incident rate Contractors	-	-	0.4	per mill exp. hours	403-9b
Medical treatment incidents Employees	5	3	0	-	403-9a
Medical treatment incidents Contractors	16	20	9	-	403-9b
Total exposure hours	8.05	9.79	10.84	million hrs worked	403-9a
Total recordable injuries frequency (TRIF) – Employees and contractors	2.98	3.1	1.2	per mill exp. hours	403-9a
Total recordable injuries frequency (TRIF) – Employees	-	-	0.3	per mill exp. hours	403-9a
Total recordable injuries frequency (TRIF) – Contractors	-	-	1.6	per mill exp. hours	403-9b
Serious incident frequency (SIF)	0.62	0.6	0.5	per mill exp. hours	403-9a
Near misses with high potential	3	7	3	-	-
<b>Asset Integrity and Process Safety</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Units</b>	<b>GRI</b>
Number of Tier 1 process safety events	2	0	0	-	-
Number of Tier 2 process safety events	1	0	0	-	-



## Training and education

Aker BP's ambition to become the leading oil and gas company is closely linked to developing our most important assets, our employees.

We attach great value to our employees' relevance and provide new opportunities, reskilling, and upskilling possibilities. Aker BP uses the 70:20:10 model for learning and development. 70 percent learning is through everyday job training, 20 percent of learning and training comes from social learning, such as networking, workshops and projects, and 10 percent is formal training.

In 2020, Aker BP reorganised the onshore part of the company, whereas the offshore part will be reorganised in 2021. Onshore employees account for more than half of Aker BP employees. The primary reason for the reorganisation was to reallocate and reprioritise competence and capacity where it's needed most, adapting to a changed oil and gas industry and our own change agenda. All onshore employees were mapped, evaluated and assigned into updated organisational structures based on their competence. This resulted in new roles, responsibilities, and expectations for many of our employees.

All employees are expected to have a development dialogue with their leader in the first quarter of each year.

In this dialogue, the employee and leader will review and reflect on last year's performance, and spend most of the time discussing future steps, development and achievement goals. The dialogue will result in a development plan with objectives and activities followed up in one-to-one conversations throughout the year. 1,480 people conducted and finalised the development dialogue and development plan in our system in 2020.

Due to COVID-19, all courses and training were conducted online after March 2020. This change has made us even more dynamic and digitally equipped to maintain long-term productivity and development. Aker BP has established a platform called "Academy", as an in-house university offering courses in several subjects, building employee competence aligned to the company's strategy and needs. Courses vary from digital introductions, soft-skill training and mandatory programs to customised training programs for various target groups such as leaders and technical experts. We offer training through classrooms, e-learning, simulations and networks. We provide competence and training to both employees and contractors. In 2020 we delivered a total of 98 training courses through Aker BP Academy. This corresponds to an average of at least nine hours per employee in formal training. The percentage of completed formal training ranges from 20.5% for women and 79.5% for men.



The company has defined five key areas of expertise, identified as crucial to achieve our business strategy and goals:

- Domain/Discipline
- Leadership
- Digital
- Change
- Aker BP values

In 2020, we established “fundamental learning elements” as a general foundation under each of the five areas of expertise. The fundamentals are based on e-learning developed in-house, combined with blended learning elements in digital social arenas, networks and offerings through external competence partners. As regards domain/discipline, it is highly customised to the different job families and type of role the different disciplines represent. Safety-critical roles demand and follow a strict regime for competence management in a separate system and are followed up in our Kahuna system, which connects to relevant course providers that are updated on the latest requirements and follow each role specifically.

The provision of training to assist and support our employees in dealing with working from home is unique for 2020. Selected courses and training for both digital standard systems and soft skills for optimising work from home have been completed.

### **Diversity, equal opportunity, and non-discrimination**

Aker BP values the unique contributions of our employees and believes that a diverse and inclusive workforce emphasises deliveries and accomplishments. All decisions, from recruiting to promotions, should be merit-based, not based on characteristics such as gender, national origin, religion, ethnic background, age, sexual orientation, gender identity, marital status, disability, or age. We do not tolerate any form of discrimination, whether it be trade union affiliation, social background, political opinion, sensitive medical conditions and so forth. If our employees experience or see anything that conflicts with our processes, Code of Conduct or Diversity and Inclusion Policy, we expect and urge them to use our whistleblowing channel to report breaches of compliance.

Aker BP adheres to a gender-neutral pay system, which means that men and women in identical positions, with

equivalent experience and the same formal competence, who produce equivalent results, are paid the same. This is evaluated and bench-marked for new hires, promotions and annual salary reviews. 544 Aker BP employees are offshore tariff workers who are paid based on a salary matrix where the only two factors impacting salary are the type of job (electrician, nurse, etc.) and number of years of experience. The gender pay ratio for tariff workers is 100 percent.

Onshore employees and offshore supervisors are individually evaluated based on job complexity and accountability, as well as formal competence. For pay analysis purposes, employees are further grouped into three categories: subsurface and drilling, technical and business support.

Bloomberg's Gender Equality Index has rated Aker BP very high in the categories of Female Leadership and Talent Pipeline, which measure recruitment, retention, and development of women into senior leadership positions. Aker BP was also recognised for doing well with regards to Equal Pay and Gender Pay Parity, addressing closing of the gender pay-gap through transparent and effective action plans.

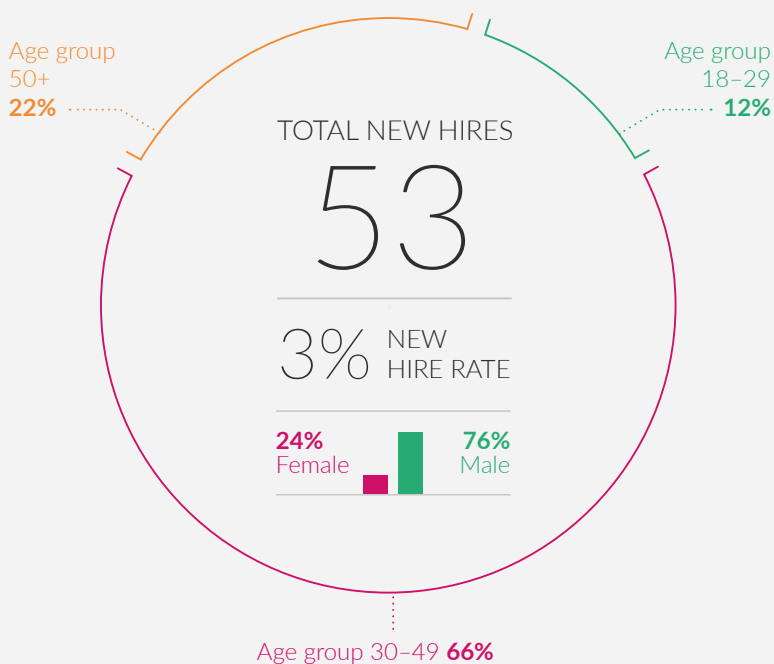
To improve further, we performed an in-depth analysis on diversity metrics in 2020, and concluded that our diversity representation in the company, and especially on gender equality, must be increased. We will continue our work to achieve this in various areas and have included a set of questions related to work/life balance, perceived opportunities in the company, and compliance with the company processes in our quarterly pulse survey. Our main goal is to broaden the options of candidates in the decision pool and remove any unconscious bias in processes where we select, promote and represent our workforce.

Following the in-depth analysis in line with the four-step model required by Norwegian law, we established a Diversity and Inclusion Policy expressing the mandatory principles all Aker BP employees will follow, with clear targets and a plan for action. These principles aim to go beyond statutory equal opportunity policies and embrace diversity and inclusion as part of the company's strategy to source, retain and manage unique talent, skills, knowledge and experience. They will govern everyday working life and cover such matters as: recruitment and selection, access to leadership opportunities, access to learning and development opportunities, succession planning and talent management.

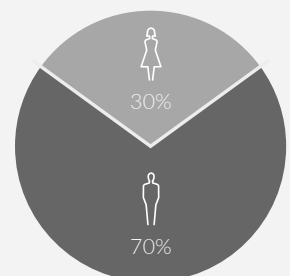
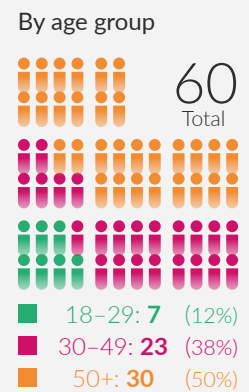
## People in Aker BP



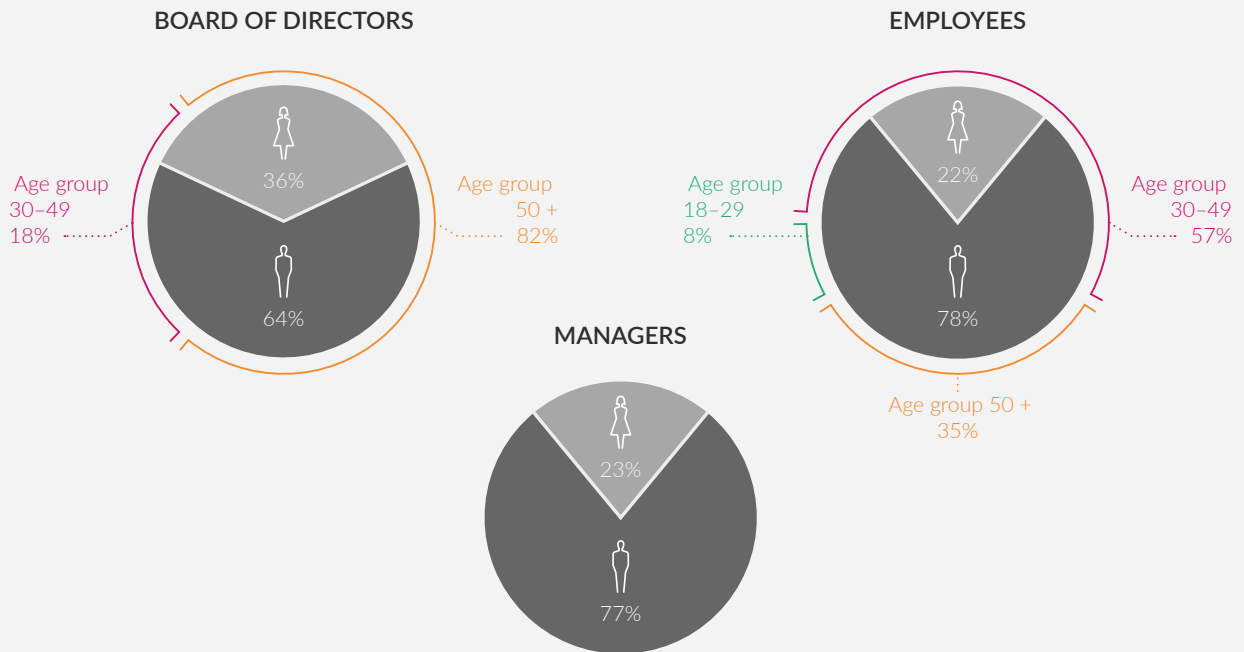
### Total number and rate of new employee hires during 2020



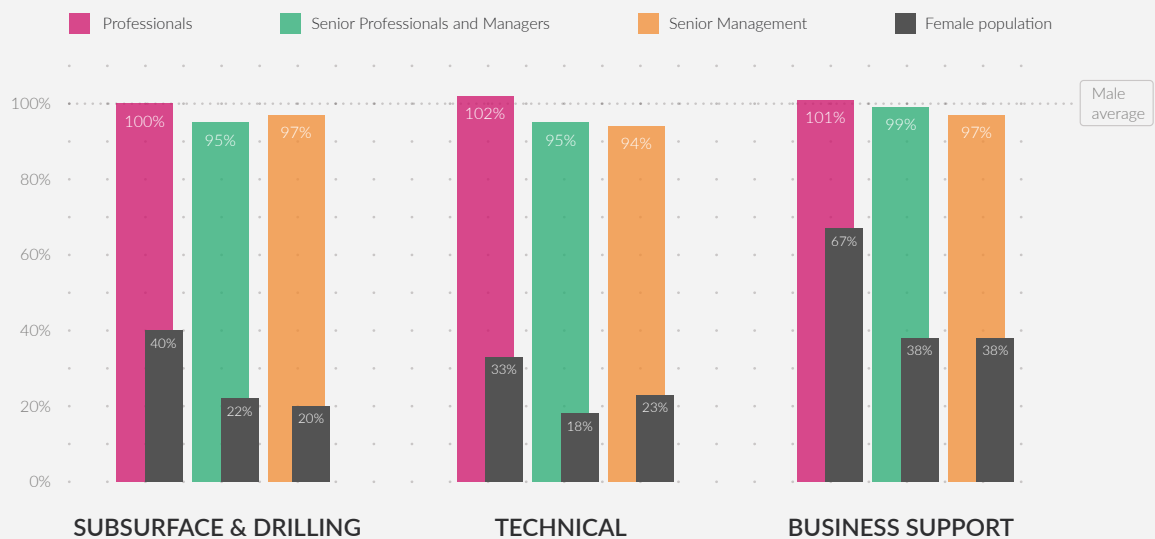
### Total turnover 2020



## Diversity of governance bodies and employees

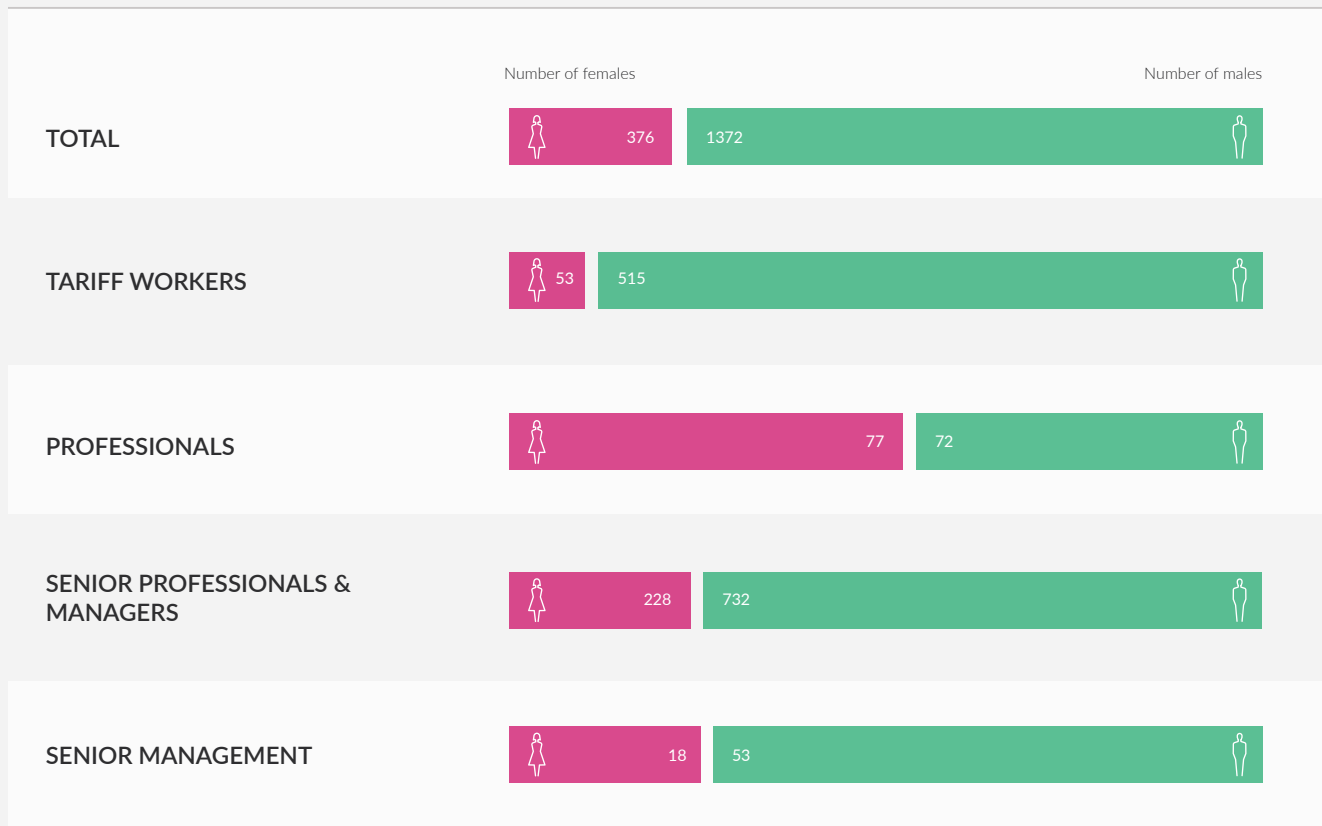


## Female to male pay ratio and population



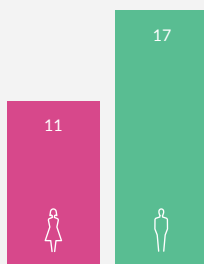


## Gender balance



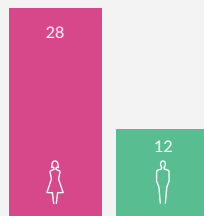
### TEMPORARY EMPLOYEES

Number of employees



### PARENTAL LEAVE

Average weeks



### PART TIME

Number of employees



### INVOLUNTARY PART TIME

Number of employees



Diversity and inclusion have been on the agenda throughout 2020, both at executive level and in the Works Council. Together with the executive level, the HR director oversees the execution of the agreed action plan, which in 2020 consisted of these elements, among others:

- Establishing and publishing the Diversity & Inclusion Policy.
- Improved share of female leaders in the various management levels. In the 2020 reorganisation, where diversity was one of the design criteria, we increased the female leadership share in areas of scope by five percent.
- Adherence to the gender-neutral pay system, which means that men and women in identical positions, with equivalent experience and the same formal competence, who produce equivalent results, are paid the same. This is evaluated and bench-marked for new hires, promotions and annual salary reviews. We used the salary adjustment process in 2020 to even out differences.
- We believe openness will lead to more awareness and have created and launched fully transparent analytics that include diversity metrics in our workforce, sorted by departments, age groups, position grades, nationalities, gender and are more available and updated at all times.
- Participation in a 50/50 leadership program for females, dual ambition of leadership development of talents and contribute to the company's diversity and inclusion program by gaining insight and learning from other companies.

#### **The plan for 2021 includes:**

- Further implementation and activities to increase knowledge of and adherence to our Diversity & Inclusion Policy.
- Updating all relevant HR processes on selection of new hires and career development such as succession and development programs to include requirements for shortlists to secure diverse and inclusive teams.
- Unconscious bias training offered to all employees, mandatory for leaders.
- New standard on company representation and design of career opportunities, aspiring to create a more diverse workforce.

## **Forced labour and child labour**

Aker BP supports and acknowledges the fundamental principles of human and labour rights as defined in the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and aims to contribute to eliminating human rights abuses such as child labour, human trafficking, modern slavery and forced labour. Our commitment is defined in Aker BP's Code of Conduct and the newly established Human Rights Policy.

When considering new investments or when tendering for goods and services, we review any associated human rights issues and consider how we can ensure that our operations do not come into conflict with any of these fundamental human rights principles.

There have been no reported incidents during the reporting period which pose a significant risk of child labour or young workers exposed to hazardous work. All significant contracts undergo a human rights assessment, which includes criteria such as child labour and young workers.

## **Freedom of association**

Aker BP is a staunch supporter of employees' rights to form and join trade unions, and equally their right to remain non-unionised. Employees are informed of their trade union rights during onboarding and unions may market themselves freely. The unions have appointed full-time union leaders and Aker BP helps in administering their payroll. The company communicates, consults and negotiates with employees and their trade unions on relevant matters such as reorganisations during the annual salary review.

The Norwegian Oil & Gas Association, where Aker BP is a member, has framework agreements in place with affiliated unions which ensure annual negotiations. Approximately 71 percent of Aker BP employees are covered by collective bargaining agreements in one of the following unions; Industri Energi, Tekna, Safe, Lederne or NITO. Subjects covered by collective bargaining can include HSSE, remuneration, ESG issues, working hours, training, career development, work time flexibility, life-long learning, stress management and equal opportunities.



## Rights of indigenous peoples

Protecting the rights of indigenous people is part of the internationally recognised fundamental principles of human rights. As emphasised in the newly established Human Rights Policy, Aker BP pays special attention to the rights, requirements, values and integrity of individuals and groups which may be particularly vulnerable to adverse impacts. Aker BP operates in accordance with Norwegian legislation and considers the risk of infringing on such rights to be low. There have been no incidents violating the rights of indigenous people during the reporting period.

## Human rights assessment

Aker BP supports and acknowledges internationally recognised human and labour rights standards and is committed to the protection of all human rights. Our commitment to human rights protection is reflected in our Code of Conduct, our Human Rights Policy and internal policies and procedures.

We strive to identify and address human rights risks and impacts that are directly linked with our business activities, including the rights of our workforce and those living in communities affected by our activities. An assessment of human rights risks is included in business decisions such as

new investment decisions and supplier selection. Our current focus areas include human rights assessments and audits, as well as implementing human rights supplier due diligence.

In 2019, Aker BP, along with the other operators on the NCS, joined an industry initiative to promote human rights standards in the supply chain. The global industry initiative was established in 2018 by Shell, Total, Equinor and bp p.l.c. with the aim to develop a joint qualification system for human rights assessments and sharing results among the participants. The joint qualification system (EPIM-JQS) is managed by the Norwegian Oil and Gas Association.

In 2021, Aker BP plans to perform pre-qualifications and conduct human rights audits via the EPIM-JQS system, which will also reduce fatigue among suppliers by having to undergo multiple assessments by various operators when bidding for contracts.

Aker BP is a part of the EPIM JQS working group on developing shared human rights expectations for suppliers. The work started in 2020 and will continue in 2021 to develop a joint human rights framework as well as best practices among the participants.



## Supplier social assessment

Aker BP is responsible for ensuring that its suppliers and sub-suppliers behave ethically and responsibly. Aker BP requires all new suppliers to sign a "Supplier Declaration" to confirm their commitment to key principles for anti-corruption, environmental protection, health and safety, labour rights and human rights, and that they also follow up on these principles in their own supply chain.

To address potential integrity risks in the supply chain, Aker BP developed an improved, structured process for background checks of potential suppliers in 2019, which was implemented from January 2020. Relevant employees involved in the supplier qualification have received the awareness training, covering requirements for integrity due diligence (IDD) and main steps in the process.

No significant wrongdoing or accidents impacting society or the environment were detected in Aker BP's operations in 2020, including the suppliers' deliveries, and there have been no fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.

Aker BP's engagement with suppliers and strategic partners is detailed in the Procurement Practices segment in the Economic Impact chapter.

## Sponsorships

Our sponsor strategy relies on our sponsorship policy and is aligned with our Code of Conduct.

Aker BP representatives regularly meet with politicians and government officials to inform about Aker BP's operations and plans moving forward. However, Aker BP makes no direct or indirect financial or in-kind political contributions.

The company is engaged in a few prioritised sponsorship agreements. These are carefully selected activities in communities where we operate. Below are some selected examples of our engagements.

### The VI Foundation

Aker BP has been a proud sponsor of the VI Foundation since it was established in 2018. The VI Foundation aspires to give people with disabilities a better quality of life, improved health, and to help them become more integrated in all areas of life through physical activity. The Foundation's goal is to create equal opportunities to function and perform.

### Ridderrennet

For the second consecutive year, Aker BP has donated a Christmas gift to the "Ridderrennet" foundation. This

organisation stages several events, one of which is the world's largest winter sport games for visually impaired and disabled individuals.

### Universities

Aker BP supports the University of Stavanger, the Norwegian University of Science and Technology in Trondheim and the University of Bergen, focusing on the development of study programs within Engineering and Geo-sciences.

### Kunnskapsparken Helgeland

Organises events where students can network with companies and establish an understanding of the different competencies and education required for the oil and gas industry, and related career opportunities.

### Kompetanseutvikling Helgeland

A service provider facilitating distribution of donations and equipment to local recipients in the area where Aker BP operates, near its base in the northern part of Norway.

### The Norwegian Petroleum Museum (Norsk Oljemuseum)

An architectural gem in Stavanger with exhibitions that appeal to people of all ages. Aker BP has partnered with the museum for several years. The museum is devoted to interactive and educational exhibits and provides insight into technological development in the oil sector, and how the petroleum resources impact Norwegian society. The museum has developed its own teaching plan in subjects such as geology, energy, petroleum history and socioeconomics. In 2011, we agreed to extend the partnership for another ten years, until 2021.

### The Munch Museum

Located in Oslo and dedicated to the life and work of the Norwegian artist Edvard Munch. Its permanent collection includes well over half of the artist's entire production of paintings and at least one copy of all his prints. This amounts to more than 1,200 paintings, 18,000 prints, 6 sculptures, as well as 500 plates, 2,240 books, and various other items. The museum also contains educational and conservation sections and has facilities for the performing arts.

The museum has pursued engaging and targeted efforts to meet the needs of young audiences over multiple years. Fostering experiences within the arts, free of charge, for children based in districts with low cultural consumption is a key investment to achieve this. The museum introduces learning materials through its educational platform to 750,000 schoolchildren every year.

# GIVING BACK TO THE LOCAL COMMUNITY

Whenever Aker BP is required to upgrade equipment, the company aims to reuse or recycle the items being replaced. This has benefited the local communities in the Helgeland region, home to one of Aker BP's offices. In 2020, the company donated TVs, PCs, fire hoses – and parts of old drill pipes.

Aker BP's office in Sandnessjøen has existed since the early 2000s, due to the development and operation of the oil and gas field Skarv. During that time the company has tried to be a positive part of the local community by supporting schools and education, stimulating local businesses and creating positive ripple effects.

## Donated hundreds of TVs and PCs

Each year, Aker BP donates items the company no longer has use for to communities on the Helgeland coast. In 2020, more than 60 PCs were given to schools in the area and 337 TVs were distributed to 20 recipients including schools, educational institutions, charitable organisations and nursing homes.

When the municipal health service and Helgeland Hospital in Sandnessjøen experienced equipment shortages during the COVID-19 pandemic, Aker BP donated infection control equipment, which was a welcomed gift during difficult times.

In addition, 20 organisations and 5 vocational schools received more than 3,000 coveralls because Aker BP needed to reduce its stock.

## Three kilometres of fire hose

In 2020, Aker BP donated 3,000 meters of fire hoses to Ytre Helgeland Fire and Rescue. The fire hoses came from the Skarv FPSO, they are a maximum of 10 years old and have never been used. The hoses must be re-classified for offshore use every 10 years, which is very expensive. Aker BP therefore decided to replace them and donate the old stock.

## New life for old drill pipes

Aker BP has even found a new use for old drill pipes from the Skarv field. They have been given a new life at various volunteer organisations, which have used them to build secure, long-lasting structures for leisure and outdoor purposes.







Terje Johansen (left) helps Aker BP identify and distribute donations in the Helgeland region, in cooperation with Kyrre Sørensen, Senior Advisor, Skarv, at Aker BP.



## FEATURED ARTICLE

# 100 HOD CONTRACTS AWARDED

The Hod development, which was kicked off in June 2020 as a direct consequence of the Storting's stimulus package for the petroleum sector, is providing activity and jobs for supplier companies all across Norway: Over a few months, Aker BP awarded one hundred contracts worth over one million kroner for construction of the Hod B platform.

The Hod development is the first in a series of development projects that will be realised during the temporary changes in Norwegian petroleum taxation that were adopted in June 2020. The development plan (PDO) was approved by the Ministry of Petroleum and Energy on 8 December.

## Contracts signed in nine counties

Three-quarters (75 percent) of the contract values for construction of the Hod B platform and subsea installations have gone to Norwegian supplier companies.

The million-kroner contracts have been awarded to companies in a total of 23 municipalities in nine counties around the country – from cornerstone firms along the coast of Southern Norway, Western Norway and northward to Sandnessjøen – and also to a diverse range of companies in Eastern Norway. This is in addition to a number of smaller orders.

So far, 100 contracts with a face value of more than one million kroner have been awarded to supplier companies.

"The award of the 100th Hod contract confirms that projects like this create substantial values for the greater society, industry and our owners. The Hod development alone provides thousands of full-time equivalents for a Norwegian supplier industry that leads the world in a great many areas," says Aker BP CEO Karl Johnny Hersvik.

The Hod field is being developed in cooperation with Aker BP's alliance partners. The steel jacket and topsides are currently under construction at Kværner's yard in Verdal, and will be transported to the field as early as summer 2021.

The majority of the 100 awarded contracts exceeding one million kroner are partial deliveries to Aker BP's alliances.

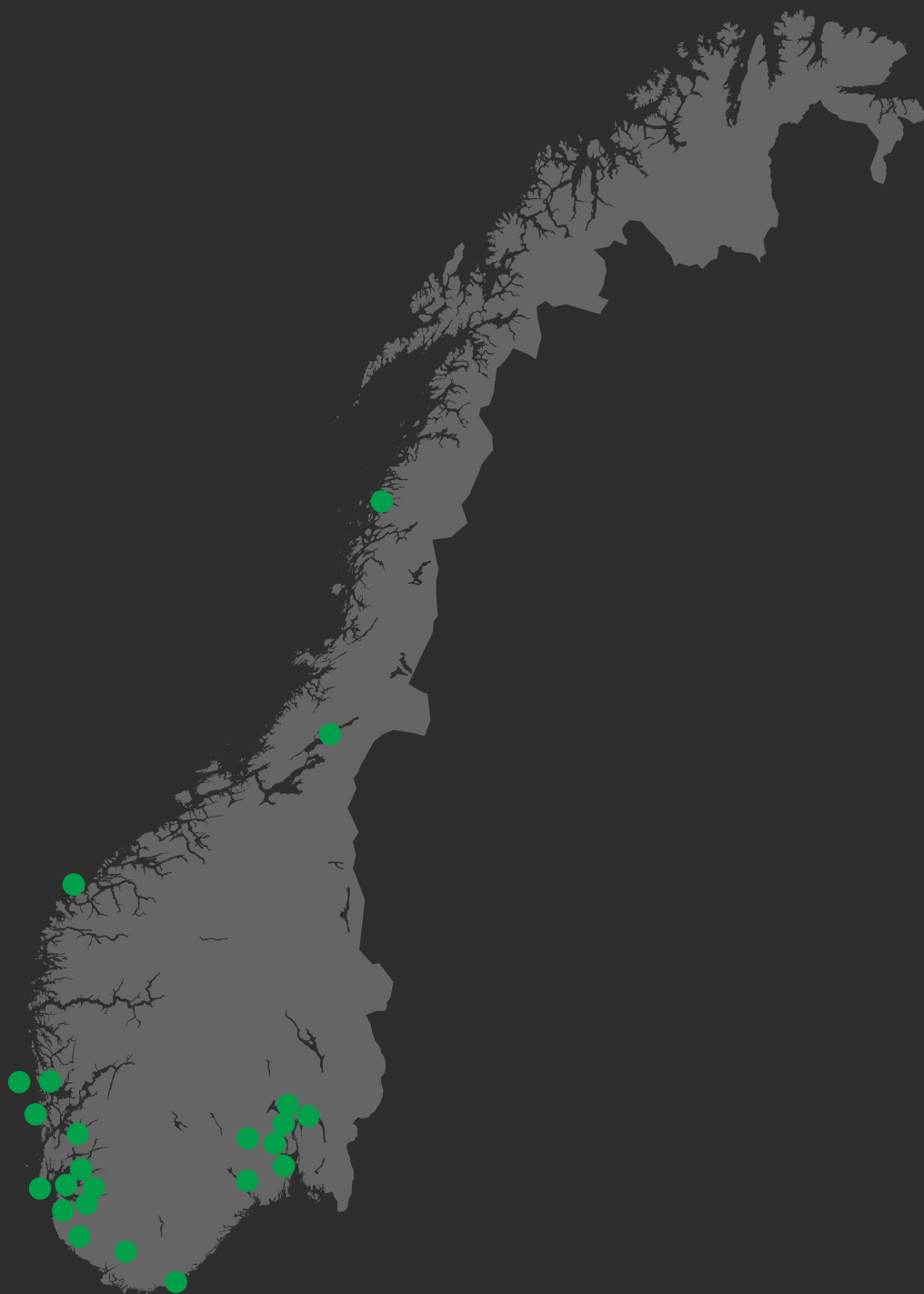
## Quality deliveries

Examples of companies that are contributing some of the world's best knowledge, technology and equipment to Hod:

- Leirvik AS on Stord (emergency quarters & helideck),
- National Oilwell Varco in Kristiansand (platform crane),
- Beerenberg in Bergen (surface protection),
- Parker Hannifin in Asker (hoses & couplings),
- Autek AS in Drammen (instruments),
- PG Flow Solutions in Holmestrand (pumps),
- Tratec Halvorsen in Kvinesdal (tanks & filters),
- Covent AS in Bjerkreim (air treatment facility),
- Subsea 7 in Stavanger (seabed equipment/SURF),
- Cre8 Systems in Sola (electrical and hydraulic systems),
- Westcon Yards in Vindafjord (deck hatches),
- Karmøy Trading on Karmøy (platform furnishing and fixtures, etc.),
- ABB in Bergen and Oslo (control system),
- Mare Safety in Ulsteinvik (MOB boat),
- Aker Solutions in Moss (umbilicals) and in Sandnessjøen (prefabrication and steel components for the deck).

"The Hod development consists of many high-quality deliveries from a large number of supplier firms spread across large parts of Norway," says project manager for the Hod development, Rannveig Storebø.

"The diversity of the signed contracts demonstrates how many expert communities are involved in a project like this," she adds.



### About Hod

- The Hod field is being developed with a normally unmanned installation that will be remotely operated from Valhall. The Hod field will have extremely low CO<sub>2</sub> emissions due to power from shore.
- The field is operated by Aker BP, which owns 90 percent. Pandion Energy is the partner with a 10 percent ownership interest.
- Total investments in the Hod project are estimated at around NOK 5.7 billion.
- Planned production start is in the first quarter of 2022.

# GRI DISCLOSURES

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<b>Strategy</b>			
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<b>Governance</b>			
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**400 SOCIAL****UN SDG****SECTION IN REPORT****401 Employment**

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408-1	Operations and suppliers at significant risk for incidents of child labour	8	page 65
<b>409 Forced or Compulsory Labour</b>			
409-1	Operations and suppliers at significant risk for incidents of forced labour	8	page 65
<b>410 Security Practices</b>			
410-1	Security personnel trained in human rights policies and procedures		N/A
<b>411 Rights of Indigenous People</b>			
411-1	Incidents of violations involving rights of indigenous people		page 66
<b>412 Human Rights Assessment</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments		page 66
412-2	Employee training on human rights policies or procedures		page 66
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		page 66
<b>413 Local Communities</b>			
413-1	Operations with local community engagement, impact assessment and development programs		page 29
413-2	Operations with significant actual and potential negative impacts on local communities	1	page 29
<b>414 Supplier Social Assessment</b>			
414-1	New suppliers that were screened using social criteria	5, 8	page 67
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# TCFD DISCLOSURES

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a) Describe the board's oversight of climate-related risks and opportunities.	102-29 102-31 102-32	page 13, 23
b) Describe management's role in assessing and managing climate-related risks and opportunities.	102-29 102-31 102-32	page 13, 23
<b>Strategy</b>		
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.		page 26-27
b) Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning.	201-2	page 23
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		page 23-26
<b>Risk Management</b>		
a) Describe the organization's processes for identifying and assessing climate-related risks.	201-2	page 23
b) Describe the organization's processes for managing climate-related risks.		page 23
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.		page 23
<b>Metrics and Targets</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.		page 22-23
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.		page 23-25, 26, 47
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.		page 22-23, 42



# ESMA DISCLOSURES

ADVERSE SUSTAINABILITY INDICATOR	METRIC	IMPACT	GRI	PAGE	
<b>Greenhouse gas emissions</b>					
1. Carbon emissions (broken down by scope 1, 2 and 3 carbon emissions)	Scope 1 Scope 2 Scope 3	Scope 1: 843,600 tonnes CO <sub>2</sub> e Scope 2: 157,046 tonnes CO <sub>2</sub> e Scope 3: 88,532 tonnes CO <sub>2</sub> (partially identified)	305	42-45	
2. Carbon footprint		N/A			
3. Weighted average carbon intensity		N/A			
4. Solid fossil fuel sector exposure		None			
<b>Energy performance</b>					
5. Total energy consumption from non-renewable sources and share of non-renewable energy consumption	<b>1.</b> Total energy consumption from non-renewable energy sources (in GWh) <b>2.</b> Share of non-renewable energy consumption from non-renewable energy sources compared to renewable energy source	<b>1.</b> 1,666 GWh <b>2.</b> Non-renewable energy sources: 80% Renewable sources: 20%.	302	39	(1)
6. Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used broken down by each non-renewable energy source	Fuel gas: 3,367 GWh Diesel: 429 GWh			
7. Energy consumption intensity	Energy consumption per million EUR of revenue (in GWh)	0,85 GWh /million EUR revenue			
8. Energy consumption intensity per sector	Energy consumption intensity per million EUR per NACE sector (in GWh)	All energy consumption in NACE B 06 – not possible to separate numbers for 06.1 and 06.2			
<b>Biodiversity</b>					
9. Biodiversity and ecosystem preservation practices	Share of all investments that do not assess, monitor or control the pressures corresponding to the indirect and direct drivers of biodiversity and ecosystem change	All operations are assessed, monitored and controlled for indirect and direct drivers of biodiversity and ecosystem change.	304	41	
10. Natural species and protected areas	<b>1.</b> Share of investments invested in investee companies whose operations affect IUCN Red List species and/or national conservation list species <b>2.</b> Share of investments in investee companies with operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<b>1.</b> No operational sites located in or adjacent to protected areas. <b>2.</b> Red-listed species from the IUCN in areas near exploration and operational sites is included in the environmental risk assessment.	304	41	
11. Deforestation	Deforestation policy	Offshore activities – hence no policy			
<b>Water</b>					
12. Water emissions	Weight in tonnes of water emissions generated	Produced water discharge (treated): 5,599 megalitres	303	40	
13. Exposure to areas of high water stress		None	303	40	
14. Untreated discharged waste water	Total amount in cubic meters of untreated waste water discharged	0 m <sup>3</sup>	303	40	

1. We assume a 40% turbine efficiency and waste heat recovery on three assets. This assumption makes the energy consumption numbers comparable between electrically powered installations and fuel gas powered installations.

ADVERSE SUSTAINABILITY INDICATOR	METRIC	IMPACT	GRI	PAGE
<b>Waste</b>				
15. Hazardous waste ratio	Weight in tonnes of hazardous waste generated	42,067 tonnes	306	45-46
16. Non-recycled waste ratio	Weight in tonnes of non-recycled waste generated	Total weight of waste when tonnes of recycled waste is subtracted: 38,508	306	45-46
<b>Social and employee matters</b>				
17. Implementation of fundamental ILO Conventions		Yes		
18. Gender pay gap	Average gender pay gap	-4%	405-2	63
19. Excessive CEO pay ratio				
20. Board gender diversity	Ratio of female to male board members	36% female	405-1	63
21. Policies on the protection of whistleblowers		Yes		12
22. Workplace accident prevention policies		Yes	403	55
<b>Human rights</b>				
23. Human rights policy		Yes	412 414	12
24. Due diligence process to identify, prevent, mitigate and address adverse human rights impacts		Yes	412 414	66-67
25. Processes and measures for preventing trafficking in human beings		Yes	408	65
26. Operations and suppliers at significant risk of incidents of child labour		0	408 414	65
27. Operations and suppliers at significant risk of incidents of forced or compulsory labour		0	408 414	65
28. Number and nature of identified cases of severe human rights issues and incidents		0	419-1	66-67
29. Exposure to controversial weapons		No		
<b>Anti-corruption and anti-bribery</b>				
30. Anti-corruption and anti-bribery policies		Yes	205	29
31. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery		0	205	29
32. Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws		0	205	29





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