

Sustainability report 2022

ESG in Aker BP



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Reporting practices

Aker BP's annual sustainability report for the 2022 fiscal year (1 January 2022 to 31 December 2022) covers our operated assets and is aligned with the time period of the annual report. The report is prepared in accordance with GRI 2021 Oil and Gas Sector. References has, where adequate, also been made to the United Nations Sustainable Development Goals (SDGs), Task Force on Climate-related Financial Disclosures (TCFD), CDP, Sustainability Accounting Standards Board (SASB), European Securities and Markets Authority (ESMA), Greenhouse Gas (GHG) Protocol and the UN Global Compact. Aker BP has initiated a process to prepare the reporting required under the EU Taxonomy Regulation, which has been written into Norwegian law and becomes mandatory for the fiscal year 2023.

This report has been reviewed by an internal review committee consisting of senior managers for relevant disciplines and business units. It has also been reviewed by the audit and risk committee (ARC) which assists and facilitates the board of directors' responsibilities within integrity of financial reporting, the financial reporting process, internal controls, company risks, corporate governance, compliance and auditing, prior to approval by the board of directors. PwC has provided limited assurance on 2022 sustainability data on pages 43–46, 58, 69, 70 and 74 in this report. PwC are also the financial auditors and are considered independent. The rest of the report, including forward-looking information and GRI index, has not been assured by PwC.

Figure 1: Key figures 2022

Total number of permanent employees



2,457
employees

Employees from Lundin acquisition



421
employees

Payments for goods and services



2,714
million USD

Barrels produced



113
million barrels

CO₂ intensity



3.7
kg CO₂/boe

Total recordable injuries frequency



1.1
exp. hours

New hires



243
employees

Number of hubs



5 1
operated non-operated

Direct suppliers engaged



1,347
suppliers

Remaining reserves



1,859
million barrels

Methane intensity



0.02%
CH₄/saleable gas

Serious injury frequency



0.3
exp. hours

Understanding our business and context

About the company

Aker BP ASA is an upstream oil and gas company established in 2016, arising from the merger between Det Norske and BP Norge. The company's headquarter is in Fornebu, outside Oslo, Norway. We also have offices in Harstad, Trondheim, Sandnessjøen and Stavanger.

The company engages in exploration, development and production activities on the Norwegian continental shelf (NCS), and operates five hubs: Alvheim, Edvard Grieg & Ivar Aasen, Skarv, Ula and Valhall. We are also a partner in the Johan Sverdrup field. We do not engage in nor do we control midstream or downstream activities, and as such do not interact directly with end-user segments.

Production and ownership

With a total production of ~400 mboepd, Aker BP is the second-largest operating company on the NCS and one of the largest independent listed oil and gas companies in Europe. The company is listed on the Oslo stock exchange (AKRBP), and major shareholders are Aker ASA (21 percent), BP PLC (16 percent) and Nemesia S.A.R.L (14 percent).

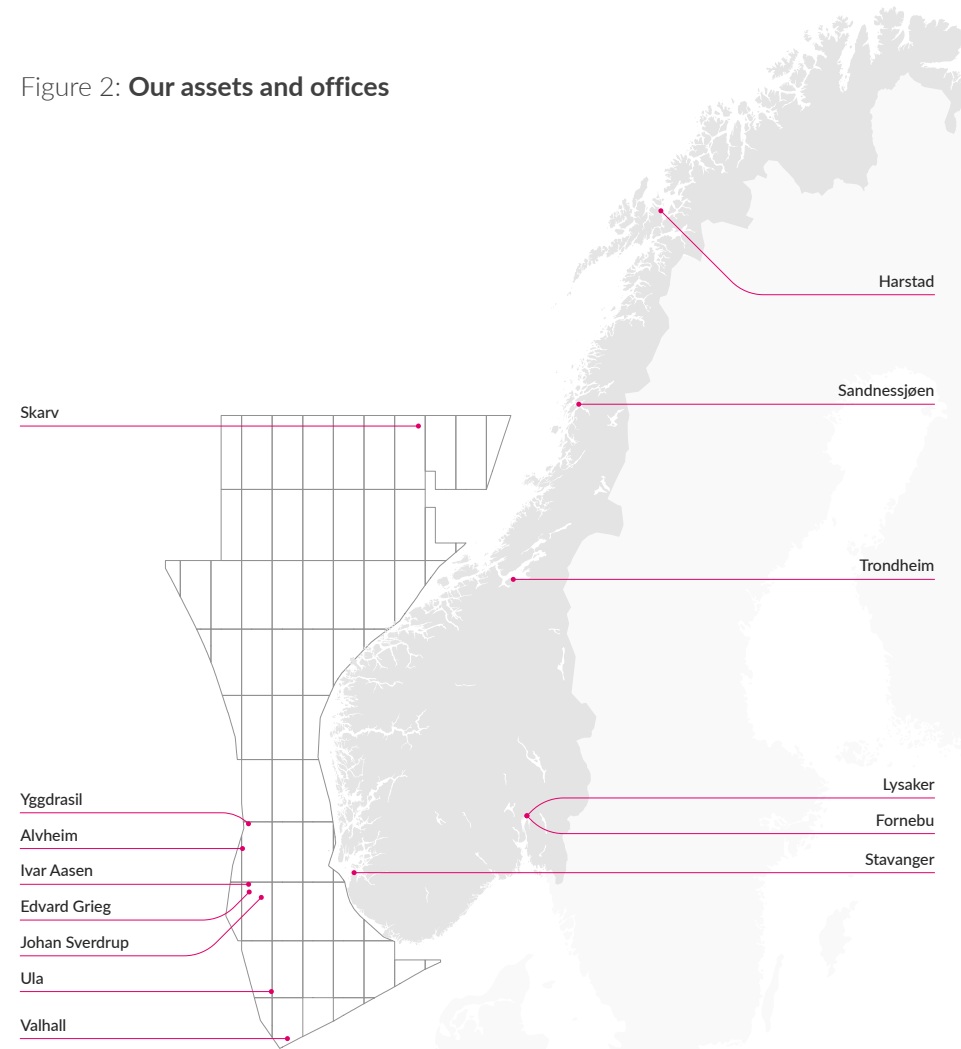
Acquisition of Lundin Energy

In December 2021, Aker BP ASA announced that it would acquire Lundin Energy's exploration and production (E&P) business. The announcement was in line with the company's growth strategy and with the ambition to create the E&P company of the future; with low cost, low carbon emissions, profitable and sustainable growth, and attractive dividends. Since 1 July 2022, it has been operating as a fully-owned subsidiary of Aker BP ASA, whereas the integration was complete and all employees were fully integrated into a single organisation from 1 October 2022. The key figures and considerations in this report are representative for the merged company and include data from the former Lundin Energy as from 1 July 2022. Data concerning GHG emissions are accounted for the full year as per the GHG protocol.

Growth projects

On 16 December 2022, Aker BP and its partners submitted Plans for Development and Operation (PDOs) for the Yggdrasil field development project, the Valhall PWP-Fenris project, the Skarv Satellite Project and the Utsira High projects. In the first quarter 2023, Aker BP has acceded to all these PDOs except for Trolldaugen (part of Utsira High). Aker BP's net share of recoverable resources in these projects is estimated to approximately 700 mmbœ, with net investments of approximately USD 18.5 billion. The projects are subject to Norwegian authority approvals. We believe these projects are critical to sustain our production and to responsibly support global energy security, particularly in Europe, as well as to ensure a sustainable energy transition to a low-carbon future.

Figure 2: Our assets and offices





Letter from the CEO

A transformative year for Aker BP

Aker BP's impact extends far beyond our company. We use environmental, social, and governance (ESG) criteria to measure our success and growth as well as to inform and guide our objectives, decision-making, and day-to-day operations. In 2022, we made historic strides on our path to creating the exploration and production (E&P) company of the future.

At Aker BP, we are convinced that responsible companies are the ones that will succeed in the future. We are such a company. We strive to conduct our business in a fair, ethically responsible manner that emphasises respect for people, the environment, and the communities in which we operate. At Aker BP, we are fully committed to living up to our values and sustaining our reputation as a competent, reliable and ethical market participant. It is therefore with great pride that I am writing this letter to all of our stakeholders as part of Aker BP's 2022 sustainability report.

In the first half of 2022, with the completion of our Lundin Energy transaction, Aker BP became the second-largest operator on the Norwegian continental shelf. The resulting combined company's more diversified and robust portfolio features industry-leading low-cost assets with limited carbon emissions in E&P phase that are perfectly positioned to deliver profitable growth well into the next decade.

At Aker BP, we continuously drive innovation and push industry boundaries. We strive to improve our performance, even in areas where we have already achieved remarkable

results. CO₂ intensity is a case in point. In 2021, Aker BP emitted 4.8 kg of CO₂ per barrel of oil equivalent (boe). In 2022, our average emissions were 3.7 kg CO₂ per boe, a figure that is approximately one-quarter of the global average for our industry.

We challenge ourselves to constantly raise the bar on our performance and have launched an ambitious decarbonisation plan that aims to achieve net zero emissions across our operations, scope 1 and 2, by 2030. We remain committed to cutting gross emissions across our operations and have staked out a clear path to reduce absolute emissions to near zero by 2050. This strategic decision to reduce our environmental footprint fortifies our position as a leading E&P company.

Let me give you another example of how we work. In the fourth quarter of 2022, we connected the Edvard Grieg and Ivar Aasen production platforms to grid-supplied power from shore. This advancement enables us to shut down gas turbines and make CO₂ emission cuts equivalent to removing more than 100,000 fossil-fuelled cars¹⁾.

1) Estimated based on average driving distance and average emissions from fossil-fuelled vehicles in Norway

Our role in society

Oil and gas are natural resources that have been instrumental in energy security for societies around the world and particularly in Europe, given the current geo-political turmoil. In addition, it has been crucial in establishing Norway's national wealth and laying the foundation for our welfare state. Managing these shared natural resources comes with a responsibility to operate in a manner that maintains and builds the trust that society has placed in us.

At Aker BP, we take our social responsibility seriously. That is why we seek to maximise value by employing available resources in the best possible manner, keeping costs low and reducing emissions. We contribute to the energy transition transition by producing oil and gas with a low-carbon footprint in the E&P phase.

Our production efficiency is also directly associated with our value creation and societal role. We performed exceptionally well during the second half of 2022, and our production efficiency for the year as a whole was 89 percent, up from 85 percent in 2021.

Dividends and taxes enable investments in the global energy transition. Another milestone that serves to illustrate Aker BP's societal value: In 2022, we became the largest privately held corporate taxpayer in Norway, contributing in excess of NOK 80 billion in taxes to the Norwegian government.

I would like to emphasise that Aker BP's societal role goes beyond value creation in Norway. We produce energy that the world depends on, and we supply raw materials for a wide range of products used in the daily lives of people worldwide.

In 2022, the world experienced a global energy chain upheaval that affected us all. For Norway as a country, it is

important to be a trusted energy supplier in the European market. Aker BP has been and will continue to be a predictable energy provider to the European market.

Ripple effects

16 December 2022 was a notable day for Aker BP and our partners. Together, we submitted a total of 10 plans for development and operation (PDOs) and one plan for installation and operation (PIO) to Norway's Ministry of Petroleum and Energy. These plans are in addition to a PDO that was submitted earlier in the year.

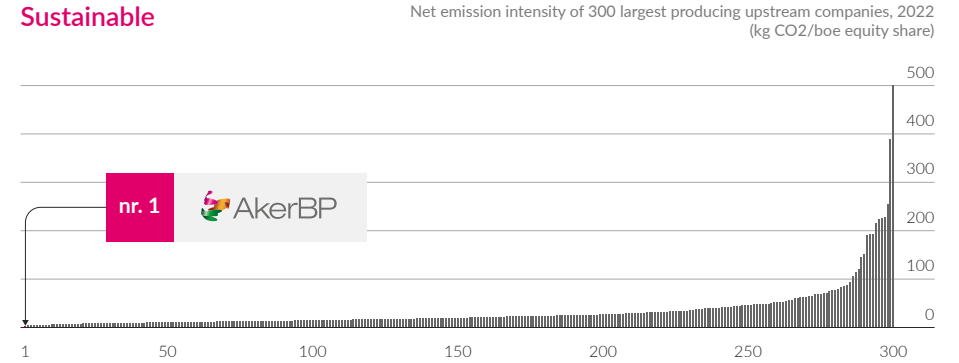
With total investments in excess of NOK 200 billion in real terms, these Aker BP-operated oil and gas projects represent one of Europe's largest private-sector industrial developments.

Aker BP's projects are significant to Norwegian society in many ways. We are an important employer, creating jobs at our more than one thousand major suppliers. Over the next few years, domestic job creation will increase thanks to our new projects.

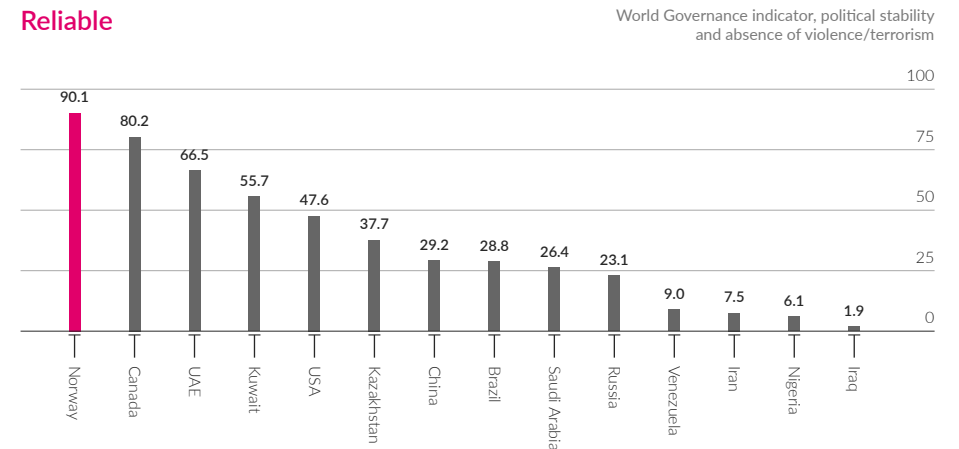
Aker BP helps build and strengthen local communities, particularly along the Norwegian coast. Our alliance model for working with critical suppliers ensures that many contracts are awarded to Norway-based companies, thus securing local jobs. Aker BP-operated development projects are projected to contribute more than 150,000 full-time equivalents at Norwegian supplier companies.

With an average oil price of USD 65 per barrel, our development projects are estimated to generate net tax payments to the Norwegian government totalling NOK 160 billion in real terms. That constitutes an essential contribution to financing national welfare programmes and strengthening Norway's ability to support the upcoming energy transition.

Figure 3: Aker BP produce oil and gas with low CO₂ intensity in a politically stable environment



Source: Rystad Energy - Global upstream CO₂ emissions dashboard



Source: <https://info.worldbank.org/governance/wgi/>



Aker BP's emission intensity will be further reduced once these new projects come on stream as they will receive their power from shore.

Digital advances

Aker BP is a technology and data-driven company. Our projects contribute to more efficient working methods, and we make new technologies available beyond our own company and industry.

At the ONS Exhibition in Stavanger in 2022, we used the slogan "rebels with a cause". It refers to the employees in Aker BP as rebels seeking radical improvements because we want to be a leading force in changing the oil and gas industry for the better.

Let me give you three examples of digital improvements we are working on that illustrate our approach.

- We are developing industrial digital twins that will see our physical assets entirely digitally represented by the end of this decade. Yggdrasil, the most significant project in our portfolio, will be an asset built both physically and digitally. As our physical assets become digitalised, all the data produced will be accessible in real time. It will be a shared source of data and insight into our work, which will enable us to operate with a radically improved level of precision. That is expected to translate into lower costs, increased production efficiency, and a reduced environmental footprint.

- Working with the companies Aize, Cognite, and Aker Solutions, we are developing a fully digital project execution model that will allow us to access all data with a single click. We will be able to navigate, collaborate, and visualise in one place. And perhaps most importantly: we are sharing our data. We will have a single source of truth for everyone in our development projects.
- We are transforming our core end-to-end processes along our value chain. To give you an idea of what kind of gain we are talking about: it used to take three months to design a well. Working with Halliburton, this innovation will enable us to complete the same processes with better quality in a single day.

We take care of our people

At Aker BP, we believe our development as a future-fit E&P company hinges on one critical factor: our people.

Providing a working environment in which people can grow, thrive, and, most important of all, be safe remains a key strategic goal. And our words are backed by action.

Going forward, as our company becomes even more streamlined and efficient, safety continues to be our number one priority. We remain dedicated to our SAFER values, which uphold a seeking, accountable, foreseeable, enthusiastic and respectful workplace.

In 2022, we experienced five lost-time injuries and five incidents with high potential for injury, an improvement from the previous year. We continuously work with improving the working environment.

In closing, I cannot write about 2022 without mentioning Russia's invasion of its neighbour, Ukraine, the rigors of which have brought suffering and loss of life on a scale not seen in Europe for decades.

My thoughts go out to victims and their families. In the course of 2022, Aker BP made donations to humanitarian organisations that are working in and around Ukraine. This is part of our contribution toward alleviating human suffering.

Aker BP employs people from many different countries. It is our responsibility to care for each and every one of our employees in the best possible manner, regardless of background or country of origin. Our diversity and inclusion policy is in place to ensure equal opportunities for all employees, irrespective of ethnicity or nationality.

I am honoured and proud to lead our diverse Aker BP team, and I sincerely believe that we are making a difference in building a better and more sustainable future for all.

A handwritten signature in blue ink, appearing to read 'Karl Johnny Hersvik'. The signature is fluid and cursive.

Karl Johnny Hersvik

CEO, Aker BP ASA

Our sustainability strategy and approach

Sustainability is fully integrated in our corporate strategy →

Our approach to sustainability: support UN SDG goals →

Materiality, governance and stakeholder management →

SUSTAINABILITY IS FULLY INTEGRATED IN OUR CORPORATE STRATEGY

Sustainability and strategic priorities:

Aker BP's vision is to be the exploration and production (E&P) company of the future. The vision is founded on our strategic belief that the world needs affordable, sustainable and reliable energy, and that oil and gas will remain a crucial part of the energy mix for the decades to come. Aker BP intends to contribute to the energy transition and security through our role as a responsible provider of low-cost oil and gas produced with low CO₂ intensity.

Six strategic priorities (illustrated in figure 4) describe our goals and priorities for the next five years. Sustainability is at the core of all aspects of our business with three out of six of the strategic priorities more explicitly addressing specific topics; operate safely and effectively, decarbonisation of our business and creating the most attractive place to work. The other priorities encompass deliver growth on time, cost and quality, establish the next wave of profitable growth opportunities and leading the transformation of E&P.

Our purpose is to return maximum value to our shareholders and society. This is mainly through:

- The taxes and dividends we pay to our shareholders and the government, which can be redeployed in green industries and the energy transition
- Reliable provider of energy produced with low CO₂ intensity
- Contribution of knowledge, data and experience to support development of new industries

6 strategic priorities

Sustainability is at the core of all aspects of our business with three out of six of the strategic priorities more explicitly addressing ESG

8 KPIs

Three out of eight directly addressing key sustainability aspects

10 SDGs






Contributing to 10 out of 17 sustainable development goals

Relevant policies:

[Climate and energy policy](#)

Figure 4: **Our vision: The E&P company of the future**

Strategic priorities for the next five years:

	Operate safely and efficiently	<ul style="list-style-type: none"> - Zero serious incidents - Production efficiency above 95% - Production cost below 7 USD/boe
	Decarbonise our business	<ul style="list-style-type: none"> - Equity GHG intensity below 4 kg CO₂e/boe - Reduce scope 1 + 2 emissions by 50% by 2030 - Net zero across operations by 2030
	Deliver growth on quality, cost and time	<ul style="list-style-type: none"> - Grow production to above 525 mboepd from projects with low break-even price - Deliver projects on quality, cost and time
	Establish the next wave of profitable growth options	<ul style="list-style-type: none"> - Discover 250 mmboe by 2027 - Grow the resource potential with new technology - Execute value driven M&A
	Lead the transformation of E&P	<ul style="list-style-type: none"> - Digitalisation - Alliances - Future Operations
	Create the most attractive place to work	<ul style="list-style-type: none"> - #OneTeam - No. 1 employer in the industry - >4,5 pulse survey score (scale of one to five, five is best)

Sustainability is integral in our strategy and performance management process

We incorporate sustainability as part of our annual strategy process, which reviews the strategic priorities for the coming years. This strategy is built on an understanding of our context, and resilience proven and tested using scenarios. It is sanctioned by the executive management team (EMT) and the board of directors. The strategic priorities set the premise for a set of initiatives, including specific ones for sustainability, with corresponding key performance indicators (KPIs) for the

Key Performance Indicators:

Safety (serious incidents/1 mill hrs)

Production (mboepd)

Production cost (USD/boe)

Net reserve additions (mmboe)

Value creation (change in Risked NPV)

Relative Shareholder Return

Equity CO₂ Intensity (kg CO₂/boe)

People and Organisation KPIs

- Build Identity
- Shape Organisation
- Develop People

following year. The box on the left shows an overview of our current key KPIs, where three out of eight directly address key sustainability aspects such as safety, CO₂ intensity and people and organisation.

A dedicated performance management system is used throughout the company to report and monitor progress on the initiatives, the corresponding KPIs and project execution of the PDO projects. Delivery on the company initiatives and KPIs feed into the Aker BP bonus programme and a monetary reward is calculated based on performance. The bonus scheme utilises seven of eight equally weighted KPIs, along with achievement of initiatives and delivery on time, cost and quality through execution of the PDO projects, as a basis. The KPI for people and organisation does not factor in on the bonus potential, as this is solely based on employee feedback. The bonus is paid to all permanent employees and is calculated with the same share of bonus potential for all employees. In some circumstances, certain temporary employees are also covered under the bonus scheme.

Our strategic priorities, goals and KPIs all represent the broad aspects of sustainability; covering safety, climate, people, social, governance and more.

OUR APPROACH TO SUSTAINABILITY: SUPPORT UN SDGs

Our company strategy acknowledges the United Nations sustainable development goals (SDGs) which have shaped the development of our sustainability framework. Material topics within environment, social and governance (ESG) are represented through policies and impact areas. This



framework is part of our business management system, aimed at contributing to secure value, trust and predictability for our operations.

The framework includes ESG domains as listed in table 1 on the next page: climate, environmental impact, partnerships, people, safe operations and responsible business. These

domains are divided into topics that illustrate the most significant impact areas and are represented by a range of policies. They are further embedded and integrated in all layers of our business, including our corporate strategy. Each ESG domain addresses different SDGs put forth by the United Nations.

Table 1: **Contribution to the sustainable development agenda**

ESG DOMAIN	SDGS	TARGETS
<p>Responsible business Aker BP strives to conduct its business in an ethical and transparent manner and in compliance with applicable laws, rules and regulations, as well as internationally accepted guidelines.</p>		<ul style="list-style-type: none"> - Zero instances of corruption - Zero cases of discrimination - All employees and consultants complete annual code of conduct course and commit to compliance - Transparency and decent working conditions in our supply chain
<p>Climate Aker BP recognises the effects greenhouse gas (GHG) emissions have on our climate, and intends to contribute to meet the Paris Agreement goals by reducing our direct and indirect emissions.</p>		<ul style="list-style-type: none"> - By 2030, we aim to achieve a 50 percent absolute reduction (55 percent current projection), relative to our baseline, in gross scope 1 and scope 2 GHG emissions - By 2050, we aim to achieve absolute reduction, relative to our baseline, close to 100 percent or emissions close to zero, in gross scope 1 and scope 2 GHG emissions - Reduce addressable upstream scope 3 emissions categories 1-8 and downstream category 9 by leveraging our cooperation with strategic alliances and business partners
<p>Environment Aker BP understands the environmental challenges represented by our activities and our industry at large. Protecting the environment and maintaining biodiversity are key parts of the sustainability work in Aker BP. We continuously work to prevent and reduce our environmental impact.</p>		<ul style="list-style-type: none"> - Zero acute spills to the environment - Preserve biodiversity and sensitive areas in the marine environment of particular importance - Asset-specific oil-in-water discharge limits - Asset-specific produced water re-injection targets - Asset-specific NO_x emission targets - Reduce use of freshwater consumption by utilising freshwater makers at operating fields
<p>Partnerships Aker BP is committed to stimulate local engagement by promoting education, creating jobs and growing local businesses in the communities where we operate. We share knowledge and data within and beyond our industry. We invest in community projects that align with local needs and our business activities.</p>		<ul style="list-style-type: none"> - Dedicated sponsorships supporting cultural and sports activities at both the national and local level - Secure predicable jobs through long-term alliances with key suppliers - Partnership with local schools and regional universities, to recruit future talent - Cooperate with local institutions to re-use and recycle equipment that has been replaced offshore
<p>People Aker BP values the unique contributions of our employees and believes that a competent, diverse and inclusive workforce emphasises deliveries and accomplishments. We set high standards and targets in following up the well-being of our employees, and we maintain constructive dialogue with our works councils.</p>		<ul style="list-style-type: none"> - Ambition to increase the proportion of women to at least 30 percent by 2030. - Secure diversity distribution across management and professional roles for different teams. - Diversity must be reflected in shortlists on all internal and external recruitments as well as successions. - Quarterly follow-up of employee satisfaction and working conditions with targets in top quartile.
<p>Safe operations We strive to execute our operations under the highest health, safety and security standards for a safe and secure workplace and to prevent harm to people and assets. Our success depends on safe and reliable operations, combined with the well-being of our people.</p>		<ul style="list-style-type: none"> - Serious incident frequency ≤ 0,4 - ≤ 1 Tier I and Tier II process safety events. - Total Recordable Injury Frequency < 2.0 - Zero well control incidents.

MATERIALITY, GOVERNANCE AND STAKEHOLDER MANAGEMENT

Our stakeholders are the many individuals, organisations and authorities who are in some way impacted by or have an impact across Aker BP's activities and business relationships – whether in our role as an energy provider, an employer or as a business that helps boost local and national economies through jobs, investments and taxes paid.

Maintaining an open and proactive dialogue with the most important stakeholders facilitates our ability to identify challenges and opportunities, and to access the resources we require throughout the life cycle of our assets. The input and feedback we receive also help us identify actual or potential impacts of our activities and serve as a basis for the decisions we make.

Stakeholder engagement is prioritised based on the anticipated potential impact of our activities throughout our value chain. A stakeholder management plan is developed as part of our work to identify and mitigate issues. More than 40 key stakeholders normally receive the impact assessment report in the public consultation process. This enables stakeholders to present their views and bring relevant issues to Aker BP's attention and provide the input we need to evaluate necessary adjustments. To maintain transparency, the impact assessments of our facilities are published on our website.

Figure 6 on the next page illustrates Aker BP's sustainability framework, and the material topics based on the GRI Oil and Gas Sector 2021. Identification of risks and opportunities, actual and potential impacts and assessment of their significance is based on:

- Feedback from stakeholders, internal experts from the relevant business units, industry experts and sustainability rating agencies.
- Impacts and topics described in relevant reporting standards and requirements such as GRI Oil and Gas Sector 2021, SASB Oil and Gas – Exploration and Production Sustainability Accounting Standard, ESMA ESG disclosures and TCFD recommendations on climate-related financial disclosures.
- ESG risks identified in our enterprise risk management process.

Through active engagement with our stakeholders, we aim to maintain a dynamic approach to our material topics. No changes have been made to the list of our material topics compared with 2021. However, as part of our annual strategy process we have strengthened our ESG reporting on human rights in our own operations and supply chain, climate change, circular economy and security. Going forward, Aker BP will focus on adapting to upcoming Corporate Sustainability Reporting Directive (CSRD) requirements.

Figure 5: Key stakeholders

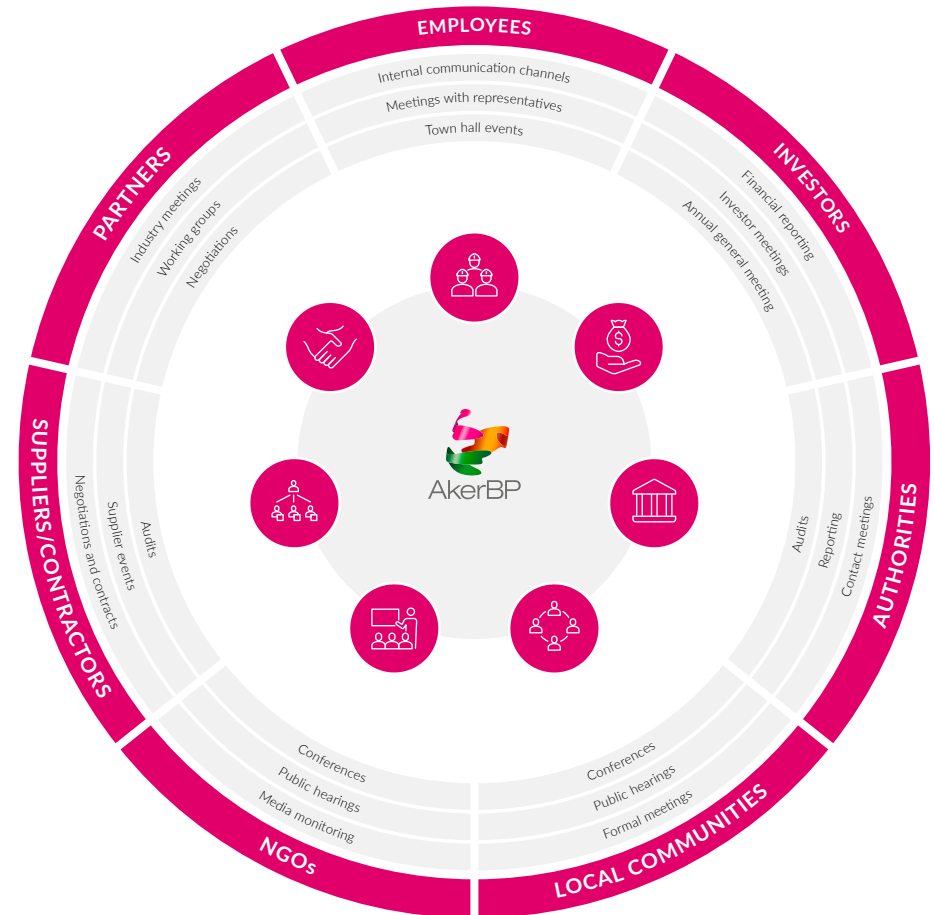


Figure 6: Sustainability framework and material topics



Governance

The strategic direction is anchored with the board of directors, where material environmental, social and governance issues are an integral part of the annual strategy process. The board owns all sustainability-related objectives, and reviews and guides the major action plans on sustainability investment and initiatives, including oversight of the management of climate change risk. The CEO holds the ultimate responsibility for managing sustainability, supported by the executive management team (EMT), which is accountable for ensuring the effectiveness of the risk management processes and review of mitigation efforts for identified impacts. Each business line is accountable for executing Aker BP's sustainability action plans, managing risks, and measuring performance.

The EMT holds bi-monthly meetings on risks and performance with input from both stakeholder engagements and reports from each individual business line. The performance evaluations include evaluation of progress and results on climate, compliance, and other sustainability-related KPIs and initiatives.

The board of directors has two subcommittees, both with functions related to sustainability matters. The audit and risk committee assists management in evaluating the risk management and effectiveness of internal controls. The organisational development and compensation committee is responsible for ensuring that the remuneration arrangements support the company strategy, including the integral aspect of sustainability matters, such as the climate transition plan. Additionally, the safety and environmental assurance committee is an initiative led by the board of directors, which

works closely with management to identify and address issues related to safety, cybersecurity, and the environment; thus promoting that the company operates in a responsible and sustainable manner.

Aker BP has an internal audit and compliance department that reports to the CEO. Additional resources are hired when needed. The "three lines of assurance" model is established as Aker BP's assurance framework. The role of the internal audit (IA) function is as a third line, to proactively provide effective assurance and oversight of the integrity of the internal control framework for all operations. IA 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 directors through committees such as the audit and risk committee.

The board of directors consists of four women and eight men, of which four members are elected by employees. The composition of the board of directors ensures the necessary independence pursuant to statutes and regulations. Four of the eight shareholder-elected board members are considered independent as they do not have any material or pecuniary relationship either directly or indirectly through one of the company's partners, main shareholders or management members. The board members work continuously to develop their competence on environmental, social and governance matters relevant to the company, as the board is an integral part of the company. Valborg Lundegaard, for instance, has extensive experience with climate impact through her role as CEO of Aker Carbon Capture.

Our climate strategy and net zero transition plan

- [Our core beliefs →](#)
- [Our climate strategy and net zero transition plan →](#)
- [Climate policy →](#)
- [Energy management →](#)
- [GHG emissions →](#)
- [Climate scenarios and risks →](#)
- [Summary of climate related risks and opportunities →](#)
- [Management of climate related risk →](#)

15% CO₂ reduction

In scope 1 gross emissions compared to our 2017 baseline

3.7 kg CO₂/boe

CO₂ intensity as kg CO₂ per barrel of oil equivalent

0.02% CH₄/saleable gas

Our upstream operated methane emission intensity of saleable gas

Relevant policies:

[Climate and energy policy](#)

OUR CORE BELIEFS

Our climate strategy builds on the following core beliefs:

Aker BP acknowledges the Paris agreement and goals and the Norwegian national climate commitments

We acknowledge the conclusions from the Intergovernmental Panel on Climate Change (IPCC) and the goals of the Paris Agreement, which call for a global effort to limit the global temperature increase to 1.5°C above pre-industrial level. We intend to support the Norwegian government's national commitment of minimum 55 percent gross GHG emissions by 2030 compared with 1990 levels. We believe the ongoing transformation of the energy system to achieve the Paris goals is important, and must be accelerated with investment and technological development in clean energy, energy efficiency and carbon solutions addressing both the supply and end-user segments.

Aker BP believes that responsible oil and gas produced with a low-carbon footprint and at low-cost is critical for the energy transition and security

We believe the transition to a low-carbon future needs to happen in a responsible manner that ensures affordable and reliable energy for people and societies. Demand for oil and gas should and will decrease; however, this change will not happen overnight. It is important that the required oil and gas is produced, distributed and used with a low environmental footprint. We are therefore intending to accelerate both pace and momentum in our drive to achieve lower GHG emission intensity for the E&P phase, the lowest operating cost and the highest value creation in our industry, while supporting new low-carbon industries by sharing technology and knowledge.



Aker BP believes carbon removal and offsetting must play a part, but will require both regulatory and technical maturing through responsible and transparent efforts

As highlighted in the IPCC Working Group III (WGIII) report, current climate pledges at the country level remain inadequate to align society with a temperature trajectory that limits warming to no more than 1.5°C. The IPCC WGIII report therefore concludes that CO₂ removal mechanisms, which can remove and permanently store CO₂, are necessary to meet our global climate goals. Aker BP therefore believes

that corporations have an important role to play in directing capital and innovation towards carbon removal; however, we welcome clearer regulation of the voluntary carbon markets, verification methodologies and technologies to enhance and scale new methods.

OUR CLIMATE STRATEGY AND NET ZERO TRANSITION PLAN

Figure 7 describes our 2022 GHG emission footprint for scope 1–3 across our value chain and visualises the scope 3 emissions related to use of products sold, which is beyond our control. In order to be in line with the GHG Protocol, all climate- and energy-related data (including historical data) have been updated to reflect the integration of Lundin Energy Norway with the exception of net CO₂ intensity.

Emission scopes:

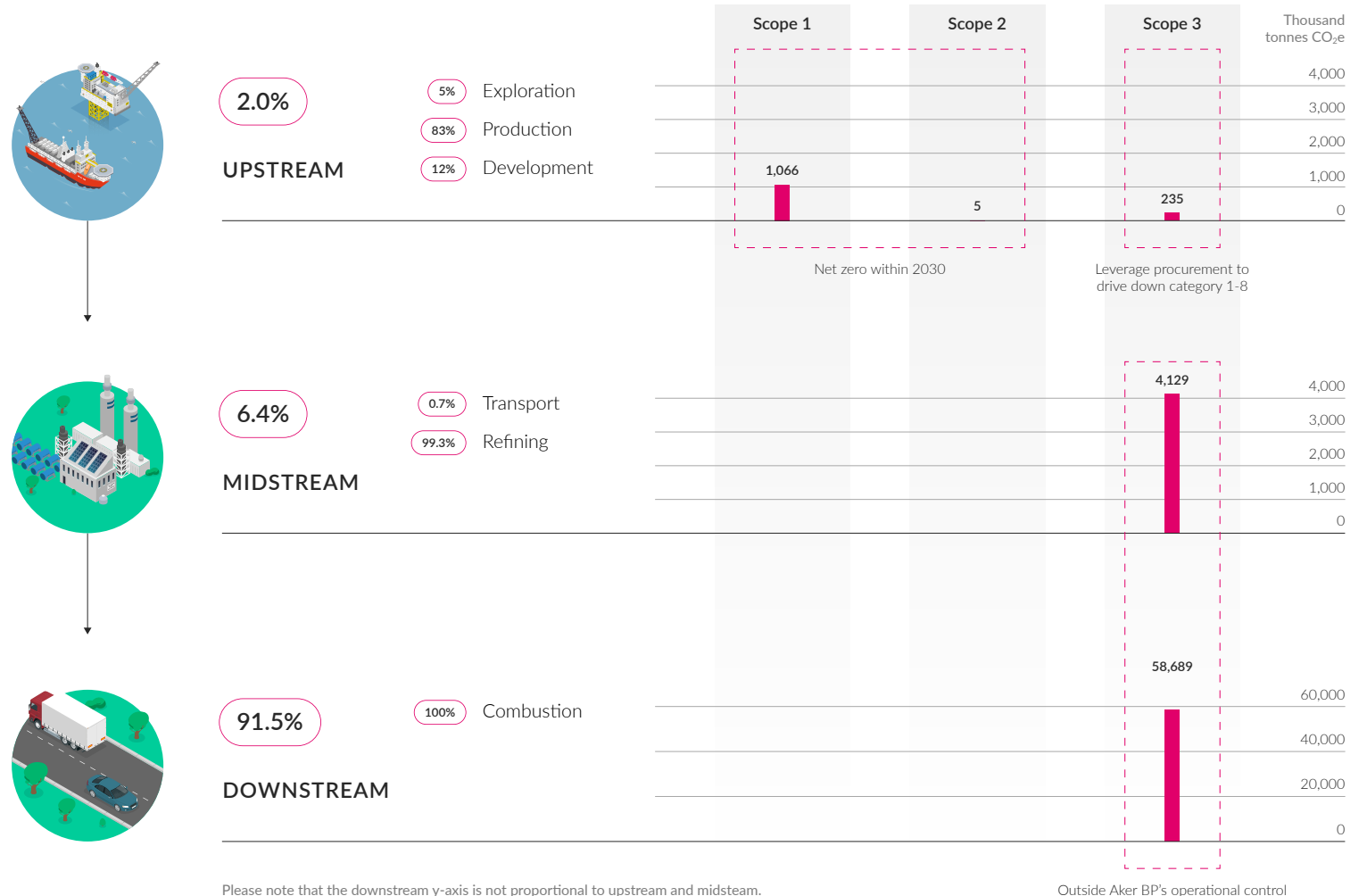
- **Scope 1:** Direct emissions from owned or controlled sources
- **Scope 2:** Indirect emissions from the generation of purchased energy.
- **Scope 3:** Indirect emissions (not included in scope 2) that occur in the value chain of the company, including both upstream and downstream emissions.

Emissions factors for calculating CO₂e:

Greenhouse gas	Global warming potential (GWP) rates in a 100 yr perspective*
CO ₂	1.0
CH ₄ fossil origin	29.8
N ₂ O	273.0

* Source: IPCC Sixth Assessment Report 2021.

Figure 7: GHG emissions across value chain



Please note that the downstream y-axis is not proportional to upstream and midstream.

Outside Aker BP's operational control

Our net zero transition plan outlines specific targets and levers that we use to address our scope 1 and 2 emissions, to bring us to net zero across operations, and provides further details on how we plan to reduce our addressable upstream and downstream scope 3 emissions.

Fundamental net zero principles: avoid, reduce and neutralise

Our key strategy principle is that we shall avoid and reduce GHG emissions in our operations, before utilising offsetting to neutralise any residual hard to abate emissions.

Overarching targets:

Our overarching net zero targets can be summarised as follows:

- We aim to achieve at least 50 percent absolute reduction in gross scope 1 and scope 2 GHG emissions by 2030. Major reductions have already been achieved through electrification of several existing fields.
 - Reduce and maintain our equity carbon intensity at <math><4\text{ kg CO}_2\text{e/boe}</math>, which is around one-fifth of the global average in 2020.
 - Ensure that our methane emission intensity does not exceed 0.1 percent.

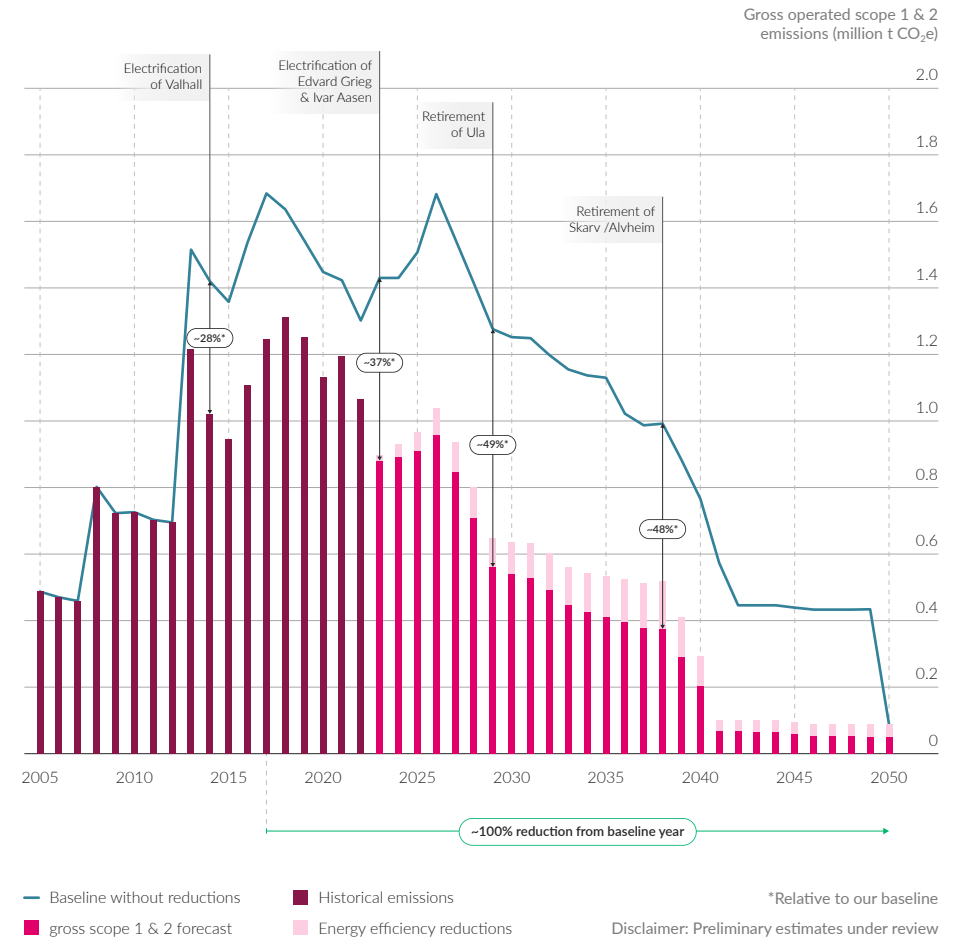
- By 2050, we aim to achieve absolute reduction, relative to our baseline, of close to 100 percent of gross scope 1 and scope 2 GHG emissions.
- We aim to neutralise any residual, hard to abate scope 1 and 2 emissions in a responsible manner through high-quality carbon removal offsets, enabling net zero scope 1 and 2 emissions on an equity basis from 2030.
- We aim to reduce addressable upstream scope 3 emissions, categories 1–8 and downstream category 9 by leveraging our cooperation with strategic alliances and business partners.

The targets are aligned with the Norwegian petroleum industry commitment to a 50 percent reduction in operational GHG emissions by 2030 as compared with the 2005 level. This also puts us in alignment with the Norwegian authorities' overall net zero ambition.

Baseline

Our targets require understanding of our baseline scenario, which describes what the emissions would have been without any decarbonisation effort from Aker BP. The blue line in figure 8 illustrates that, if we had taken no action, then we would have had gross scope 1 and 2 emissions of nearly 1.3 million tonnes CO_2e towards 2030 and 0.4 million tonnes towards 2050. However, according to the efforts outlined in our climate strategy and net zero transition plan, we expect this to be 55 percent less (0.6 million tonnes) in 2030 and close to zero by 2050.

Figure 8: Clear pathway to reduce absolute scope 1 and 2 emissions close to zero





CLIMATE POLICY

In 2021, Aker BP strengthened its management of climate-related matters and issued a separate climate and energy policy. The policy covers our commitment to manage climate-related risks and opportunities, reduce energy consumption and associated emissions to air, and reduce our operational GHG emissions to support the Paris agreement

and Norwegian government expectations. Through our obligations to the authorities, our emission levels are controlled and limited by authority permits for each asset, strict environmental regulations and specific Norwegian continental shelf standards.

All new projects have performed feasibility studies for power from shore or power transmission. In cases where new energy-intensive equipment is to be purchased, the equipment should be as energy-efficient as possible and use low-emission technology. By the end of 2022, two of our three assets generating power from gas turbines use low-NO_x combustion technology.

In the following chapters, we have further outlined our net zero roadmap by energy management and GHG emissions, categorised by scope 1, 2 and 3 and with details on KPIs, progress, future targets, levers and initiatives.

ENERGY MANAGEMENT

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 producer of oil and gas with a low CO₂ intensity in the E&P phase. Our approach to energy efficiency is embedded in how we work and includes our governing principles, performance and reward framework. Aker BP's climate and energy policy formalises our commitment to energy management and energy efficiency in all aspects of our operations. It enables us to deliver on our performance goals.

Our energy management system embodies the principles from the ISO 50 001 standard. As an operating company on the Norwegian continental shelf, Aker BP is required by law (The Activities Regulations) to conduct energy management in accordance with the principles of this standard.

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 and reported to top management on a regular basis. The effectiveness of energy management and implementation of identified energy improvement opportunities is tracked through reduced emission levels, power management dashboards for each asset and through Aker BP's GHG intensity KPI. In Aker BP, we do not have an overarching energy reduction target but instead utilise asset-specific energy reduction targets to focus efforts on the most effective energy reduction activities for each asset. In 2022, Aker BP's total energy consumption was reduced by nearly 9 percent, or more than 1,800 TJ, compared to 2021, when addressing the combined energy consumption of the two merged companies. Our gross operated energy intensity was 115 MJ/boe, and includes gas and diesel consumption as well as electric energy.

The power consumption at Valhall was reduced slightly, while the power from shore supplied to the Utsira High assets resulted in virtually unchanged total power consumption in 2022.

During 2021, we developed and implemented digital oilfield (DOF) solutions on Alvheim and Skarv (two out of three assets that do not have power from shore). This solution provides us with continuous data that enables the asset to operate more energy-efficiently, identify best operational practice, as well as using the forecasting models to predict CO₂ emissions, thus strengthening the ability to plan ahead to achieve additional reductions.

GHG EMISSIONS

Scope 1: avoid and reduce through electrification, energy efficiency and portfolio management as key levers

Current scope 1 emissions, key components, status and industry comparison

Our scope 1 consolidated GHG emissions include CO₂, CH₄ and N₂O. Our consolidation approach for emissions is operational control. Our 2017 emission baseline for emissions is 1.250 million tonnes of CO₂e. We emitted a total of 1.066 million tonnes CO₂e (gross) in 2022. As of 2022, Aker BP's emissions were thus 15 percent lower.

CO₂ intensity in Aker BP includes the equity share of CO₂ emissions (net) from our non-operated and operated assets divided by net Aker BP production. It does not include direct emissions from exploration drilling. Aker BP's 2022 CO₂ intensity target was set at below 4.0 kg CO₂ per barrel of oil equivalent (boe). In 2022, our CO₂ intensity was 3.7 kg CO₂/ boe. We consider our scope 1 emissions and the intensity metric to be a science-based target, but this is not validated by an independent standard body. Our [CDP response for 2021](#) explains this target. Our upstream operated methane emission intensity was 0.02 percent CH₄ of saleable gas, which is significantly lower than the industry average of 0.2 percent as reported by the Oil and Gas Climate Initiative (OGCI 2020 performance data). The majority of our methane emissions originate from non-combusted gas, and are released through cold vent, fugitive emissions and from loading and storage on our FPSOs (floating production storage and offloading vessels).

As an operating company on the Norwegian continental shelf, 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 five of six assets. The 8% decrease in flaring from 2021 to 2022 is due to shorter shutdown periods for the fields. We also have a system in place for methane leak detection to detect seeps and sweats, described in our CDP response for 2021.

2022 progress

Investments in electrification make up one of the most important levers for scope 1 emissions under our 'avoid' pillar. Electrification of Edvard Grieg and Ivar Aasen in 2022 improved our emission performance, also enabling improved safety and reliability, reduced environmental taxes and higher natural gas sales. Electrification of Valhall in 2013, Edvard Grieg and Ivar Aasen is estimated to save more than 15 million tonnes CO₂ accumulated from the year of electrification to 2040. We are also planning to operate our new field developments with power from shore or from offshore wind. Several emission reduction measures were carried out in 2022, yielding a total reduction of 72,900 tonnes of CO₂e. Our most significant GHG emission reduction initiatives in 2022 are listed below.

- Fine-tuning and adjustment of power management on the Skarv FPSO has resulted in new load distribution on the turbines. The current solution is to run two turbines on full load, and a third on low load, reducing emissions by 20,000 tonnes of CO₂ annually.
- The Ula field adjusted its gas turbine operating routines to only run a single gas turbine when loads are below 15 MW, resulting in 10,500 tonnes of avoided CO₂ emissions in 2022.
- A new design of the water injection pumps at Alvheim has increased capacity and reduced power consumption, estimated to save 31,600 tonnes of CO₂ emissions annually.

Future levers and initiatives

Going forward, Aker BP will continue to seek cost-effective, energy-efficient emission reduction measures in order to reduce the footprint from our value chain. For the residual hard to abate emissions, carbon removal offsetting will be considered with a strict and conservative set of criteria.

We aim to electrify almost 100 percent of Aker BP's production by 2030, enabling industry-leading low emissions intensity from our portfolio. Not all our brownfield assets can

be economically electrified, which means that Aker BP will still have some residual emissions in 2030, and these emissions will be neutralised through offsetting. However, the emissions that will have to be neutralised will be significantly lower towards 2040. As these assets will be gradually retired and replaced by new electrified fields, they are expected to achieve close to zero by 2050.

Figure 10 illustrates the share of electrified production towards 2040.

Figure 9: Direct GHG Emissions (gross) – scope 1

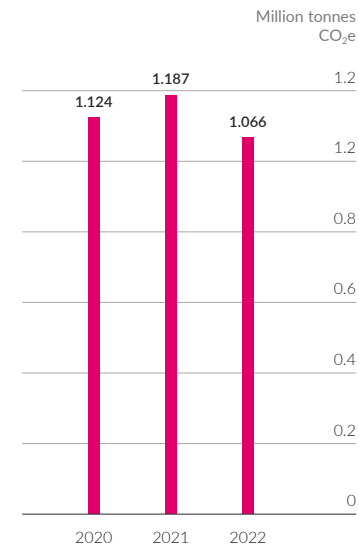
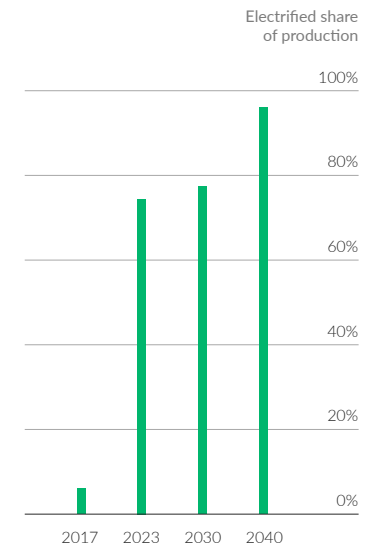


Figure 10: More than 70% of production with ~0 scope 1 emissions





Scope 2: electrification with renewable energy and energy efficiency as key levers

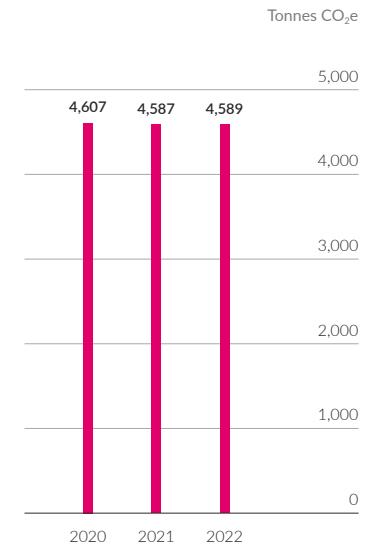
Aker BP's scope 2 emissions are mainly related to purchase of electrical energy supplied to Edvard Grieg, Ivar Aasen and Valhall. Prior to connecting to shore power in December 2022, the Edvard Grieg field used dual-fuel low-NO_x gas turbines to generate energy, and supplied power to the Ivar Aasen field. In December 2022, both fields started receiving power from shore.

In order to avoid double counting after the acquisition of Lundin Energy, emissions related to power generation for the Ivar Aasen field (previously accounted for as scope 2 emissions for Aker BP) from Edvard Grieg's gas turbines are now accounted for as scope 1 emissions only. Our scope

2 emissions have been changed due to these changes in boundaries. Apart from this, the scope 2 emissions are virtually unchanged from 2021 to 2022.

As described in the above chapter for scope 1 emissions, we will mainly use the same neutralisation / offsetting levers and approach to bring our scope 2 emissions to net zero. Energy efficiency will be more central here to reduce our energy needs.

Figure 11: **Indirect GHG Emissions (gross) – Location-based scope 2**



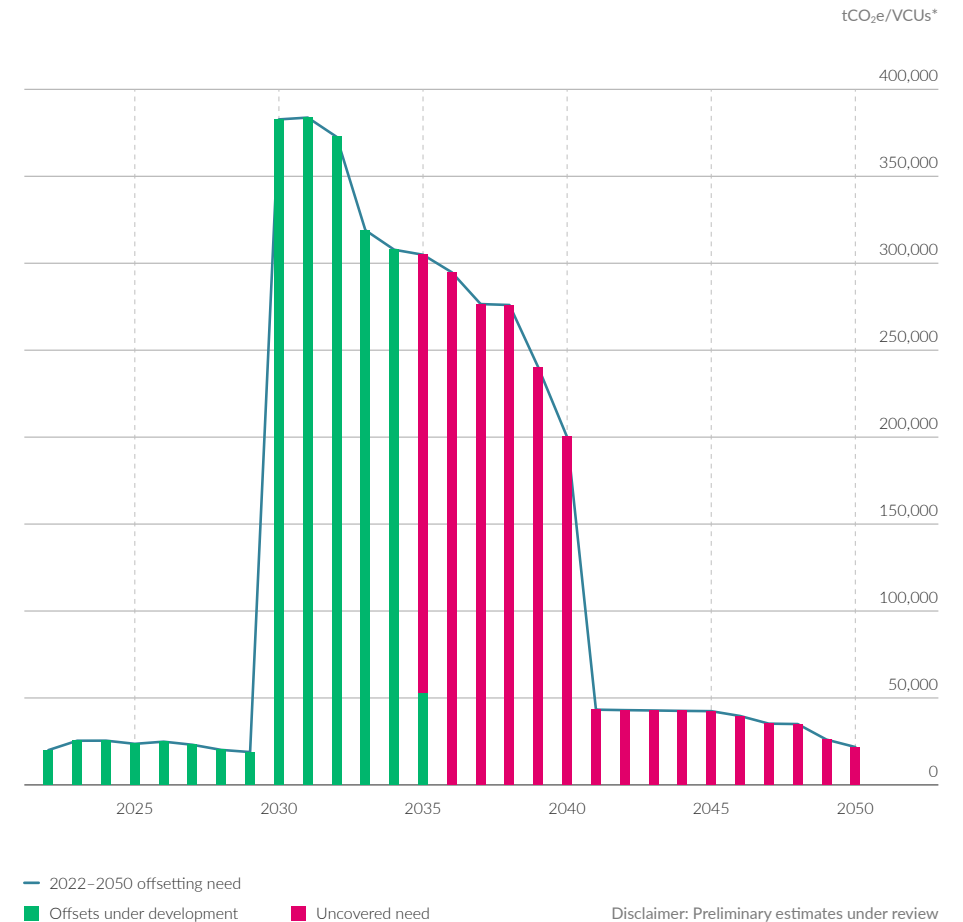
Neutralise: conservative and responsible offsetting

Neutralisation of the residual emissions means that every tonne of the remaining GHG emissions from our operations will be matched with an equal amount of high-quality carbon removal. These credits are voluntary and come in addition to the fees and taxes we pay for compliance purposes. Internally, it creates more incentive to reduce emissions. Externally, it allows us to make a positive contribution by supporting high-quality carbon removal projects from the carbon markets, which will be essential for the world to meet its commitments to the Paris Agreement. Reducing our physical emissions will remain the first and foremost priority in our climate strategy, and we plan to purchase carbon removal for the remaining scope 1 and 2 emissions from 2030 onwards.

We acknowledge that the carbon markets and offsetting methods require more maturity, particularly when it comes to regulatory, verification and technological aspects. In recognition of this, we will use offsetting as a lever in a responsible, conservative and transparent manner. For now, we are guided by the principles set out in the recent EU offsetting directive and Oxford Principles for Net Zero Aligned Carbon Offsetting.

As a starting point, we are investigating nature-based removal projects in Europe and Africa with a strict set of criteria. We are working with leading technical advisors, verifiers and rating agencies in our approach, and we will only accept offset certifications by leading verification institutions. We endeavor to ensure that our carbon removal offset projects do not have negative impacts on the community and biodiversity by treating it as a pre-condition in our selection process. We anticipate improved verification methods which validate the carbon, community and biodiversity impacts, and we will work to comply with these methods. Over the longer term, we will consider more direct and technological removal methods and offsets even closer to our value chain, geography and footprint. We intend to provide more information about our offsetting projects and offsetting strategy once we have completed our ongoing offset strategy.

Having among the industry's lowest greenhouse gas emission intensities and associated GHG footprint, we thus have a lower need than others to offset residual emissions. From 2030 to 2050 we aim to offset and neutralise between 3.5 and 4 MT CO₂e, bringing us to net zero. Figure 12 gives an overview of our anticipated offsetting needs per year towards 2050, cumulative emissions to offset and current coverage in term of offsets.

Figure 12: **Conservative neutralisation of residual emissions mainly post 2030**

*Verified Carbon Units. Each VCU represents a reduction or removal of one tonne of carbon dioxide equivalent (CO₂e) achieved by a project

Scope 3: emissions from our supply chain and our customers

Scope 3 emissions are monitored and reported in accordance with the GHG Protocol and represent an important part of our sustainability accounting scheme. Data gathering, quality and standards are challenging. We are working extensively with relevant parties to improve our understanding and quantification of scope 3 emissions. We consider the largest reduction potential in the categories under our operational control.

1. Upstream categories 1–8 and downstream category 9 are deemed addressable for Aker BP, as these categories are under our influence. We are working to set targets and identify improvement initiatives within our supply chain.
2. Downstream category 11 represents virtually all emissions from category 10–15. As a pure upstream company with no refining and end use sale we have limited to no ability to alter the impact of these emissions. Aker BP has no initiatives aiming to reduce downstream categories 10–15, but are working to quantify the magnitude of these emissions.










Category 1 purchased goods and services and category 2 capital goods cover all upstream purchases and consumer goods. Along with other operators on the NCS, Aker BP has developed a joint practice for suppliers to report scope 3 emissions within the key areas of steel, cement, and large volume chemicals. These areas are considered our main contributors to category 1 and 2 emissions.

Emissions related to the production and transportation of all fuels consumed in our operations (well-to-tank) is covered by category 3 Fuel and energy-related activities. Our strategic suppliers were required to strengthen their efforts towards reporting on and reducing their impact related to category 5 Waste generated in operations.

Aker BP has offices in five different locations in Norway, and travel between the offices and to offshore assets is necessary to carry out our operations. Business travel saw a significant decline during the Covid-19 pandemic. However, due to increased activity and fewer Covid-19 restrictions, our emissions related to business travel (category 6) more than doubled in 2022, reflecting a relatively normal work year. Helicopter transport to our offshore assets is included as part of employee commuting (category 7) for our offshore employees, resulting in emission of 11,000 tonnes of CO₂e.

Platform supply vessels (PSVs) represent the vessel category with the highest activity level and emissions and are included in category 4 – upstream transportation and distribution. The majority of the PSVs operating on behalf of Aker BP are connected to a common fuel and power monitoring system, resulting in continuous availability of high-quality performance data.

Figure 13: Indirect GHG Emissions (gross) – scope 3

	Category 1: Purchased goods and services Category 2: Capital goods	Operational control	83,000 tonnes CO ₂ e
	Category 3: Fuel- and energy-related activities (not included in scope 1 or 2)	Operational control	26,000 tonnes CO ₂ e
	Category 4: Upstream transportation and distribution	Operational control	108,000 tonnes CO ₂ e
	Category 5: Waste generated in operations	Operational control	3,000 tonnes CO ₂ e
	Category 6: Business travel	Operational control	4,000 tonnes CO ₂ e
	Category 7: Employee commuting	Operational control	11,000 tonnes CO ₂ e
	Category 8: Leased assets	Operational control	- tonnes CO ₂ e
	Category 9: Downstream transportation and distribution	Operational control	29,000 tonnes CO ₂ e
	Category 10: Processing of sold products	Equity basis	4,100,000 tonnes CO ₂ e
	Category 11: Use of sold products	Equity basis	58,700,000 tonnes CO ₂ e

Emissions from PSVs have been continuously reduced since 2019. Aker BP has developed a three-stage approach to decarbonising our offshore fleet: through operational measures, energy optimisation, and development of new technologies and fuels.

Operational measures include a continuous focus on fuel and power consumption, embedding energy management in the mindset of every level of vessel management. During 2022, we implemented several operational measures to improve the energy efficiency of these vessels. We cooperated with the shipowners to identify and implement climate goals and KPIs for our PSVs. We have continued to optimise routes and collaborate with other operators on the NCS to reduce the number of vessels operating, and hence emissions. Please refer to figure 14 for an overview of CO₂ reductions from PSVs (2019–2021). Also, we monitor and do condition-based hull and propeller cleaning, a technique that has been assessed and proven to reduce power consumption and subsequent emissions by 2–6 percent.

All seven PSVs on long-term contracts in 2022 have battery hybrid solutions installed, reducing emissions by 17 percent. Shore power infrastructure has been installed on all bases between 2019–2022, the last base (Sandnessjøen) was equipped in September 2022. Other power management

and energy efficiency measures, including closed bus-tie configurations, are continuously being implemented on our vessels.

To prepare for future operations and forthcoming maritime legislation, Aker BP is actively involved in development of low-emission vessels. We collaborate with our strategic partners, Eidesvik AS and Alma Clean Power in development of fuel cells for use on vessels, and dual-fuel engines capable of running on zero-carbon fuels. We also collaborate with engine manufacturers and research institutes on maturing Carbon Capture and Storage technology.

Our downstream scope 3 emissions include categories 9, 10 and 11. Downstream transportation and distribution (category 9) includes emissions from the transport of oil on tankers from our Skarv and Alvheim assets. Emissions related to the refining (category 10) and end use (category 11) of sold products vary according to production levels and are reported on equity basis.

Figure 13 outlines our current scope 3 footprint.

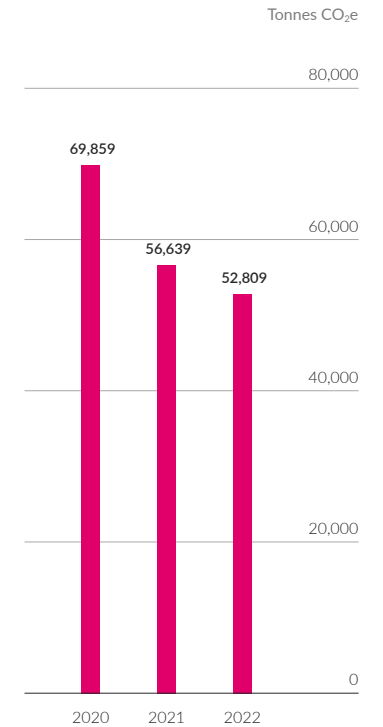
Unlike conventional, fully-integrated oil and gas companies, Aker BP has no midstream or downstream operations, and thus limited influence on category 10 emissions related to refining and category 11 use of products sold.

Category 11 emissions related to end-use is the highest emission category for any oil and gas company, constituting typically 90 percent or more of emissions in the oil and gas value chain globally. Although we have limited or no control over this factor, we are transparent about this footprint and constantly explore levers that can support fossil fuel consumers in decarbonising their own operations: for instance, we are currently exploring whether carbon capture and storage (CCS) can be an attractive opportunity for Aker BP. This must not be understood as Aker BP taking responsibility for the emissions caused by participants in the value chain downstream.

Advocacy for net zero transition

We believe collective efforts are key to achieve the Paris ambitions and the important climate transition. Therefore, we are a member of the World Economic Forum's "First Mover Coalition" to excel and lead the way along with a proactive group of corporations in the climate and energy transition agenda. Furthermore, we are also a member of Offshore Norge where we proactively work and share knowledge and expertise to help the industry as a whole to achieve the 50 percent GHG emission reduction by 2030 target set for the entire Norwegian oil and gas industry.

Figure 14: Emissions from PSVs



CLIMATE SCENARIOS AND RISKS

Risk and opportunities posed by climate change

A profound transformation of the energy system is underway and needs to accelerate. The path toward the future energy system is uncertain and, as reflected by the IEA's forecasts and scenarios, there is a wide range of different outcomes for oil and gas demand. That is why it is critical to have a rigorous approach to understanding, assessing and managing climate-related risks. Aker BP's commitment to evaluate and manage climate-related risks and opportunities is described in our climate policy.

As an upstream E&P company, Aker BP is largely a price taker in the commodity markets, and we therefore manage our economic performance primarily by controlling cost and production volumes, but also through financial risk management. 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.

To assess and manage climate-related risks, we use scenario analysis, sensitivity testing and an internal carbon price, in addition to reducing our own emissions. Climate-related considerations are embedded in our decision-making, and we apply a set of strict financial criteria, including our internal carbon price, for all investment decisions. At project level, the assessment of climate topics and related risks is an

integral part of the project approval process. As defined by our financial framework, we aim to sanction projects with low breakeven. In addition, the projected emission costs for projects are evaluated based on the internal carbon price assumption, and project emissions intensity is assessed as one of the hurdle rates. At the portfolio level, the robustness against low oil and gas prices and higher carbon costs, is assessed as part of the business planning process.

Climate-related considerations are also embedded in our exploration strategy. Assessment of the exploration prospects always includes assessment of the CO₂ footprint of a potential development. Infrastructure-led (ILX) prospects are ranked higher when located around modern, electrified hosts. The Norwegian continental shelf (NCS) is a maturing basin, where hub lifetime and production decline are important features that are incorporated in our exploration strategy. Therefore, our future exploration activity is concentrated mostly around existing hubs. Our current exploration strategy aims for 80 percent of exploration spending being directed to ILX developments.

In the context of mergers and acquisitions, evaluation of potential acquisition candidates always includes assessment of the company's overall environmental performance, projected emission costs based on Aker BP internal carbon price, as well as an assessment of potential impact on Aker BP's emission intensity performance and related risks amongst a number of other considerations.



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 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 scenarios described in the IEA's World Energy Outlook report published in autumn every year. These scenarios are commonly used by our industry peers and can help investors and other stakeholders in assessing portfolio resilience across companies. The latest World Energy Outlook published in 2022 describes three scenarios as illustrated in figure 15.

Figure 15: Summary of the IEA world energy outlook (WEO-2022) scenarios

Stated policies scenario (STEPS)

This scenario does not look at what governments say they will achieve, but at what they are actually doing to reach the targets and objectives they have set out. As such, it is based on a detailed sector-by-sector review of the policies and measures that are actually in place or under development in a variety of areas. The STEPS reflects a pragmatic exploration of the current policy landscape, and gives a view on where the energy system might be heading in the absence of specific new policy initiatives.

In the STEPS, global oil demand rebounds and surpasses 2019 levels by 2023, despite high prices. Demand continues to grow at around 1 percent per year before peaking in 2035 at just above 103 mb/d. For natural gas, demand rises at an average rate of 0.4 percent per year between 2021 and 2030. Demand peaks in 2030 and stays at that level to 2050.

Announced pledges scenario (APS)

This scenario assumes that governments will meet, in full and on time, all of the climate-related commitments that they have announced, including longer term net zero emissions targets and pledges in NDCs, as well as commitments in related areas such as energy access. It does so irrespective of whether or not those commitments are underpinned by specific policies to secure their implementation.

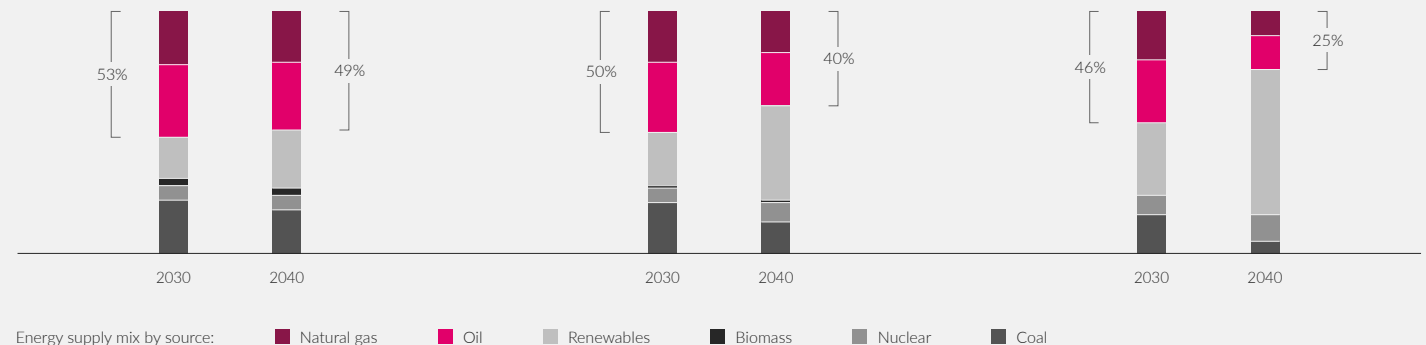
In the APS, stronger policy action leads global oil demand to peak in the mid-2020s, just above the level of demand in 2019. Demand then falls by around 40 percent between 2030 and 2050. Global natural gas demand soon peaks, and by 2030 is nearly 10 percent lower than it was in 2021. By 2050, global natural gas demand is 40 percent below 2021 levels.

Net zero emissions by 2050 scenario (NZE)

This normative scenario sets out a pathway to the stabilisation of global average temperatures at 1.5 °C above pre-industrial levels. It has been updated for the 2022 Outlook and starts from a higher level of fossil fuel demand and emissions than the previous version. It also has one year less in which to achieve global net zero CO₂ emissions by 2050. As a result, reaching this goal requires more robust efforts than in the 2021 analysis.

The NZE Scenario does this without relying on emission reductions from outside the energy sector. As in the previous analysis, advanced economies reach net zero emissions before developing economies do.

In NZE, oil demand declines from 95 million barrels per day (mb/d) in 2021 to 75 mb/d in 2030, and to less than 25 mb/d in 2050, with an annual decline rate of 6 percent on average from 2030 onwards. For natural gas, demand falls by 20 percent to 2030, and is 75 percent lower than today by 2050.



Sensitivity to oil and gas prices

Figure 16 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 replaced with those from the selected scenarios, while keeping carbon price and FX unchanged in all scenarios. As shown in the graph, under the IEA's STEPS, the net present value of Aker BP's portfolio is 31 percent higher, reflecting the higher oil and gas price assumptions in this scenario compared with Aker BP's planning assumptions. When tested using the assumptions from the APS, the net present value of the portfolio is seven percent higher.

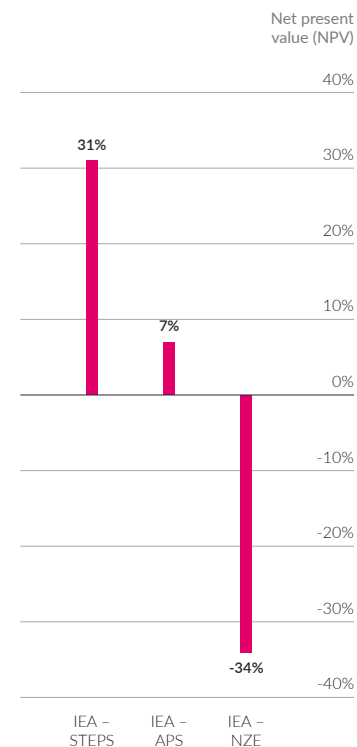
Under the NZE scenario, oil prices plummet, reaching USD 35/barrel and USD 24/barrel (in real 2021 terms) in 2030 and 2050 respectively, while European natural gas prices fall from 2022's extraordinary highs to 4.6 USD/mmbtu in 2030 and 3.8USD/mmbtu in 2050 (in real 2021 terms). At these prices, the NPV of the portfolio is reduced by 34 percent. In this normative scenario there are no new oil and gas fields approved for development beyond already committed projects as of 2022. This collapse in prices is fully dependent on the assumed dramatic reduction in demand, with oil demand falling by around 75 percent and natural gas demand falling by more than 70 percent by 2050 vs. 2021 level.

The purpose of quantitative testing of transition and portfolio risk is to investigate whether our strategy is resilient to various price scenarios compatible with the goals of the Paris Agreement (including the 1.5-degree goal). The targets in

the Paris Agreement assume that the demand for oil and gas reaches a peak and declines in the future. However, there are three major uncertainties associated with this approach: How high the peak in demand will be, how quickly demand falls and how the supply side adapts to demand. Oil and gas prices are not directly dependent on the level of demand, but the balance between supply and demand at any given time and the market's expectations for the future balance. Historically, the supply side has adapted to the demand side, consequently the market mechanism would prevent fossil fuel prices from reaching the projected levels envisioned under an NZE scenario. While transition risk in a long-term perspective is difficult to properly quantify, this analysis, showing a 34 percent NPV reduction under the extreme price scenario NZE, leads Aker BP to consider its strategy to be resilient to lower prices and reduced demand.

In the World Economic Outlook report from April 2022, the IMF illustrates how prices in a Net Zero Emissions scenario may vary from approximately USD 25/barrel to USD 200/barrel at the start of the 2030s. The level depends on whether political measures will seek to influence the supply side or the demand side of the oil market. Several energy research organisations and analysts have scenarios for oil prices, and most are within the IMF's range. Even between the three IEA scenarios analysed, we see a significant gap in long-term prices, illustrating some of the challenges of setting assumptions compatible with the targets in the Paris Agreement.

Figure 16: Impact on the NPV of Aker BP portfolio under the IEA's scenarios



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 latest economic assumptions (NPV10 as of 01.01.2023). Same FX (Foreign Exchange rates) and carbon prices are used for all scenarios. Portfolio consists of producing assets and non-sanctioned projects.
2. IEA defines prices for 2030 and 2050. We assume a linear price development between those years and flat prices from 2050; actual prices are used for 2021. IEA's oil and gas prices for each scenario are as follows:

		Crude oil (USD/bbl)	Natural gas - European Union (USD/mmbtu)
STEPS	2030	82	8.5
	2050	95	9.2
APS	2030	64	7.9
	2050	60	6.3
NZE	2030	35	4.6
	2050	24	3.8

Sensitivity to carbon prices

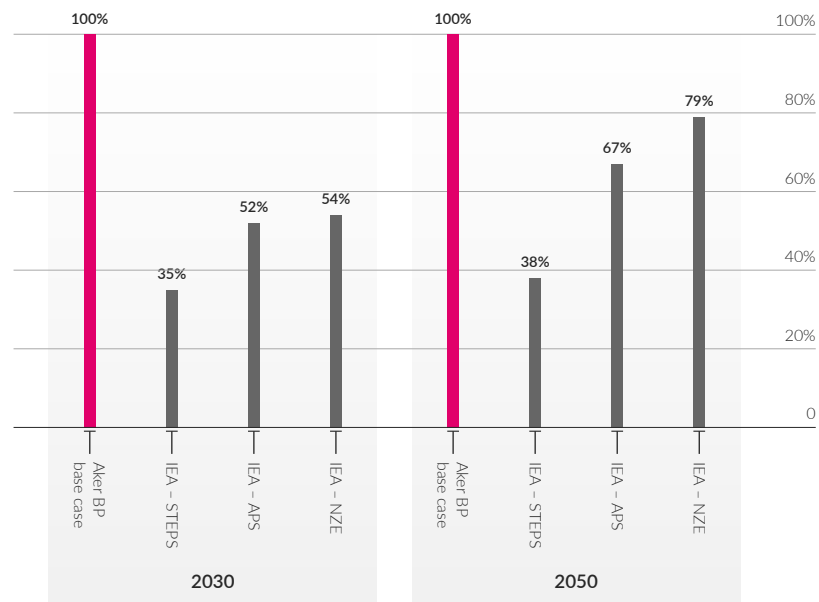
In Aker BP, we believe that carbon pricing is an important tool needed to help drive a positive change. Setting a price on carbon creates financial incentives for companies to invest in reducing own emissions, to drive innovation

and scale technologies. Aker BP's internal carbon price assumptions significantly exceed prices assumed under the IEA's scenarios. In addition to the national Norwegian carbon tax, petroleum operations on the NCS are subject to the European Union Allowances (EUA) for emissions traded

under the EU ETS. 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 CO₂ emissions compared with most other countries with petroleum activities.

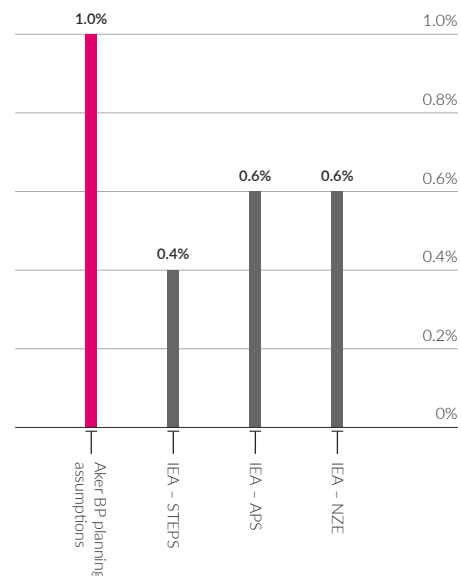
As part of Norway's climate action plan announced in January 2021, Norway has set a target to gradually increase the total cost per tonne of CO₂ from around USD 80 in 2020 to USD 255 in 2030 (real 2021 terms). This target is reflected in Aker BP's planning assumptions, which show an increase in both the EUA and national carbon tax over the next 10 years, reaching the targeted level set by the Government for 2030.

Figure 17: Aker BP carbon cost vs IEA's scenarios



Carbon prices in STEPS reflects the price of one tonne of CO₂ in the EU. In APS and the NZE scenario the carbon price reflects the CO₂ price in advanced economies with net zero pledges

Figure 18: NPV10 of CO₂ costs as percentage of Aker BP valuation










To illustrate the sensitivity of Aker BP's portfolio to carbon prices, we calculate the NPV of 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 18, the NPV of the future carbon costs as a share of the total portfolio NPV is the highest under Aker BP's base case assumption. This is because Aker BP's internal carbon price assumption is significantly higher than the CO₂ price under the IEA's scenarios. As shown in the graph, the NPV of the future carbon costs under the planning assumptions is limited to about one percent of the total portfolio NPV, which reflects Aker BP's industry-leading performance in emission intensity for the E&P phase.

SUMMARY OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

In line with the framework proposed by the TCFD and our climate policy, we group our climate-related risks into two major categories: (1) risks related to the transition to a lower-carbon economy and (2) risks related to the physical impacts of climate change. A summary of key climate-related risks is provided in table 2 on the next page. See also our 2021 CDP response.

Table 2: Climate related risks

CLIMATE-RELATED RISK CATEGORY	RISK DRIVER	MITIGATION ACTIONS
Transitional risks		
 1. Market	<ul style="list-style-type: none"> - Demand for oil and gas can decrease significantly faster than anticipated, resulting in significantly lower oil and gas prices. - In anticipation of the faster energy transition, key producers can shift their strategy to market share maximisation, driving down prices. 	<ul style="list-style-type: none"> - Climate risks integrated in all investment decisions. - A strict financial framework for investment decisions; sanctioning projects with low breakeven. - Internal carbon price exceeding IEA's Net Zero scenario. - Scenario analysis and sensitivity testing on both portfolio and project levels. - Cost reduction initiatives.
 2. Regulatory and legal	<ul style="list-style-type: none"> - The EUA price and/or Norwegian CO₂ tax can increase faster and rise higher than what is anticipated. - Mandatory emission abatements can be enforced that are not competitive with other uses of capital or are uneconomical. - Access to new acreage can be reduced, in which 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. 	<ul style="list-style-type: none"> - As above. - Requirement for all potential projects to be assessed for CO₂ emission intensity and resilience against higher carbon taxes. - Emission reduction initiatives. - Electrification using hydropower from shore or from offshore wind, where feasible. - Continuous monitoring of the external environment and engagements with relevant stakeholders.
 3. Competition	<ul style="list-style-type: none"> - Competition from new technology (e.g. batteries, renewables, hydrogen) and/or regulations can drive faster displacement of oil and gas in energy and non-energy sectors. - A faster and larger scale of electrification in Europe can result in rationing and higher prices of power, thus increasing our costs. 	<ul style="list-style-type: none"> - As above. - Energy efficiency initiatives.
 4. Reputational	<ul style="list-style-type: none"> - Investors and capital markets participants' perception of oil and gas activities in Norway can deteriorate, impacting availability of capital, cost of capital and insurance premiums. - Industry's attractiveness can deteriorate, making it difficult to attract and retain the right talent. - Reputational risk related to offsetting. 	<ul style="list-style-type: none"> - Efforts in place to secure financial flexibility and maintain investment grade credit rating. - Adoption of best practices in climate-related disclosure. - Maintaining Aker BP brand as an attractive employer. - Responsible, conservative, assured and transparent approach to offsetting.
Physical risk		
 5. Acute	<ul style="list-style-type: none"> - Potential higher frequency of extreme waves/weather may lead to operational shutdown or accelerated need for modifications of existing installations if safe design limits and structural integrity are threatened. Several Aker BP fields with fixed installations may be exposed to this risk- the Valhall field platforms, Tambar and Ula platforms, Ivar Aasen and Edvard Grieg platforms. - The most significant influencing factors are rising sea levels and extreme waves challenging structural tolerances and reducing the design air gap. 	<ul style="list-style-type: none"> - Update of metocean data and evaluation of structural design limits are part of the integrity management process. - Update of these parameters is triggered as a result of Quantitative Risk Assessment review, barrier mapping or based on industry knowledge.
 6. Chronical	<ul style="list-style-type: none"> - Change in precipitation patterns and extreme variability in weather patterns over time may affect working environment conditions, for example reducing the period an offshore worker may tolerably be exposed to a certain working environment condition while performing their scope of work. 	<ul style="list-style-type: none"> - Risk assessments are systematically performed by the Aker BP working environment team, including identification of improvements. - Working environment risks are assessed using industry standard approach and form input to infrastructure design for new facilities and typical working procedures for existing facilities. - Working environment issues are governed by the regulator
Opportunities		
 Opportunities	<ul style="list-style-type: none"> - In the investment environment that is increasingly shaped by intensifying ESG pressure, Aker BP's leading carbon efficiency in the E&P phase and low production costs provide a strong competitive advantage and better opportunities to obtain capital. - Long-lived fixed assets with short payback time that will remain profitable even under low oil price scenarios. 	<ul style="list-style-type: none"> - Cost reduction initiatives. - Emission reduction initiatives. - Explore CCS as a green opportunity.

MANAGEMENT OF CLIMATE-RELATED RISK

Aker BP uses an enterprise risk management process where risks and opportunities are identified and managed at all levels (activity, asset, business unit and company) with the aim to maximise opportunities, minimise risks and support realisation of performance objectives. We address and manage risks and opportunities across business units and throughout the asset value chain in Aker BP, including climate-related risks and opportunities. Risks are defined in a short (0–3 years), medium (3–10 years) and long-term (10–25 years) perspective, as relevant.

The short-term horizon includes our risks related to positioning ourselves to meet the low-carbon economy following the Paris Agreement and obligations for annual reductions in GHG emissions. Risks and opportunities are predominantly of operational character.

The medium-term horizon reflects a reduction of scope 1 GHG emissions (gross) by 50 percent by 2030. In a medium-term perspective we consider a broader set of influencing factors affecting our emission reduction targets: market, regulatory, technical, reputation, physical and operational factors. Energy efficiency, flaring reduction, fuel switching (from diesel to gas), electrification, fugitive emissions (methane) and detailed emission reporting are medium-term strategies for Aker BP. Risks and opportunities are predominantly of tactical nature.

The long-term horizon reflects a scenario with highly energy-efficient operations and lower carbon footprint in the E&P phase in a market still dependent on oil and gas. Supply of electrical power from shore to offshore installations is a

long-term objective in our climate strategy. Our long-term horizon reflects close to zero scope 1 emissions by 2050. Risks and opportunities are predominantly of strategic nature.

We apply a framework that enables a holistic risk and barrier management approach on all levels. The risk and barrier framework includes:

- Risk and barrier policy including governing principles
- Risk and barrier processes and requirements
- Risk and barrier best practices and guidelines, tools and templates

The governing structure is set up to manage risks and opportunities effectively in an integrated manner and provide information where needed. The risk and opportunity management process is dynamic, and the risks and opportunities are updated and reported when significant changes occur.

Risks and opportunities are identified both as a result from our internal activity set as well as from various sources such as regulators, industry initiatives, NGOs, public perception and investors, and they are mapped in appropriate tools. Risk registers are maintained and updated continuously for both activities and business processes. Important risks, including climate-related risks, from across business units are communicated to and reviewed at all company levels on a regular basis. The EMT and board of directors regularly review the overall aggregated risk picture. This is also a part of the quarterly review performed by the audit and risk committee as well as the safety and environment assurance committee.

Risk management in Aker BP follows the principles in ISO 31000. Risks and opportunities are identified, evaluated and mapped to our common company risk matrix, including



consequence categories for personnel, environment (including climate), financial, reputation, project cost and schedule impact. The risks and opportunities are categorised based on probability and associated consequence.

Climate risk is followed up as one of the integrated company-wide risks. Aker BP has implemented a policy for climate and energy efficiency reflecting the core climate risk

management principles. Energy efficiency and low-emission operations are core factors shaping our business strategy. Aker BP actively analyses the potential substantive financial impact for climate-related risks to guide courses of action to meet the expectations of stakeholders and the market. This also facilitates better decisions aligned with our strategy and goals, including setting up mitigating actions involving long-term commitments and investments.

Emission reductions in a cable

A subsea cable. That's how we achieved by far the largest emission reductions in 2022. Supplying Edvard Grieg and Ivar Aasen with electricity from shore allowed us to shut down two gas-powered generators. This enabled us to reduce our CO₂ emissions by as much as 200,000 tonnes per year.

Production from Edvard Grieg requires a great deal of energy, both electricity and in the form of heat. Until now, we've had two large gas turbines on Edvard Grieg to make sure we had plenty of electricity and heat for our own needs, as well as electricity for our neighbours on Ivar Aasen ten kilometres away. The two platforms were prepared for full electrification all the way back when they were on the drawing board more than ten years ago, just waiting for an area solution to be put into place on the Utsira High. Once Phase 2 of the Johan Sverdrup development was completed last year, the subsea cable could be energised, and the turbines on Edvard Grieg could be shut down.

These measures meant that we could achieve a formidable decrease in emissions, practically overnight. Converted into private car terms, this equates to emissions from more than 100,000 fossil fuelled cars.

Significant work and investments have been dedicated to achieving this effect. In addition to the cables on the seabed, a process for qualifying the technology for electric boilers was also necessary. The process facility on Edvard Grieg needs heat supplied from two large boilers. This is the first time electric boilers have been used outdoors in an offshore environment.

Obviously, reducing emissions was the main reason for full electrification of Edvard Grieg and Ivar Aasen.

Jørn Aasland
Platform manager on Edvard Grieg.

He was on board the day the power was switched on, and the generators were shut down. And that last bit has a great impact on the work on board.

Gas generators create a lot of noise. Now that noise is gone. We also expect to reduce operating costs now that we don't have to run our own power plant offshore. All kinds of what we call rotating equipment, like generators, can experience outages. Power supply from shore will mean more robust operations for us. As we all know we rarely lose power at home, either.

Double effect

Electrification projects on the Norwegian shelf are extremely important for Norway to achieve its climate targets. Close to 20% of the country's overall emission reductions leading up to 2030



will come from our industry. But at the same time, some claim that these measures will not have any impact on global emissions, since the gas will be burnt elsewhere.

A number of reports, including one from Thema Consulting¹⁾ on assignment from Offshore Norge, show however that the impact on European emissions is roughly 80% of the emission reductions in Norway, i.e. that Power from Shore is a forceful climate lever. Power plants and households in Europe use gas more efficiently

than can be achieved on an offshore oil installation. Moreover, gas transported by pipeline from Norway displaces the use of fuels such as LNG, which have higher emissions.

Norwegian gas has also taken on a much more significant role in a geopolitical perspective. Following Russia's war of aggression against Ukraine, Europe is calling for all the gas Norway can produce, in an effort to secure energy supplies.

1) [Electrification of the oil and gas sector yields reduced global emissions \(offshorenorge.no\)](https://www.offshorenorge.no)

The human factor in smooth sailing

The supply vessel *Normand Solitaire* is loading equipment and supplies for its next trip out into the North Sea. Decisions are made both during planning and execution of the voyage which affect the vessel's overall emissions of greenhouse gases. The crew are focused on reducing emissions.

Normand Solitaire is one of the North Sea's workhorses. An 11-year-old lady measuring just over 90 metres from bow to stern, and with room for about 1/4 acre of cargo on deck. In 2021, a battery was installed on the boat for hybrid operations, as well as equipment to connect to electricity when she's at quay. Both contribute to lower emissions. But equally important is the human factor provided by logistics personnel and the crew. The captain on board, Håvard Nordstrand, has been part of the transition from sailing quickly from A to B, to sailing smart, in an environmentally conscious way.

On this trip, *Normand Solitaire* will be delivering equipment and supplies to three installations; the production platforms Ivar Aasen and Edvard Grieg, and the drilling platform Scarabeo 8. It will then turn around to take return cargo back ashore. The most environmentally friendly trip is the one you avoid taking. This is why there's a benefit in being able to coordinate logistics for multiple installations through better utilisation of cargo capacity and fewer nautical miles for the boat.

On the way out into the North Sea, captain Håvard Nordstrand explains their philosophy on saving fuel along the way:

Once we finished loading at the supply base, we left the quay immediately. This gives us plenty of time to make it out to the field, so we can travel at a lower speed.

Håvard Nordstrand
Captain, *Normand Solitaire*

Normand Solitaire has three machines that produce electricity for the thrusters (propellers) that drive the boat. On this trip, two of them will be in use through the night. Once the morning breaks, they're in such good shape for their arrival, and the weather has calmed down a bit, so they can run on only one engine. If they need extra power, the hybrid battery will kick in.

The crew on the bridge determine how much power needs to be generated. There's an entirely different focus on this now, compared with just a few years ago. The goal is to reduce emissions, but this simultaneously reduces fuel expenses, and leads to less wear and tear on engines. So this benefits both the environment, the operator company and the shipping company.



The boat uses dynamic positioning during offloading and loading at the installations. Even if the vessel needs to stay stationary, this still requires a relatively large amount of power in reserve to counteract wind and currents. The Scarabeo 8 drilling rig is a floating installation that is moored with anchor lines. And the boat's bow is located just a few metres above one of the anchor lines. At this point, first officer Ana Maria Lind chooses to keep two engines running.

But when we were laying alongside Ivar Aasen earlier today, there were no anchor lines we had to account for, and the weather was a bit calmer. Then we chose to use just one engine. This saves us 80 litres of fuel every hour.

Ana Maria Lind
First officer, *Normand Solitaire*

Environmental protection

Emissions to air →

Water and effluents →

Biodiversity →

Waste →

Circular Economy →

Closure and rehabilitation →

R&D related to climate and environment →

ENVIRONMENTAL PROTECTION

Aker BP's environmental management system is an integral part of the company's sustainability framework and HSSEQ management system (health, safety, security, environment and quality). The system covers all our operations at all locations. Our environmental management system is not certified according to ISO 14001; however, it follows the guiding principles in ISO 14001 and is regularly audited to promote compliance with the standard. Aker BP's policies on environment and climate describe our commitment to safeguarding and avoiding harm to the environment.

Aker BP's external environment policy includes a commitment to evaluate and manage environmental aspects and risks from our projects, drilling and operational activities. Our most significant environmental aspects originate from discharges to sea, emissions to air, waste, energy consumption and spills, and how these aspects affect biodiversity. We aim for an environmental impact that is as low as reasonably possible, through including use of best available techniques (BAT) and following NORSOK standard S-003 environmental care. The NORSOK standard is a Norwegian petroleum standard that describes the decision process at the various stages of design development and the related environmental issues. For example, we perform environmental impact assessments and evaluation of appropriate measures when introducing exploration drilling, potential changes in offshore operations or new projects that affect our environmental aspects and risks. Annual HSSEQ programmes are in place for both exploration and production drilling as well as production activities. These plans include environmental objectives, activities and focus areas for each year. We work to adapt swiftly to change and consider innovative solutions

and their potential impact on our operations. By learning from successes and failures, we continuously seek to reduce our impact on the environment.

Improvements and benefits are enforced through collaboration with our alliance and strategic partners, contractors and suppliers. We identify and include stakeholders and experts in a process for identifying actual and potential environmental impact and risks. We have developed processes to identify environmental aspects and risks for all operations.

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 NORSOK standards. Discharges to sea and emissions to air from both our operations and exploration activities are regulated by our discharge permits issued by the Norwegian environment agency (NEA). Annual transparent reporting to NEA discloses our environmental performance in relation to the permits.

We continuously review and assess the degree to which environmental expectations are met. Environmental performance is followed up and included in our environmental accounting system, NEMS, that is based on ISO 14001. Significant environmental aspects are followed up in digital dashboards available for both management and personnel engaged in actual operation of the field. We measure our performance against these key performance indicators (KPIs). Our strategy and environmental ambition levels are reviewed regularly. Major environmental issues are lifted to the board of directors.

For asset-specific performance indicators, we have an annual process and set new targets each year. Our asset-specific performance indicators in 2022 included oil concentration in discharges from produced water to sea, CO₂ emissions and intensity, flaring volume and produced water re-injection percentage. KPI targets are set per field and will vary depending on field attributes. For example, in 2022 the produced water re-injection on Ivar Aasen was set at 97 percent, for Alvheim it was set at 90 percent and Edvard Grieg at 94 percent re-injection. There is no re-injection of produced water on Ula, Skarv or the Valhall field due to reservoir integrity challenges. Our environmental performance is outlined in [Table 4: Sustainability data: Environment, page 43](#).

Necessary training and education are provided through both in-house and external courses. Frequent awareness programmes are also carried out both onshore and offshore. In 2020, we implemented an environmental training programme for all employees and contractors. The purpose is to raise awareness and educate all personnel on environmental risks and aspects relevant for Aker BP's operations. Additionally, in 2021 we launched an HSSEQ course for all new employees that also covers environment and climate. Both training programmes are active and in use in 2022.

Aker BP's internal audit and investigation (IAI) team regularly reviews the environmental management system based on ISO 14001. These internal audits verify the effectiveness of our environmental management system and are part of our efforts for continuous improvement to ensure compliance. Over time, these audits cover all our operations at all locations.

12%

reduction in NO_x emissions
(2022 vs 2021)

65%

of produced water was
injected in 2022

Relevant policies:

○ [Policy for circular economy \(internal policy\)](#)

🔗 [External environmental policy](#)

In addition, Aker BP's environmental management system and our operations at all locations are subject to continuous supervision and verifications by government agencies such as the NEA. External audits are performed by NEA to verify compliance with regulations and permits. Corrective actions as a result of these audits are then performed and reported back to the authorities.

EMISSIONS TO AIR

As previously stated, our external environment policy sets out how we manage and reduce our environmental footprint. The policy details our commitment to reduce non-GHG emissions such as NO_x, SO_x and non-methane volatile organic compounds (nmVOC). Our asset-specific KPIs include NO_x and nmVOC. Emission limits are defined in our discharge permits issued by the government.

We aim to reduce our NO_x emissions by 90 percent within 2025 as per our drilling and wells strategy set in 2021. Due to NO_x-reducing measures installed on several of our drilling vessels, we see a reduction in the NO_x emissions. The BLUNO_x Selective Catalytic Reduction (SCR) technology for flue gas cleaning was installed on drilling rigs Maersk Integrator and Maersk Invincible in 2021, and Deepsea Nordkapp in 2022.

Overall NO_x emissions have decreased by 12 percent from 2021 to 2022.

The NO_x fund works to fulfil Norway's obligations in the Gothenburg protocol, and Aker BP contributes to this fund through payment of the NO_x fee. In return, this ensures that effective NO_x-reducing measures are funded and implemented.

Figure 19: NO_x emissions

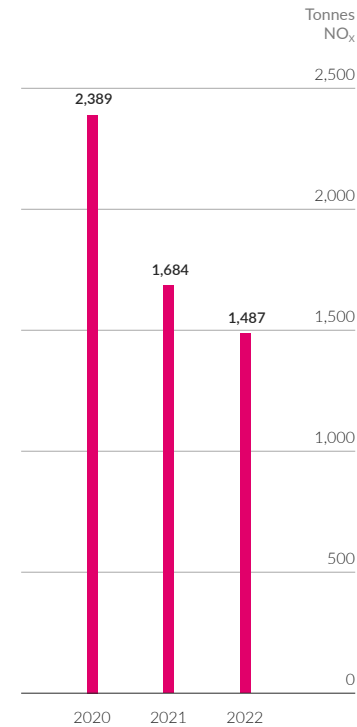


Figure 20: SO_x emissions

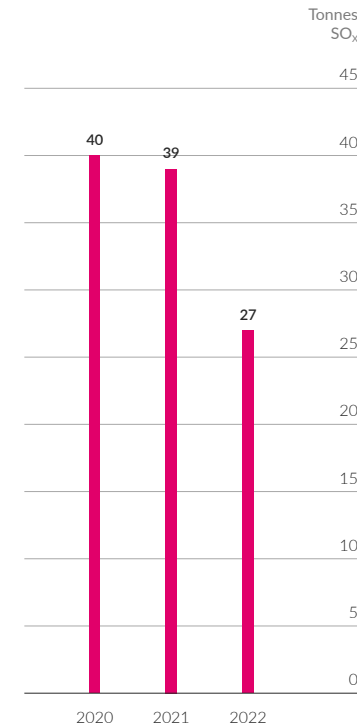
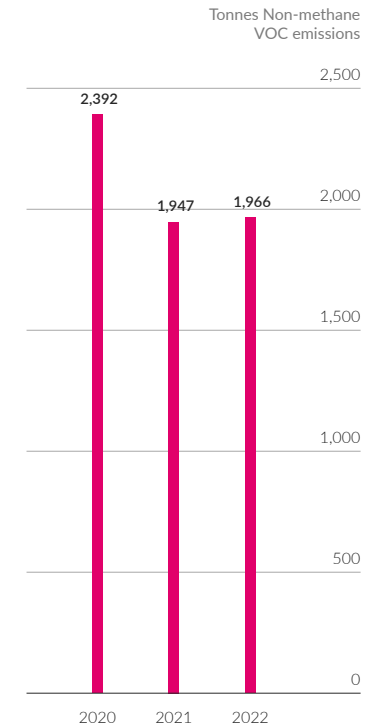


Figure 21: Non-methane VOC emissions



WATER AND EFFLUENTS

Aker BP's external environment policy commitments ensure that we work systematically to reduce our environmental footprint, this includes our discharges to sea as well as use of resources such as water. We are committed to reduce discharges to sea and to reduce freshwater consumption by utilising freshwater makers at operating fields. This is performed by using best available techniques (BAT), NORSOK standard S-003 - environmental care and following the principles in the ISO 14001 environmental management system.

Aker BP has no operations for fractured wells onshore.

Freshwater

Aker BP has not taken water from areas in water-stressed regions and none of our operations are located in water-stressed environments. All our operations are situated on the Norwegian continental shelf (NCS) and our use of freshwater is limited. The environmental impact from our freshwater withdrawals is considered limited.

Freshwater withdrawn is third party water from the onshore public water supply. The source of the public water supply is surface water. Water is not a scarce resource in Norway or a material topic for Aker BP, hence not a high risk and no managerial or board-level responsibility is required. The freshwater withdrawn is delivered by supply vessels to our offshore facilities and is mostly used for service and drill water. In a situation where the production of drinking water is not available over time, drinking water will be supplied from shore via the supply vessel.

Aker BP collaborates with the supply vessels to ensure that freshwater withdrawn, but not used on our installations, is utilised by the supply vessel for operations that demand freshwater, such as cleaning drinking water tanks or supply to other operators on the NCS. This collaboration contributes to further reducing the withdrawal of freshwater from the public water supply onshore.

Aker BP acknowledges the importance of water management and although the availability of freshwater in Norway is high, we are committed to continuously manage and lower our environmental footprint by reducing and limiting use of freshwater. By utilising freshwater makers at all our operating fields, we significantly reduce the use of freshwater resources and produce our freshwater directly from seawater desalination, as underlined in our external environment policy.

The production and quality of freshwater produced or delivered offshore is monitored closely and regulated by our business management system through our drinking water manuals. Daily, monthly and annual tests are performed. The water sample results are analysed by independent accredited laboratories. All quality deviations are registered and handled in Aker BP's reporting system, Synergi. Risk and vulnerability analysis and internal audits are performed for all water maker systems and drinking water distribution systems on our offshore installations.

Produced drinking water that is not used for human consumption is recycled for use as service and drill water. This ensures reduction in withdrawal of bunkered water from shore for these applications. The amount of produced freshwater on our installations is illustrated in figure 23.

Figure 22: Total water withdrawal by source

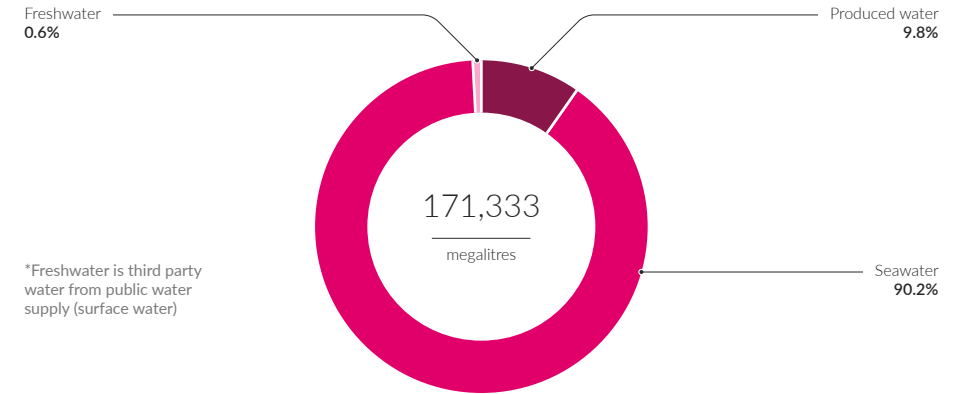
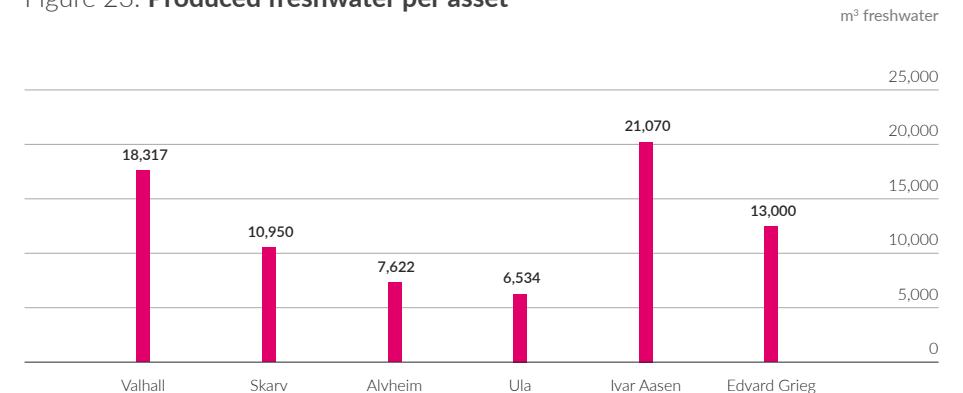


Figure 23: Produced freshwater per asset





Seawater

Seawater is readily available and withdrawn and used in our operations. Aker BP uses seawater for cooling and firefighting purposes, seawater injection in the reservoir for pressure support to increase oil production and to generate fresh-water. Seawater withdrawn for the purpose circulates in the system to reduce withdrawal and ensure recycling. In 2022, Aker BP had withdrawal of 154,463 megalitres of seawater, and discharged 118,008 megalitres back to sea

Produced water

We are committed to prevent, reduce, and manage our effluents. Our approach to generation and handling of effluents aims for the lowest possible environmental impact according to our external environment policy.

Produced water is a by-product in the oil and gas wellstream, containing oil residues and other organic compounds. Aker BP has implemented the following requirements for handling produced water in new field developments and major projects and modifications (in priority order):

- Re-injection of produced water for pressure support in fields where pressure support is needed
- Re-injection of produced water with no pressure support (disposal)
- Produced water discharge to sea

Produced water treatment and discharge is designed to be in accordance with BAT, where the objective is to achieve the lowest possible concentration of dispersed oil in produced water that is discharged to sea. Discharged produced water is regulated by the NEA and the absolute maximum threshold value is 30 mg dispersed oil/L of produced water per month

(weighted average). Discharge of drainage water has the same threshold value as produced water. Chemicals are regulated with discharge permits. Produced water is discharged to the North Sea from Alvheim, Edvard Grieg, Ivar Aasen, Ula and Valhall, and the Norwegian Sea from Skarv. Produced water discharge is risk-rated by calculating an environmental impact factor (EIF) and should be < 10 for lower environmental risk. Measures to reduce discharge are implemented if the EIF is between 11–100. Effluents (produced water) are managed through daily measurements of oil-in-water concentration or continuous online measurements.

Our commitment as stated in the policy, location specific targets, necessary measurements activities, and regular verifications to ensure compliance with discharge permits, all constitute the core of the produced water management plan, and they cover our assets at all locations.

The total volume of produced water has decreased since 2021. Compared to 2021, Edvard Grieg asset is included as of July 2022.

Produced water treatment and re-injection are high priorities in the organisation. Three out of six of our fields reinject produced water into the reservoir for pressure support. This measure reduces the amount of produced water that is discharged. On all our fields, produced water is discharged to sea after sufficient treatment according to the best available techniques and regulatory requirements. In 2022, 93 percent of the produced water was reinjected on Alvheim, 90 percent on Ivar Aasen and 96 percent on Edvard Grieg. Aker BP's total volume of discharged produced water was 13 percent lower in 2022 than in 2021. This is mainly due to higher degree of reinjection.

We have ongoing projects to improve oil and water separation and the re-injection rate and set annual internal targets for re-injection of produced water and maximum weighted oil in produced water below legal maximum limit. 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.

Aker BP is committed to work systematically and continuously to prevent spills to the environment and reduce our environmental impact. Use and discharge of chemicals are other significant aspects that we continuously seek to reduce. We strive to use chemicals that give the lowest risk of environmental harm. We also have annual plans in place to substitute the most environmental harmful chemicals from our operations.

Aker BP experienced three incidents of hydrocarbon spills equal to or greater than 0.100 m³ in 2022. We had six incidents of chemical spills equal to or greater than 0.100 m³.

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 designed and dimensioned for our needs and use, making sure that we are prepared at all times.

Table 3: **Spills in 2022**

Field	Type of spill	Volume (m ³)	Description
Ula	Oil	6.000	The incident was related to the produced water system and caused by an error in the interface vent control system. The incident was investigated to find root causes and corrective actions were implemented.
Ivar Aasen	Oil	0.200	A hydrocarbon discharge to sea occurred from drain caisson due to use of a temporary hose that got injured and high wave levels. The incident was investigated to find root causes and corrective actions were implemented.
Skarv	Oil	0.100	The incident was related to discharge of oil from a partly open loading hose, where the connection vent and coupler was obstructed by a rope. The incident was investigated, and corrective actions were implemented
Exploration	Chemical	1.000	The incident led to discharge of 1 m ³ hydraulic fluid to sea due to worn out gasket on riser joint. The incident was investigated to find causes and corrective actions were implemented.
Exploration	Chemical	0.100	During preparations to land BOP on the Barlindåsen well, a leakage of BOP fluid was observed on the yellow conduit line above the BOP. The incident was investigated, and corrective actions were implemented
Ula	Chemical	0.200	The incident led to discharge of Monoethyleneglycol (barriere liquid) from the sea water lifting pump. The incident was investigated to find root causes and corrective actions were implemented.
Ula	Chemical	0.193	A leakage of biocide from the water injection system. The incident was investigated to find root causes and corrective actions were implemented.
Tambar	Chemical	0.115	A hydraulic fluid leakage was detected from the actuator on the well. The incident was investigated to find causes and corrective actions were implemented.
Exploration	Chemical	0.200	During flushing of tree cap prior to pressure test, higher pump pressure versus pump rate than expected, was observed. Hot stab was released from tree cap and umbilical flushed to ensure that the line was not plugged. This incident led to higher consumption of the chemical.

Figure 24: **Oil spills and chemical spills**

Oil spills



0 m³

2020
0 individual spills

0 m³

2021
0 individual spills

6.3 m³

2022
3 individual spills

Chemical spills



10.5 m³

2020
6 individual spills

3.9 m³

2021
5 individual spills

1.8 m³

2022
6 individual spills

BIODIVERSITY

Aker BP's exploration and production operations are concentrated in marine surroundings on the NCS. We are committed to conserving biodiversity and habitats in the places where we operate. Biodiversity is considered and managed throughout the lifecycle of all our fields.

Through our external environment policy, we have formalised our commitment to manage our environmental impact and preserve biodiversity and sensitive areas in the marine environment of particular importance. Aker BP acquires information about the ecosystems in areas where we have activity and map out the potential impacts of our activities. This information is used to refine when and how we carry out the activities. We have a special focus on vulnerable coastal habitats, spawning grounds for fish, areas that are important for seabirds, coral reefs and other vulnerable seabed habitats, and impacts on fisheries. We understand our environmental responsibility to also include our contractors, and we continuously work with our contractors to promote compliance with applicable environmental regulations and activity permits.

The NCS is among the most extensively mapped, analysed, and ecologically managed marine areas in the world. Norwegian authorities apply regulations and plans, stipulating operational conditions for activities within an area. Protected areas are defined where no industrial activity, or only limited activity, is permitted. Upon approval of activity, operational conditions for licences within the area are defined, such as periods with drilling restrictions, extended biological monitoring and oil spill response measures.

The Norwegian Environmental Agency (NEA) regularly measures the condition of biological diversity in Norway through the nature index. This provides insight into the development of the ecosystems, for selected species, groups and topics. NEA has strict regulations and aims to ensure water quality in marine areas. Aker BP implements and follows Norwegian regulations and guidelines. We perform environmental risk analysis to map the environmental impact of our activities.

All petroleum-related activity on the NCS is subject to authority approval, through an environmental permit consultation process. Stakeholders, local communities and interested parties are entitled to comment on environmental and biodiversity issues and give recommendations to the authorities on planned activities. This consultation process is of value for ensuring co-existence between industrial activities in the area.

None of Aker BP's operational sites or exploration activities are in or near protected areas. Biodiversity protection measures are described and framed in our external environment policy and environmental management system.

Aker BP works to prevent and reduce our impact on sensitive species and population dynamics through work in accordance with our external environment policy, internal procedures and plans. We perform environmental analyses to assess the relevant risks in the area and what impact our activities will have on birds, fish and marine mammals (including seabed fauna and corals, coastal habitats, fish spawning and seabird breeding and feeding grounds). We plan our wells based on environmental risk analyses in accordance with existing industry standards, and we reduce the consequence of

potential oil spills by implementing high oil spill preparedness in collaboration with The Norwegian Clean Seas Association for Operating Companies (NOFO).

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. Biodiversity priority areas (referred to as SVO in Norwegian) are known and national management plans for these areas are created with additional analyses that ensure minimal impact on and protection of natural habitats.

Production drilling 2022

No baseline surveys were performed on Aker BP producing fields in 2022. Aker BP has not drilled any production wells with discharge of cuttings in high-priority biodiversity areas or other areas with sensitive seabed resources.

Exploration wells 2022

Six exploration wells were drilled in 2022, three in the Norwegian Sea and three in the North Sea. The wells in the North Sea were mostly drilled in mature areas in the vicinity of producing fields with no identified seabed biodiversity value. The seabed is flat and consists of mostly silty sand.

Storjo East, Newt and Barlindåsen were drilled in the Norwegian Sea. Prior to these drilling operations, the seabed was visually surveyed using multi-beam sonar as well as visually mapped with ROV. A risk-based approach was used in accordance with Offshore Norge guidelines (NOROG 2019) where mapping of various types of vulnerable benthic fauna/habitats was given a "value classification".

Coral structures were identified close to the proposed well location for Storjo East and Newt. As a mitigation action, the well locations were moved away from the corals and cutting dispersion analysis was performed by DNV to analyse potential negative effect on the surrounding coral structures. One coral structure of poor quality around 70 m east of the Storjo East well location was monitored before and after discharge of cuttings whereby no negative impact was observed.

Project development 2022

An ROV survey of vulnerable benthic habitats/fauna was carried out for the Skarv satellite projects (SSP). There are three projects included in the SSP: Ørn, Alve Nord and Idun Nord. Corals were only identified at the Ørn location. Several coral observations of different value were found along the potential pipeline routes to the various manifolds. Most of the findings are interpreted to be of "minor risk". Adjustment of the routes is being considered and potential measures in connection with possible rock dumping will be evaluated.

As part of the Yggdrasil power from shore project, surveys of biological and chemical conditions at an ice marginal deposit along the cable route inshore have been carried out. The surveys showed that the planned route for the electric cable passes through an area with observations of cold-water corals. The survey did not identify any coral reefs. Adjustment of the cable route in the conflicting area will be evaluated to avoid damaging sensitive seabed fauna.

WASTE

Aker BP's operational activities are based offshore, and all significant production waste, both hazardous and non-hazardous, is generated at our fields. All waste is shipped to our logistics bases, and handled by contractors upon arrival. Monthly analytics highlight how much waste has been generated, sorted, reused, recycled, incinerated or sent to landfills. Frequent control of waste reports as well as audits of contracted waste handlers ensure compliance with regulatory and contractual requirements.

The largest fractions of hazardous waste, in terms of weight, come from our drilling operations and relate to oil-based drilling fluid. During drilling of wells, the rock cuttings contaminated with drilling fluids are carried back to the surface. In 2022, we had 10,582 tonnes of oil-based drilling fluid. The main category for non-hazardous waste is metal.

We handle all production waste such as drilling mud and cuttings by following the same waste handling hierarchy as illustrated in figure 25.

To prevent occurrence of hazardous waste, both oil-based and water-based drilling fluids are reused as long as the technical quality of the drilling fluid is intact, and the fluids will therefore remain part of the value chain. Most of the oil-based drilling fluids we use are recycled when drilling between sections and/or returned to the drilling fluid supplier who reconditions the drilling fluids for reuse. The recycling rate is 70–80 percent for oil-based drilling fluids and 50–60 percent for water-based drilling fluids and these measures contribute to our circularity efforts. In other cases, the drilling fluid is sent onshore for treatment and disposal. The treated oil-based drilling fluid consists of an oil, water and solid part. About 15 percent of the waste stays in the value chain as recycled, 70 percent goes to landfill, and the remaining 15 percent is treated water to discharge. The water fraction is treated prior to discharge and the volumes are controlled by authority permits held by the onshore waste disposal contractor. Both hazardous and non-hazardous waste is transported onshore. The majority of the waste is handled in Norway and regulatory rules are followed.

Figure 26 illustrates the handling of all hazardous and non-hazardous waste generated by Aker BP in 2022.

Figure 25: **Waste handling hierarchy**

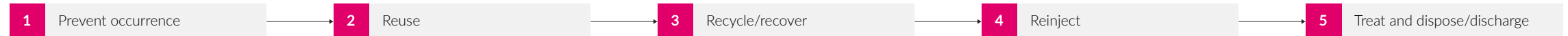
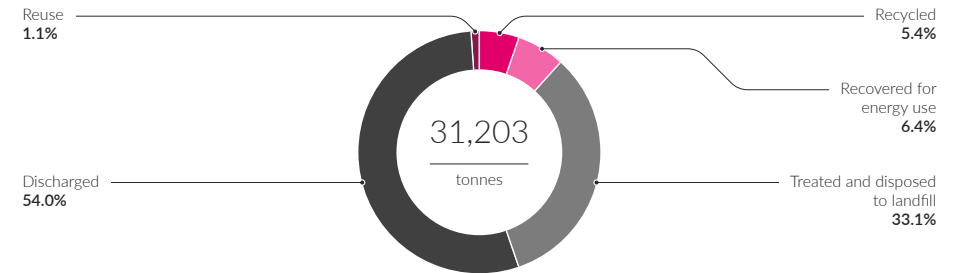
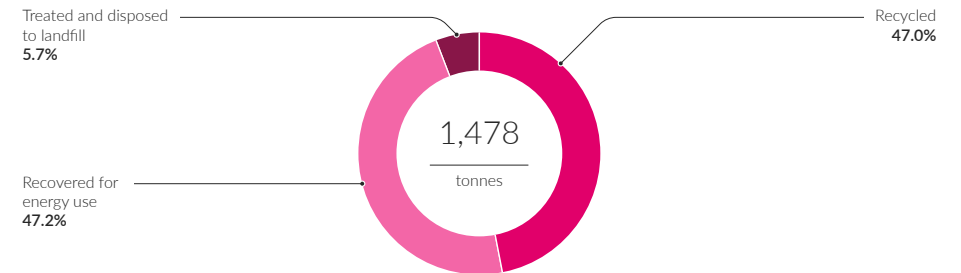


Figure 26: **Handling of all waste**

Handling of hazardous waste



Handling of non-hazardous waste



CIRCULAR ECONOMY

Transitioning towards a more circular economy is one of the priorities for Aker BP. We consider implementation of circular economy principles into our business model vital to reduce the consumption of resources, reduce scope 3 emissions, and achieve financial benefits.

During 2022, we have started working on a policy and strategy for circular economy. The policy outlines our ambition to reduce waste in our own operations and among our alliance partners. Going forward, we will work to establish a joint circular economy strategy with all alliance partners. We are currently working on developing circular economy-related performance metrics to measure progress on circular economy within the organisation, and in our supply chain. Further, we will set circular economy-related requirements for our strategic partners and our long-term ambition is that all suppliers will be evaluated on circular economy performance, where relevant.

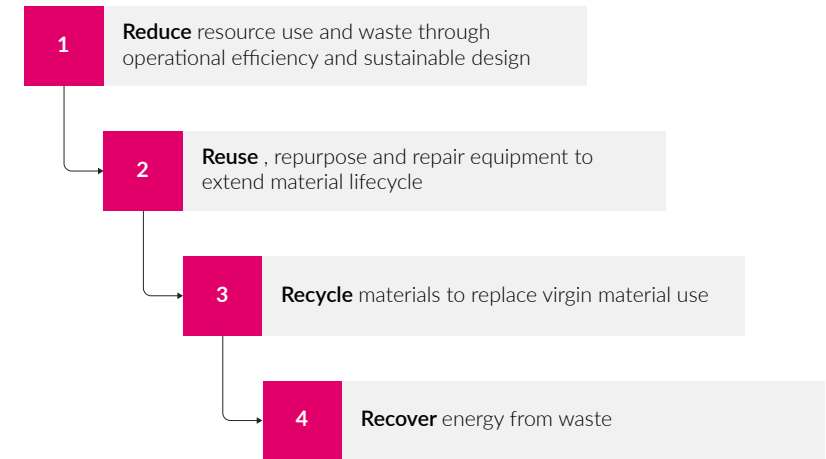
Aker BP has separate strategies for decommissioning retired facilities, in line with requirements from the Norwegian Government. Read more about our work with decommissioning in the Closure and Rehabilitation chapter of this report.

Our circular economy strategy will involve reducing waste at the source through operational efficiencies and sustainable design, reusing and repairing existing material, recycling and energy recovery. Aker BP's circular economy efforts will follow the hierarchy presented on the right.

By adopting this hierarchy as a guide for our policies and strategies, we ensure that the highest possible value of the material we consume is circulated back into the economy. We will work to implement this hierarchy throughout our operations, from field development to drilling and operations through to decommissioning.

During 2023, we will continue the development and implementation of our circular economy strategy.

Figure 27: **Circular economy hierarchy**



The Laushornet wellhead assembly will be the first to be split during testing. This is currently in the process of having the annulus cement removed, which is one of the challenges still to be overcome.

Wellhead reuse - exploration wells

Circular economy hierarchy level: **Reuse**

Aker BP uses Baker Hughes MS700 wellhead system for exploration wells. Historically, these wells are used once and then scrapped. In 2022, Aker BP conducted a feasibility study to evaluate the feasibility of reusing these wellheads.

Aker BP's study revealed no legal issues or deviations from industry standards. In addition, the historic fatigue data on exploration wellheads showed that 14 out of 17 wells have used less than 10% of the fatigue life for the most exposed component in the wellhead system.

The reuse of wellheads plays into Aker BP's ambition of transitioning into a more circular economy as it keeps the material, in this case steel, in the economy for longer. This helps reduce the strain on raw material production.

The project will help Aker BP secure equipment in a volatile market, reduce lead time and reduce cost. Estimates suggest that lead time could potentially be cut in half.

There are still challenges to be solved before the project is operational, but we expect the first reused wellhead to be used for drilling operations during 2023.



CLOSURE AND REHABILITATION

Aker BP's current asset portfolio consists of steel structures and FPSOs. These installations will be removed in their entirety after the fields have been shut in and wells have been permanently plugged and abandoned. The disposal of these structures and vessels will be subject to cessation plans approved by the authorities and the actual disposal will be handled by receiving facilities.

Disposal of facilities, including the estimated cost, is described in connection with plans for development and operation (PDO) which are submitted for approval ahead of project execution. PDOs are approved by the Ministry of Petroleum and Energy (MPE) and for the larger projects also by the parliament before projects are executed.

A cessation plan is prepared as a field or parts of a field near the end of their useful life. This plan consists of two elements, the disposal plan and the impact assessment. The impact assessment elements undergo several steps before final approval:

1. Development of impact assessment programme
2. Public consultation involving a wide range of external stakeholders
3. Approval of the impact assessment programme by the MPE
4. The impact assessment for the decommissioning scope is executed and completed
5. The impact assessment together with the disposal plan is issued to the MPE for final approval

When a decision has been made to close down a field and/or a facility, the work with the cessation plan must start no later than three years before the end of field life. Aker BP currently has three active cessation plans:

1. Removal of the 'original Valhall development' (OVD) installations, which includes
 - a. Removal of drilling platform topside (2022)
 - b. Removal of PCP topside (2022)
 - c. Removal of drilling platform jacket to 45m below sea level (2022)
 - i. Remainder of the jacket structure will be removed in connection with the final Valhall field centre decommissioning in 2050+
 - ii. The drill cuttings deposits will remain in place
 - d. Removal of process and compression platform jacket (2025)
2. Removal of Hod A topside (normally unmanned wellhead platform) and jacket (2026)
3. Removal of 2/4-G jacket (2025)

The decommissioning of these facilities does not have a direct impact on employment for these reasons:

- The drilling platform, process and compression platform and quarters platform installations are all replaced with new facilities on the Valhall field
- The Hod topside (Hod A) was shut in in 2012 and has been replaced with a new Hod wellhead platform (Hod B) that started producing in April 2022



Recycling platforms from Valhall

During the summer of 2022, the DP (Drilling Platform) topsides and jacket and the PCP (Process and Compression Platform) topsides were successfully removed from the Valhall field.

After 42 years in the North Sea and more than a billion barrels produced, the structures were sent to Aker Solutions Stord for recycling.

The structures are made of high-quality steel and about 99% of the steel will be recycled. The steel will be re-used for a variety of new products.

2/4-G is a riser platform at the Ekofisk field centre. It contains a steel jacket structure and the topside, and the topside was removed in 2016, with reference to the cessation plan approved by the authorities in December 2015. This included removing the steel jacket by the end of 2024.

Due to subsequent changes in the operations plan, the removal of the steel jacket is slated for completion by December 2025. This is due to cost efficiency and optimisation of offshore operation plans.

In 2022, the drilling platform (DP), including the jacket to 45m below sea level and the process and compression platform (PCP) on Valhall, were removed. As both installations were located within the 500 m safety zone of the Valhall field, it will not be available for other commercial use until the entire field has been decommissioned.

The weights of removed structures during 2022 are listed below:

Name	Removed when	Weight (in tons)
DP topside	May 2022	6,800
DP jacket (upper part)	May 2022	3,054
PCP topside	June 2022	14,000
DP-PCP upper bridge	May 2022	162*
DP-PCP lower bridge	May 2022	113*
PCP-WP upper bridge	June 2022	160*
PCP-WP lower bridge	June 2022	170*

*Weights based on weight reports

All three structures and the bridges were brought to Aker Solutions' decommissioning yard at Eldøyane Stord during the summer of 2022 and are currently undergoing dismantling and disposal. The DP and PCP steel structures have been used throughout the designed life and are worn out. The platforms have had a reduced maintenance programme in recent years, and the structures were in a fairly poor condition upon removal. In the preparation of the disposal plan and as part of the cessation plan, technical, safety, environmental and economic conditions relating to reuse were assessed. It was concluded that reuse of the DP and PCP structures on the Valhall field, or sale of all or parts of the structures, is not a realistic option. The structural integrity and general condition were of no interest for further use. Therefore, focus was shifted to setting requirements for recycling.

This was also in accordance with Norwegian and international regulations and with the approved disposal and cessation plan, acknowledged by the Norwegian authorities. The contractual objective for recycling of the structures is 95 percent or more. Recycling contains several fractions, which will be reported separately in the final disposal close-out report. This final report, with confirmed numbers of recycled tons, will not be available when this report is submitted. The report with recycling and disposal percentages is expected by end of 2023.

All final disposal of waste categories are tracked and documented with receiving facility and weights.

Employees working on or at the sites are also included in the cessation plan. There was no negative impact on employees as the platforms were already out of service and have been replaced by new ones.

R&D RELATED TO CLIMATE AND ENVIRONMENT

Aker BP continuously invests and participates in research and development (R&D) activities. Our prioritised areas of R&D include digitalisation and technology development, within emission and discharge control, HSE and other operational disciplines. Our total R&D budget in 2022 was NOK 500 million, while our allocated spending on low-emission technology was NOK 55 million. Selected R&D projects are listed below.

LowEmission Research Centre:

LowEmission develops new technology and concepts for offshore energy systems and integration with renewable power production technologies. LowEmission is a platform for innovation, and strong interaction within the centre will generate spin-off projects and technology transfer opportunities for the industry. World-leading Norwegian and international industrial entities including vendors, operators and energy companies have joined forces with research groups at SINTEF and NTNU, and other top-rated universities and research institutes. The mission is to pave the road towards zero-emission production of oil and gas from the NCS.

Seaweed Carbon Solutions

SINTEF, DNV, Equinor and Aker BP have signed an agreement to make the world's first pilot project for active, nature-based carbon capture at sea a reality. The goal is to develop technology and methods that can capture millions of tonnes of CO₂ with the help of kelp cultivation. The project looks at cultivating large amounts of sugar kelp on long ropes connected to buoys set out to sea. The facilities will be placed in areas with a natural capacity for kelp cultivation.

After approximately six months in the ocean, the kelp will have bound the maximum amount of carbon and is ready for further processing for carbon storage.

NCCS / LINCCS

Through participation in several CCS R&D projects, Aker BP contributes to expanding the knowledge base and preparing the way for large-scale carbon capture and storage on the Norwegian continental shelf. The two most significant projects are presented below. The Norwegian CCS Research Centre (NCCS) aims to fast-track CCS deployment through industry-driven, science-based innovation that addresses the major barriers identified in CCS demonstration and industry projects. Its goals are to ensure that Norway remains an international leader in CCS, support achieving CO₂ storage in the North Sea and contribute to the Norwegian government's ambition to realise a full-scale CCS chain by 2022. LINCCS (Linking the CCS Value Chain), aims to be a key driver of the green transition by uniting industrial actors working on the Norwegian continental shelf. LINCCS not only hopes to accelerate CCS deployment, but also make it more cost-effective and easier to implement by European industries.

Table 4: Sustainability data: Environment

CATEGORY	2020	2021	2022	UNITS
302. Energy				
Energy consumption				
Total fuel consumed from non-renewable sources	18,159,328	18,604,936	16,804,039	GJ ¹⁾
Energy consumption - gas	16,282,438	16,201,143	15,288,587	GJ
Energy consumption - diesel	1,876,890	2,403,793	1,515,453	GJ
Total fuel consumed from renewable sources	0	0	0	GJ
Electricity consumption	422,585	417,001	417,144	MWh ²⁾
Electricity sold	0	0	0	MWh
Total energy consumption from non-renewable fuels and el. energy	19,680,633	20,106,139	18,305,758	GJ
Energy intensity ratio	0.130	0.134	0.115	GJ/boe
303. Water and Effluents				
Produced water withdrawal total volume	16,100	17,585	16,768	ML ³⁾
Re-injected produced water volume	10,407	10,712	10,898	ML
Percentage of produced water re- injected	65	61	65	%
Produced water discharged to sea volume	5,599	6,767	5,726	ML
Percentage of produced water discharged	35	39	34	%
Hydrocarbon discharged to sea within produced water	100	140	106	tonnes
Total fresh water withdrawn	189,826	163,105	101,999	m ³
Share of production in areas of high water stress	0	0	0	%

1) From fuel gas and diesel

2) Power consumption at office buildings, and power from shore to Valhall, Ivar Aasen and Edvard Grieg

3) ML = megaliters

CATEGORY	2020	2021	2022	UNITS
305. Emissions				
Scope 1				
Direct GHG emissions - all gases	1,124,334	1,187,403	1,066,456	tonnes CO ₂ e ⁴⁾
CO ₂ (Carbon dioxide)	1,094,567	1,147,767	1,033,534	tonnes
CH ₄ (Methane)	1,132	1,250	1,026	tonnes
N ₂ O (Nitrous oxide)	5	9	9	tonnes
Methane Intensity	0.03	0.03	0.02	% CH ₄ /saleable gas ⁵⁾
Scope 1 emissions - by source				
Flaring	57,229	77,302	71,357	tonnes CO ₂ e
Venting and fugitive emissions	12,614	17,747	12,911	tonnes CO ₂ e
Fuel combustion	1,047,413	1,081,483	974,123	tonnes CO ₂ e
Loading of hydrocarbons	7,078	10,871	8,066	tonnes CO ₂ e
Percentage of gross direct (scope 1) GHG emissions from CH ₄	2.5%	3.1%	2.9%	%
Flared hydrocarbons	18,583,845	26,021,456	23,213,472	Sm ³
Other combustions	373,325,277	372,312,461	359,129,046	Sm ³
Continuously flared hydrocarbons	0	0	0	Sm ³
Vented hydrocarbons	355,472	424,580	327,559	Sm ³
GHG intensity				
Gross operated GHG intensity	7.4	7.9	6.7	tonnes CO ₂ e/boe
Equity share CO ₂ emissions	346,955	366,120	404,583	tonnes CO ₂
CO ₂ emissions intensity (equity share)	4.5	4.8	3.7	kg CO ₂ /boe ⁶⁾

4) 2020 numbers calculated by AR4. 2021 and 2022 numbers are calculated based on AR6 factors

5) Expressed as volume methane emitted from operated assets as share of saleable gas production from operated assets (volume-based)

6) Based on equity share of non-operated and operated assets calculated as a share of exported oil and gas production

CATEGORY	2020	2021	2022	UNITS
Scope 2				
Indirect GHG Emissions - location based	4,607	4,587	4,589	tonnes CO ₂ e ⁷⁾
Indirect GHG Emissions - market based	171,147	168,885	168,943	tonnes CO ₂ e ⁸⁾
Scope 3				
Total GHG emissions	59,743	64,237	63,054	1,000 tonnes CO ₂ e
Upstream emissions	372	470	264	1,000 tonnes CO ₂ e ⁹⁾
Downstream emissions	59,372	63,768	62,789	1,000 tonnes CO ₂ e ¹⁰⁾
Reduction of GHG emissions				
GHG emissions reduced as a direct result of reduction initiatives	77,650	22,738	72,900	tonnes CO ₂ e ¹¹⁾
Non-GHG emissions				
NO _x (Nitrogen oxide)	2,389	1,684	1,487	tonnes
SO _x (Sulphur oxide)	40	39	27	tonnes
Non-methane VOC	2,392	1,947	1,996	tonnes
Biogenic CO ₂ emissions	-	-	-	tonnes CO ₂ e
306. Waste				
Total weight hazardous waste	42,067	40,516	31,203	tonnes
Reuse	268	506	352	tonnes
Recycling	4,437	1,800	1,689	tonnes
Recovery, incl. energy recovery	1,688	2,464	1,998	tonnes
Landfill	18,099	13,442	10,313	tonnes
Discharge	17,574	22,304	16,851	tonnes ¹²⁾

⁷⁾ 2022 number includes GHG emissions related to the energy mix in power from shore to Valhall, Edvard Grieg and Ivar Aasen, and power consumed at offices. Climate declaration factor from NVE used to calculate emissions: 11 g CO₂e/kwh (2021 factor is used, as the 2022 factor is not available until mid-2023)

⁸⁾ As for 7) but using declaration of goods factor from NVE to calculate emissions: 405 g CO₂e/kwh (2021 factor is used, as the 2022 factor is not available until mid-2023)

⁹⁾ Based on operated activities

¹⁰⁾ Based on net equity refining/sale of products. Mid- and downstream scope 3 emissions were not reported in previous sustainability reports

¹¹⁾ Effect of emission reduction measures implemented in 2022

¹²⁾ Discharged waste mainly consists of cleaned water fraction from oil based mud

CATEGORY	2020	2021	2022	UNITS
Total weight non-hazardous waste	1,803	1,843	1,478	tonnes
Reuse	-	-	-	tonnes
Recycling	925	1,000	695	tonnes
Recovery, incl. energy recovery	793	724	698	tonnes
Landfill	85	119	84	tonnes
Waste diverted from/to disposal				
Total weight of waste diverted from disposal	8,111	6,494	5,432	tonnes ¹³⁾
Total weight of hazardous waste diverted from disposal	6,393	4,770	4,039	tonnes
Total weight of non-hazardous waste diverted from disposal	1,718	1,724	1,393	tonnes
Total weight of waste diverted to disposal	35,758	35,865	27,248	tonnes ¹⁴⁾
Total weight of hazardous waste diverted to disposal	35,673	35,746	27,164	tonnes
Total weight of non-hazardous waste diverted to disposal	85	119	84	tonnes
Significant Spills				
Number of oil spills to sea (≥0,1 m ³)	0	0	3	
Oil spills (≥0,1 m ³)	0	0	6.3	m ³
Number of chemical spills to sea (≥0,1 m ³)	6	5	6	
Chemical spills (≥0,1 m ³)	10.5	3.9	1.8	m ³
Number of hydrocarbon leaks (≥0,1 kg/s)	0	0	0	
Total mass of hydrocarbon leaks (≥0,1 kg/s)	0	0	0	kg
307. Environmental Compliance				
Total monetary value of significant fines	0	0	0	\$
Number of non-monetary sanctions for non-compliance	0	0	0	
308. Supplier Environmental Assessment				
New major suppliers screened using environmental criteria	100	100	100	% ¹⁵⁾

¹³⁾ Waste diverted from landfill includes waste that is reused/recycled/recovered

¹⁴⁾ Waste diverted to disposal includes waste that is discharged or sent to landfill

¹⁵⁾ Major suppliers such as strategic or alliance partners to Aker BP are screened for environmental performance, in the supplier database Magnet JQS or through separate environmental audits

Responsible business conduct

[Our responsibility](#) →

[Respecting human rights](#) →

[Procurement practices](#) →

[Integrity and anti-corruption](#) →

[Anti-competitive behaviour](#) →

[Freedom of association](#) →

[Reporting of concerns](#) →

[Public policy](#) →

[Environmental compliance](#) →

[Compliance with laws and regulations](#) →

[Tax strategy](#) →

OUR RESPONSIBILITY

Aker BP strives to uphold the highest standards of ethical behaviour in all our operations across the entire value chain. We are committed to acting ethically, responsibly and in compliance with applicable laws, rules and regulations, as well as internationally accepted guidelines.

We follow the principles of the OECD Guidelines for Multinational Enterprises to avoid and address any negative impacts of our operations while contributing to sustainable development where we operate. These standards help us to further align our actions with the needs of people, the planet and society, thus advancing long-term value creation for all. We place the stakeholder perspective in the center of our actions to avoid causing or contributing to adverse impact on people, the environment and society.

The company's values of being seekers, accountable, foreseeable, enthusiastic, respectful (SAFER) and "one team" define the way we work in Aker BP. The values also guide our behaviour in the workplace and supplement our code of conduct.

The Norwegian Transparency Act statement

The Transparency Act report is attached to this report. Please see [2022 Transparency act report, page 103](#).

RESPECTING HUMAN RIGHTS

We respect the human rights of all individuals and groups that may potentially be affected by our operations. We believe everyone should be treated with respect regardless of their background. We are committed to the elimination



of any form of discrimination. We do not tolerate any form of forced or compulsory labour, child labour or human trafficking. We support the principles of freedom of association and collective bargaining.

Aker BP acknowledges all internationally recognised human and labour rights standards as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our human rights work is guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Our responsibility means that we must have systems and procedures in place to identify actual or potential adverse impacts, and take measures to cease, prevent and mitigate adverse impacts where we are involved. Our human rights commitments are set out in our [code of conduct](#) and further reinforced in our [human rights policy](#). Our human rights policy is approved by the board of directors and requires that human rights are respected by our employees, consultants, suppliers, contractors and business partners.

10

Supplier human rights verifications conducted

90%

Completion of the Code of Conduct refresher training

68%

of Aker BP employees are organised in one of the following unions: Industri Energi, Tekna, Safe, Lederne or NITO

Relevant policies:

- Speaking up policy (internal policy)
- 🔗 [Health and working environment policy](#)
- 🔗 [Human rights policy](#)
- 🔗 [Diversity and inclusion policy](#)
- 🔗 [Anti-corruption policy](#)
- 🔗 [Code of conduct](#)

Policy commitment and governance

Our human rights policy was updated in 2022 in line with requirements in the internal business management system where policy principles are linked to the relevant business processes. The updated policy has been endorsed by the board of directors and communicated internally and externally on our website as part of stakeholder dialogue with our business partners and suppliers.

Our human rights commitments are embedded in our internal policies, procedures and processes such as the diversity and inclusion policy, the anti-corruption policy, the health and working environment policy, the business partner integrity procedure and sustainability framework. We set expectations for our suppliers to act with respect for human rights and labour standards through our supplier declaration and contractual clauses.

Following the implementation of the Transparency Act, we have established a procedure for handling information requests under the Transparency Act to ensure timely processing of information requests.

Training and awareness

In 2022, we included a human rights training module in our annual code of conduct training course. In addition, extensive human rights training was provided to selected functions in the company including supply chain, business development, people and organisation.

Employees with responsibility for or related to supplier onboarding have completed training to gain necessary knowledge about implications of the new Transparency Act and the extended scope of supplier risk management. Relevant processes have been updated with new roles to

ensure that all dimensions of ESG are considered throughout the procurement of goods and services, and to ensure a risk-based criticality categorisation to define the scope of monitoring and assurance activities for each supplier and business partner. A new contract management system is also under implementation, including a dedicated risk module to improve Aker BP's performance in supplier risk management.

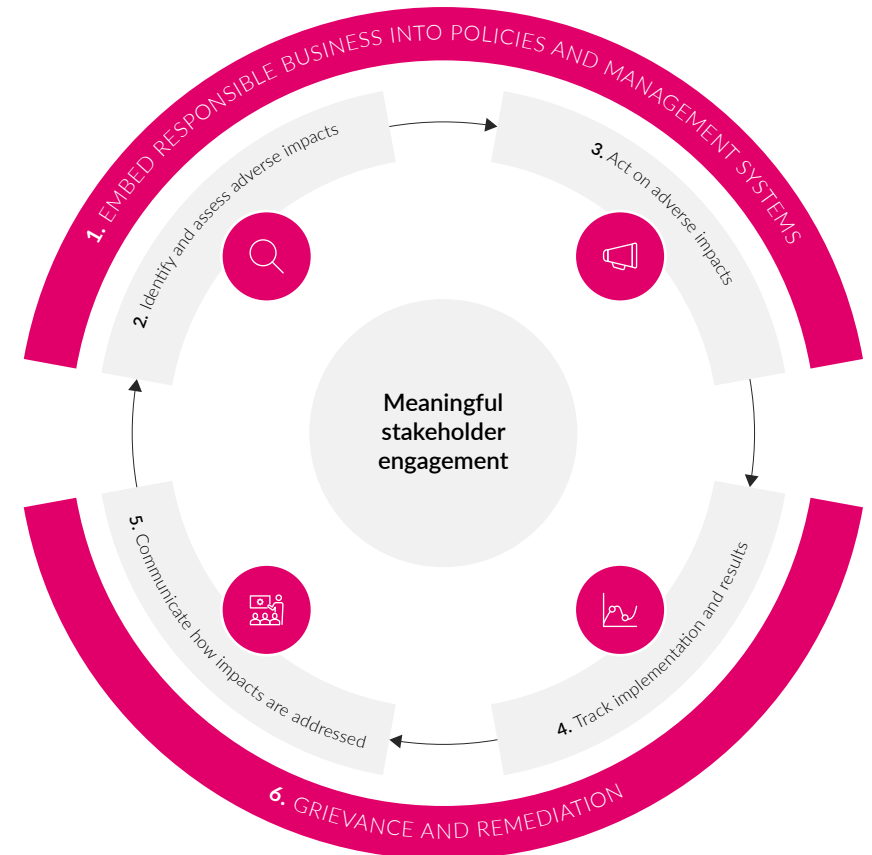
Going forward, we plan to continuously work to conduct due diligence in order to identify, cease, prevent, and mitigate any actual or potential adverse impact. We plan to work proactively in achieving our targets to ensure transparency and decent working conditions in our supply chain.

Risk-based approach

In line with the principles of the Transparency Act and the OECD Guidelines for multinational enterprises, as well as the United Nations Guiding Principle on Business and Human Rights, we apply a risk-based approach when evaluating risks of adverse impact on human rights. This involves looking at the location and context of operations, nature of activity, the number of people that are potentially affected and severity and probability of impact. When assessing human rights risks in our supply chain, we apply country risk levels based on independent sources and relevant indexes such as CPI index, Human Development Index, ITUC Global Rights Index and others.

Through our human rights risk assessment, impact assessment reports and information obtained from relevant sources, we have identified key human rights areas that are relevant to our operations with the key focus area being our supply chain. These include modern slavery, forced and child labour, decent working conditions, and the right to a safe and secure workplace.

Figure 28: Our human rights due diligence process



Aker BP operates in a low-risk environment with regard to human rights impact as all our operations are located in Norway. However, we are aware of potential human and labour rights risks that may occur in our operations and in our supply chain. As emphasised in our human rights policy, we pay special attention to the rights, requirements, values and integrity of individuals and groups which may be particularly vulnerable to adverse impacts.

Human rights due diligence

Aker BP undertakes ongoing human rights due diligence to identify, prevent, mitigate and account for actual or potential adverse human rights impacts and provide for or cooperate in remediation where required. Our human rights due diligence process is integrated in relevant business processes, such as risk assessments, environmental impact assessments, supplier pre-qualification and due diligence processes, procurement practices, M&A processes and HSSEQ assessments. Before a new project or new business relationship is initiated, we evaluate associated human rights risks and implement mitigating measures where necessary.

Our human rights due diligence process is based on the OECD Due Diligence Guidance for Responsible Business Conduct.

Stakeholder engagement and industry cooperation

Meaningful stakeholder engagement and dialogue are key elements in managing human rights risks. We collaborate regularly with relevant stakeholders and rightsholders to inform them on our ongoing work to ensure respect for human rights and include feedback into our work in reducing actual and potential human rights risks. Our stakeholders

include employees, authorities, local communities, NGOs, business partners, suppliers, contractors, investors and other counterparties.

Throughout 2022, Aker BP supply chain department conducted a number of workshops with key supplier companies to identify key improvement areas in terms of human rights and decent working conditions.

Aker BP cooperates with peer operators on the Norwegian continental shelf to improve workers' conditions in supply chains. Since 2019, Aker BP has been a member in the human rights working group for supplier assessments in the energy sector managed by Offshore Norge. The Joint qualification system (Magnet JQS) provides a possibility to nominate suppliers for human rights assessments and audits of human rights, and to share the results of these assessments with participating companies. During 2022, member companies worked jointly on providing improvements to the human rights scoring protocol in order to align expectations for common supplier human rights expectations.

Grievance mechanisms and remediation

We aim to have measures in place to reduce or mitigate adverse impacts where we have identified negative actual or potential human rights impact. We encourage employees, hire-ins and external parties to raise concerns and report suspected violations of applicable laws and regulations to our integrity channel. All reports made in good faith shall be dealt with and no retaliation shall be imposed on the person reporting. See chapter [Reporting of concerns, page 55](#) for more information.



Specific Instance process before the OECD Contact Point for Responsible Business Conduct

On 31 May 2022, Aker BP received a complaint filed with the Norwegian OECD Contact Point for Responsible Business Conduct (the NCP) by eight civil society organizations¹⁾, regarding the acquisition of Lundin Energy Norway AS from Lundin Energy AB (new name Orrön Energy AB). The complaints relate to well-known allegations that Lundin Energy AB has caused or contributed to adverse human rights impact relating to its operations in Sudan during the

period 1999–2003, and claims that the transaction has left Orrön Energy AB incapable of providing remedy for their alleged contribution to human rights violations. In relation to the transaction, Aker BP was very conscious that Orrön Energy AB should have sufficient financial capabilities to undertake all potential obligations related to the Sudan activities. The NCP has offered a dialogue and mediation process regarding the human rights due diligence in connection with the transaction, which Aker BP will participate in.

1) Civil Society Coalition On Natural Resources, Global Idé, Liech Victims Voices, Norwegian Church Aid, Norwegian People's Aid, PAX, South Sudan Council Of Churches and Swedwatch

PROCUREMENT PRACTICES

We build sustainable value creation through extensive supplier relationship management. This is based on compliance with governing laws and regulations, as well as risk-based steering principles.

Aker BP expects our suppliers to comply with applicable requirements related to integrity and anti-corruption and to have sound labour practices in place, HSSEQ standards, and to have zero tolerance for corruption. Strategic partnerships and alliances are governed by models in compatibility with our own standards and practices, including performance, risk and opportunity management, built on shared responsibility for achieving high performance in ethics, integrity, climate footprint, health, security and safety.

We aim at reflecting our expectations related to ethical business conduct in contractual documents with suppliers. Our supplier declaration includes expectations for suppliers in relation to the internationally recognised human rights standards, HSSEQ standards, living wages and the ILO core conventions. In our integrity due diligence process, we focus in particular on risks related to forced labour and child labour practices.

We evaluate prospective and existing suppliers with regard to corruption risk, human rights impact risk, environmental impact, security and reputation risk amongst others. This evaluation is detailed in the Aker BP supplier risk assessment and due diligence process, which has been revised and reframed in 2022 in light of the Norwegian Transparency Act, and to enhance monitoring and mitigation of increased sanction risk and cyber-security threats. Our due diligence

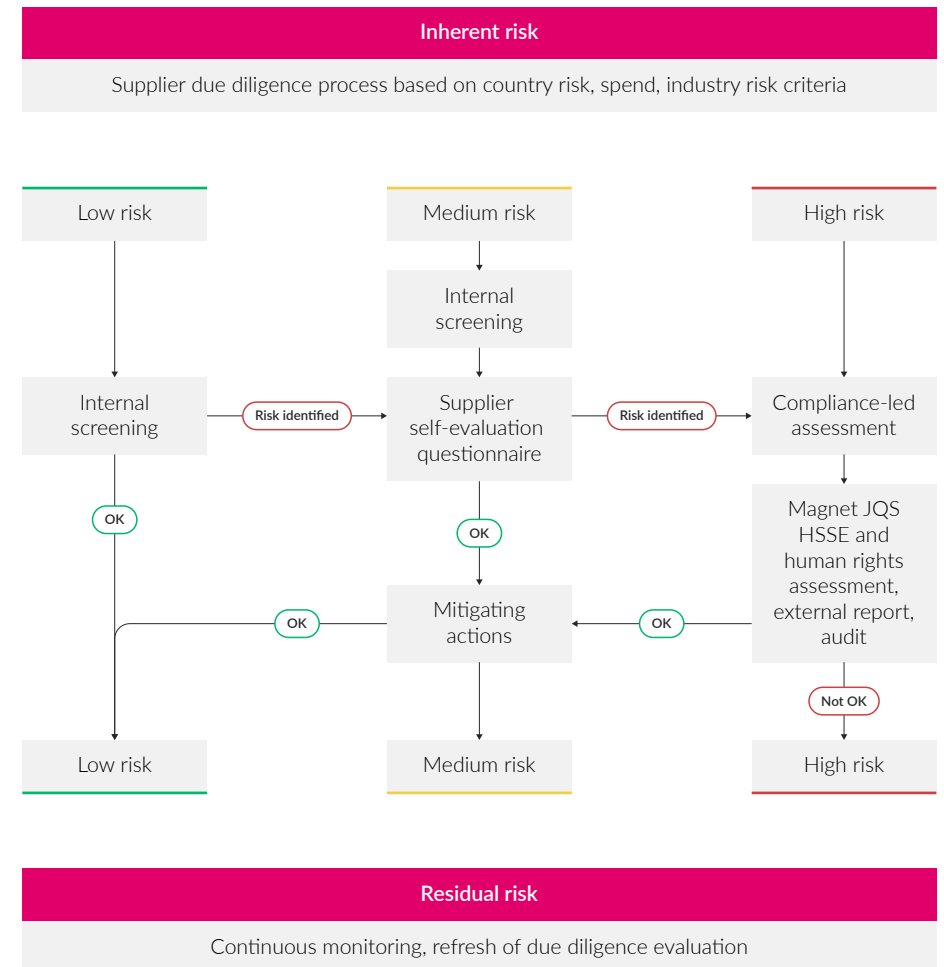
framework is risk-based and takes into account the level of spend, country risk, type of industry and other relevant evaluation criteria.

Aker BP has taken action to strengthen its supplier risk management by implementing roles with extensive focus to prevent, detect, respond and correct critical dimensions of inherent risk elements in supplier relationships.

In 2022, we performed 10 human rights assessments in relation to managing sourcing and awarding contracts in accordance with Aker BP requirements. The nomination of these assessments is based on an overall risk mapping of our supply chain, and in line with the risk-based approach in the Transparency Act, taking into consideration the context of our operations and structure of our supply chain. Our risk mapping is based on identifying the most salient negative impacts on human rights, using factors such as severity of adverse impacts in terms of their gravity, scale and remediability on one side, and likelihood of occurring on the other. Additional risk factors, such as industry risks, sector-specific risks, spend category and geographical risk factors as well as known supplier risks, were also taken into consideration.

The assessments are managed through the cross-operator platform Magnet JQS, where audit findings are shared among the major operators on the Norwegian continental shelf. The findings related to gaps in the supplier business management framework as regards safeguarding human rights and decent working conditions have been noted, and corrective action plans to close the gaps have been put in place jointly with respective suppliers.

Figure 29: **Supplier integrity due diligence process**



Supplier portfolio

Despite significant Norwegian content, we remain dependent on global suppliers. Our suppliers fabrication yards are often located in countries that are exposed to certain human rights risks. We do recognise a risk of forced and compulsory labour, risk related to safety and security at the workplace, risk related to migrant workers among our suppliers in Asia and the Middle East. To assess these risks in more detail, nine audits are planned in 2023 with focus on decent working conditions, along with 15 audits in relation to health, safety and environment evaluation criteria.

In the assurance plan for 2023, we have determined key risk areas to ensure compliance with the Transparency Act requirements and critical contracts awarded to suppliers in our portfolio, where capital investments are expected to reach record levels over the coming five years.

Based on our risk assessment, Aker BP has defined the following key risk areas for human rights due diligence for 2022–2023:

- Marine construction and installation services
- Construction of fixed oil and gas facilities
- Drilling and well services

Going forward, we are intending to continuously monitor actual and potential risks related to our supply chain through verifications, audits and supplier dialogue. In 2023, we are planning to work proactively to identify meaningful KPIs related to supplier human rights risk identification.

Figure 30: **Labour rights and working conditions in the supply chain**

Supplier human rights verifications conducted



Boundary:
Aker BP

6
conductions
2021

10
conductions
2022

Countries in which supplier human rights verifications have been undertaken

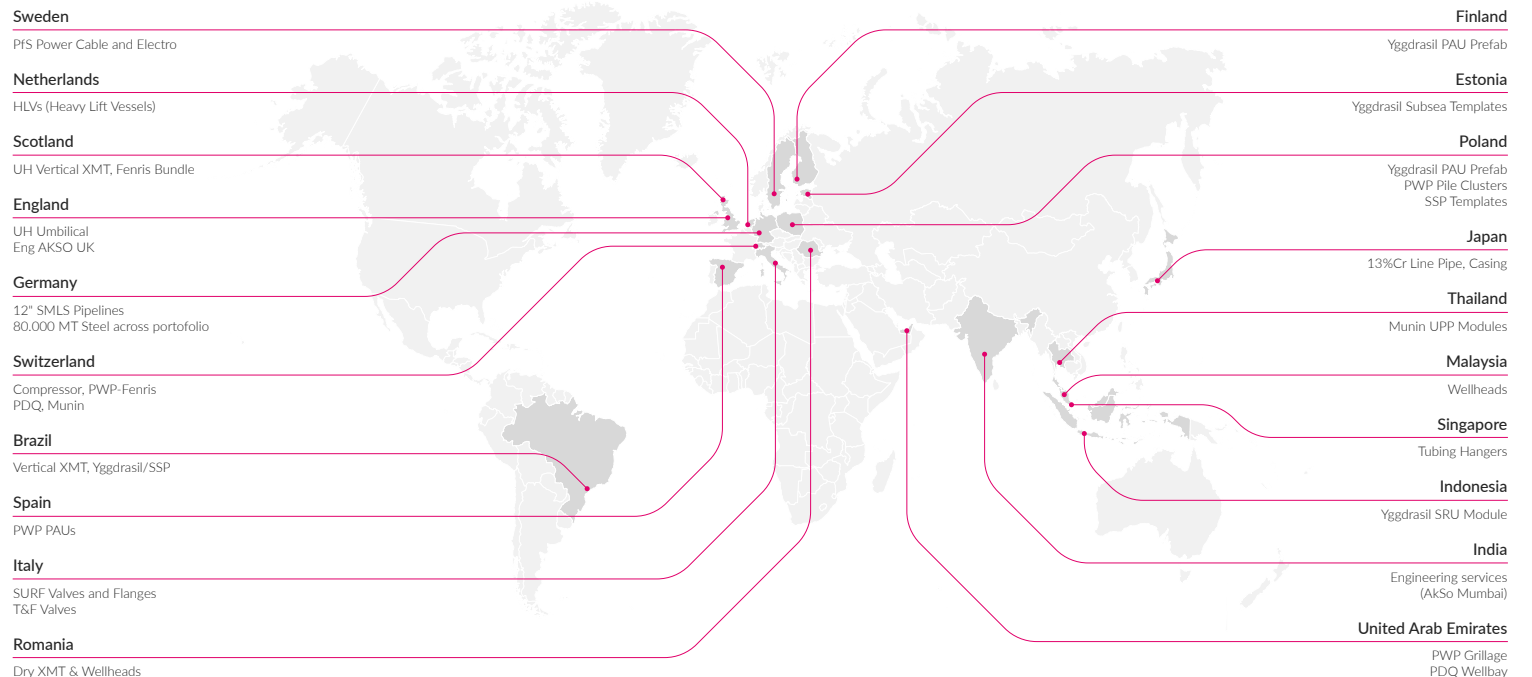


Boundary:
Aker BP

5
countries
2021

2
countries
2022

Figure 31: **Selected examples of global supplies we remain dependent on**



INTEGRITY AND ANTI-CORRUPTION

Having a robust, fair and ethically responsible approach to all aspects of how Aker BP conducts business is integral to our success. Our [code of conduct](#) is our main governance document, it sets out expectations for how we conduct business, namely in a transparent, ethical and responsible manner. The code applies to our directors, officers, employees as well as those acting for or on behalf of Aker BP, including hired-in personnel, consultants, agents and other intermediaries.

Our zero tolerance for corruption approach is set forth in our code of conduct and the underlying [anti-corruption policy](#). The anti-corruption policy provides a framework for preventing all forms of corruption and guidance to our employees and business partners on how to apply these principles in their work.

According to the Transparency International Corruption Perception Index (CPI), corruption risks in Norway are considered to be limited. Aker BP is conscious of potential challenges such as conflicts of interest, relationships with business partners, gifts and hospitality, sponsorships and donations. Aker BP's compliance department oversees the risk of corruption and reports on the identified risks

to the executive management team and the audit and risk committee. Our internal anti-corruption and anti-bribery system includes controls embedded in the company's financial and procurement procedures, audits, business partner due diligence and anti-corruption training, integrity channel for reporting concerns, as well as awareness activities among employees.

Aker BP regularly communicates the content of its policies through internal channels and external websites, as well as meeting with suppliers, business partners and attending supplier events. Our contractual provisions set expectations for our business partners to align their business conduct with Aker BP's standards and include audit clauses.

Aker BP requires new employees and consultants to participate in ethics and compliance onboarding training when they join the company, and to complete an annual code of conduct refresher course. In addition, employees and consultants are required to sign a declaration of compliance with the code of conduct on an annual basis. Members of the board also receive the annual code of conduct training.

90 percent of Aker BP employees and consultants completed the annual code of conduct refresher course and signed the declaration of compliance with the code of conduct in 2022.

Figure 32: **Code of Conduct refresher course**

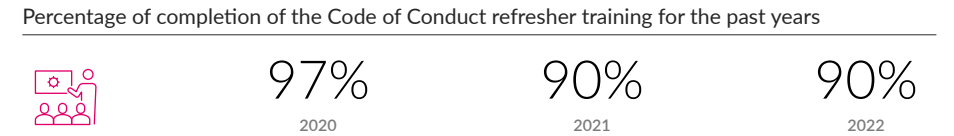
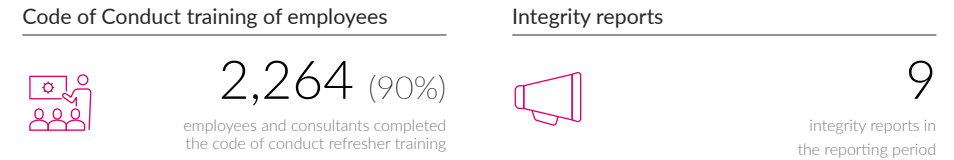
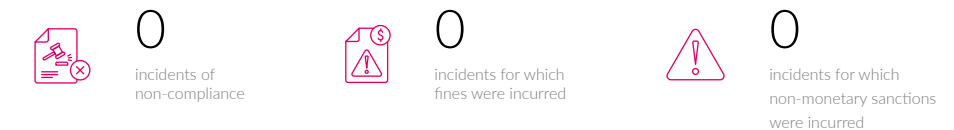


Figure 33: **Compliance indicators**



Incidents of non-compliance with laws and regulations





Following the Lundin Energy integration, Aker BP conducted a number of workshops to better assess integrity risks in the company. We also launched a company-wide compliance survey on the topics of business ethics and integrity in order to assess ethical culture in the organisation and how employees perceive integrity risks. Employees were further-asked to respond to questions related to the culture of speaking up in the organisation and provide feedback on the effectiveness of the code of conduct training. The results of the survey and the feedback provided during the workshops provide valuable input for our ongoing efforts to improve our anti-corruption compliance programme in 2023.

There were no incidents of corruption reported in 2022.

Going forward, we plan to continue strengthening our anti-corruption compliance programme and improve its effectiveness in order to remain a trusted business partner, employer and corporate citizen.

ANTI-COMPETITIVE BEHAVIOUR

Aker BP strives to protect fair and open competition, and to compete in a fair and ethical manner. Our code of conduct clearly states that we shall not engage in or tolerate violations of applicable rules, nor 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/antitrust legislation in which the organisation has been identified as a participant.

FREEDOM OF ASSOCIATION

Aker BP is a staunch supporter of employees' rights to form and join trade unions, and equally also their right to remain non-unionised. Employees are informed of their trade union rights during onboarding and unions may promote themselves freely. The largest unions have appointed full-time or part-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 and the annual salary review.

Offshore Norge, where Aker BP is a member, has framework agreements in place with affiliated unions which ensure annual negotiations. Approximately 68 percent of Aker BP employees are organised in one of the following unions: Industri Energi, Tekna, Safe, Lederne or NITO. Employees who remain non-unionised are still covered by collective bargaining agreements.

Subjects covered by collective bargaining can include HSSEQ, remuneration, ESG issues, working hours, training, career development, work time flexibility, life-long learning, stress management and equal opportunities.

REPORTING OF CONCERNS

In Aker BP, employees and consultants are encouraged to speak up about negative conditions in the workplace and to seek advice if they are in doubt. The process for reporting concerns is described in our [code of conduct](#) and our speaking up policy. The speaking up policy has been updated in 2022 in line with requirements of the internal business management system. Policy principles have also been linked to the relevant business processes.

Employees and hire-ins can report a concern to their line manager, a representative of senior management, their union representative, the Compliance or Legal departments, other functional unit, or report anonymously via the company's integrity channel. We also welcome raising of concerns by external parties. The compliance department receives reports sent to the integrity channel and all reports are handled in accordance with the procedure for handling of integrity reports, which provides a detailed description of the process through which concerns are investigated and documented. All reports are handled confidentially. All documentation is stored in accordance with the relevant policies for data retention, data protection and data destruction.

Aker BP has a strict non-retaliation policy for those who report concerns in good faith. Reporting a concern must have no negative impact on the individual's opportunities or professional development.

In 2022, we launched several awareness initiatives about speaking up in Aker BP and will continue internal awareness activities to ensure that employees feel safe to report censurable conditions, violations of applicable laws and regulations, the company's code of conduct and broadly accepted ethical norms. In addition, we have conducted training related to handling of integrity reports to managers as potential receivers of integrity reports.

We regularly conduct evaluations of the effectiveness of our Integrity channel and include lessons learned in our further work.

Going forward, a topic of speaking up will be included in the programme "new as a leader in Aker BP" ensuring that managers know how to handle whistleblowing cases and contribute to maintaining an open culture for speaking up.

Nine whistleblowing cases were received via the integrity channel and other reporting channels in 2022. Actions were taken to address the concerns raised and the reports are now closed.

PUBLIC POLICY

Given the nature of the oil and gas industry, Aker BP is particularly affected by policies and framework conditions directly or indirectly related to energy production Offshore Norge. Aker BP thus recognises the value of engaging with public authorities and other stakeholders in relation to the development of various policy initiatives that impact our industry.

We promote our views on issues of importance either through direct interaction with public authorities or through various industry associations. Aker BP engages directly with public authorities, including the Ministry of Petroleum and Energy, the Norwegian Petroleum Directorate, the Petroleum Safety Authority (PSA) Norway and the Norwegian Environment Agency (NEA). These interactions include separate, annual contact meetings with top management from each of the government bodies. Any presentation material reviewed at these contact meetings is sent to the respective government agencies and thus made public in public case registers.

Offshore Norge is Aker BP's key network for reviewing and responding to relevant public issues related to framework conditions, regulations or other significant issues. Aker BP is represented on the Offshore Norge board as well as in various committees in the organisation. Offshore Norge's views on relevant policy issues are available at www.offshorenorge.no.

In addition to the engagement conducted by Offshore Norge, Aker BP engages directly with elected political representatives in the Norwegian Parliament, including members of the Energy and Environment Committee. After the 2021 election, Aker BP conducted company presentation meetings with representatives from the political parties represented in the mentioned committee.

Aker BP proactively engages with the network of companies in Aker ASA's portfolio. Aker ASA has a long tradition of cooperation on employment matters between the main shareholder, management and union representatives, alongside an open dialogue with authorities and other partners. This is referred to as the "Aker model" and also describes the Aker BP way of collaborating. The Aker model is described in more detail on [Aker ASA's homepage](#).

Aker BP's employees are in a position to exert formal influence on decisions, and four employee representatives serve on the board of Aker BP.

Data on public affairs and lobbying is gathered from Aker BP's Communication department. This unit covers all consolidated activities. Approximately 1.0 full-time equivalent (FTE) was dedicated to public affairs and public policy development in 2022. According to our code of conduct, Aker BP may not make financial contributions to political parties. We have no indications that such contributions took place in 2022.

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 consider both environmental aspects and regulatory requirements.

Evaluation of environmental performance and compliance with selected statutory rules and regulations for fields in operation, are monitored in our environmental accounting system and closely reviewed and highlighted in dashboards available to all personnel.

We drive continuous improvement of environmental performance by setting annual environmental targets that in the past have been even stricter than the legal limit for all operating fields. Annual HSE plans also include external environmental improvement activities and drive improved environmental performance.

Discharges to sea from our operations and exploration activities are governed by our discharge permits issued by the NEA. Each year, we report compliance status for our discharges and emissions to the authorities, for both operating fields and exploration drilling. Annual reports together with feedback on annual reports from the NEA also provide input to continuous improvement of environmental performance.

Internal and external audits are subject to compliance evaluation against external environmental permits and legislation.

Aker BP holds field-specific permits under the European Union Emissions Trading System (EU ETS) and the annual third-party verification is detailed in the Climate change and roadmap to net zero chapter, section on scope 1 emissions.

COMPLIANCE WITH LAWS AND REGULATIONS

In 2022, we had no significant incidences of non-compliance. In Q1 2022 Aker BP paid a fine of NOK 1.1 million for the periodic discrepancies between limits in discharge permits and actual emissions at Ivar Aasen and Alvheim in 2019 and 2020. Corrective actions were put in place. See our 2021 sustainability report for more details.

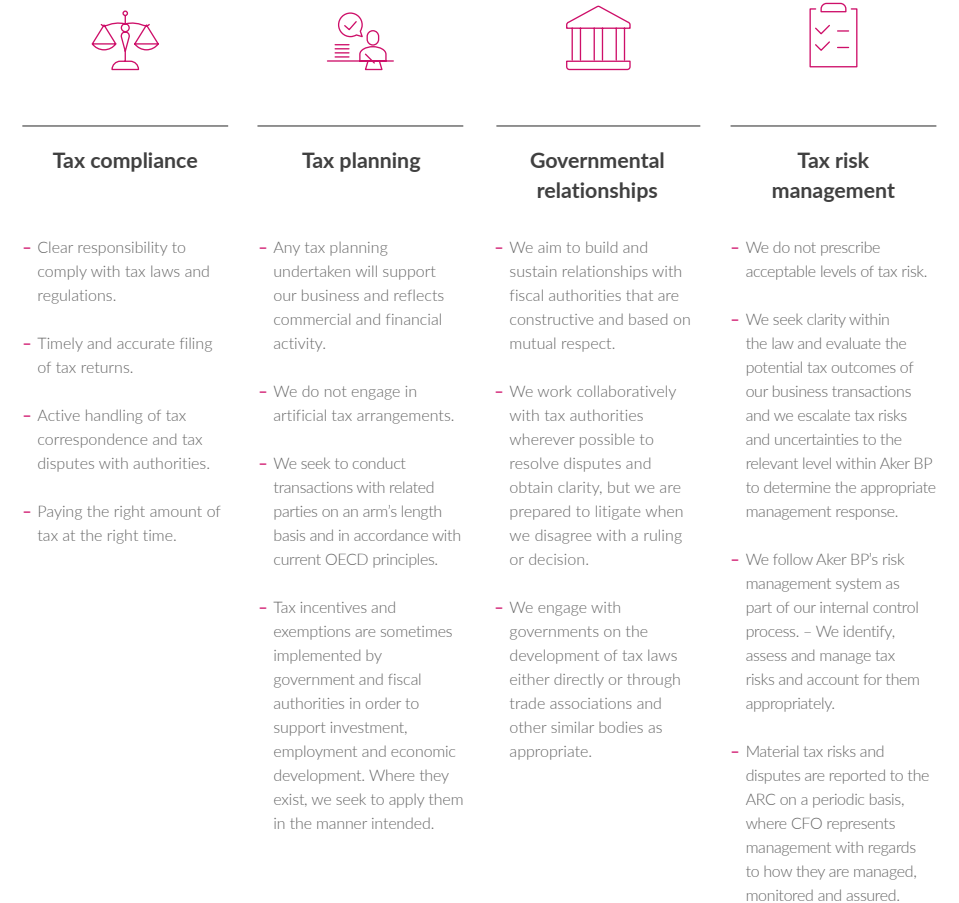
TAX STRATEGY

Aker BP's current oil and gas assets are located in Norway and fall under 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 strives to comply with tax laws in a responsible manner, professionally executed tax compliance and tax planning, and to maintain a constructive and open relationship with tax authorities. We report our payments to the authorities in accordance with the Norwegian Accounting Act, as part of the annual report.

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 the implementation, maintenance and consistent application of policies and procedures to support this strategy.

Figure 34: Aker BP's responsible tax principles



Creating shared value

Value creation and distribution →

Supporting local communities and causes we believe in →

VALUE CREATION AND DISTRIBUTION

Creating shared value is a priority that is firmly embedded in Aker BP's sustainability framework. Aker BP aims to create direct and indirect economic impact through oil and gas produced at low-cost and with low CO₂ intensity, returning value to our shareholders and to the community around us in the form of taxes and shareholder returns, sharing knowledge and experience with new industries. We are also contributing to local communities by creating jobs, supporting local businesses, growing competence and working on innovative technology and leveraging alliance models to find sustainable solutions to industry challenges.

For every **NOK 100** in increased profitability, **NOK 78** is returned to the community in taxes



13,010

 million USD

Revenue for 2022

1,603

 million USD

Net income for 2022

5,454

 million USD

Taxes and payments to the government for 2022

Figure 35: **Aker BP's value creation and distribution**

Payments for goods and services



2,714

 million USD

Employees wages and benefits



397

 million USD

Dividends to shareholders



1,006

 million USD

Relevant policies:

○ Sponsorship policy (internal policy)

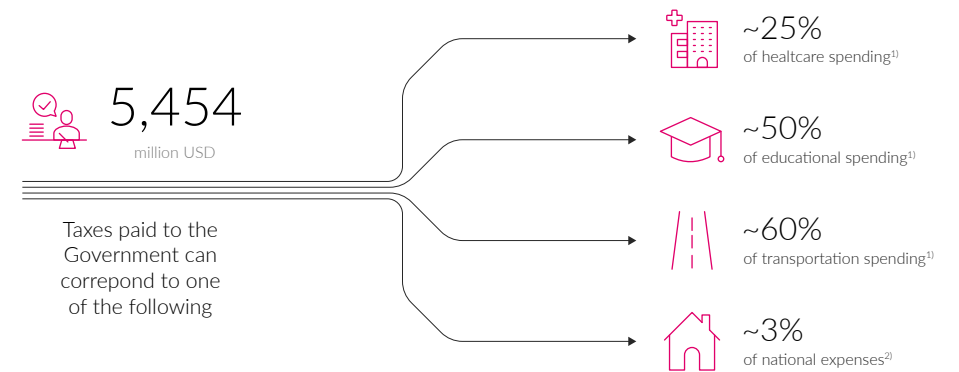
Figures are net to Aker BP, except for employee wages and benefits that relates to gross payroll expenses for all employees in Aker BP

Aker BP aims to create substantial long-term value from the natural resources available to us. We cannot influence the consumption of fossil fuels, but we have an important role to play in the energy transition. By producing cost-efficient oil and gas we contribute to ensuring that the world has access to affordable and reliable energy. By reducing emissions from our activities, we contribute to a reduced global emission footprint. The value creation achieved by Aker BP is distributed to our owners and the society in the form of shareholder returns and taxes. In Norway, petroleum is considered a national resource, and the tax system has been designed in a way that ensures that the maximum possible value creation accrues to the Norwegian state, so that it can benefit society as a whole. Under the Norwegian petroleum taxation system, oil and gas companies are subject to a total marginal tax rate of 78 percent. Because of the extraordinary returns on production of petroleum resources, these payments represent a significant share of the state's revenues. This revenue finances the Norwegian welfare system, and the government can utilise this profit to drive the initiatives needed to fulfil Norway's climate pledges and goals. As such, the taxes we pay play an important role in financing the transition to a low-carbon society.

In addition to the tax payments to the state, we pay dividends and generate shareholder returns to our shareholders. Aker BP's largest shareholders, Aker ASA, BP p.l.c. and Nemesia s.a.r.l., are committed to making a positive contribution to the energy transition, through their investments in renewables and green technologies. For Aker BP, this is a truly unique position and an opportunity to contribute to the energy transition without compromising our pure play E&P strategy. We contribute by sharing knowledge and providing capital that our owners reinvest in renewable energy and new industries. Aker BP's largest shareholder is Aker ASA – an industrial investment company which has been expanding its position within digital, renewable and low-carbon technology sectors. Aker ASA's diversification into these sectors is to a large extent made possible by the dividend contribution resulting from Aker BP's upstream operations, which is the largest asset in the Aker ASA portfolio.

We also contribute knowledge, data and experience to new industries, creating growth and improvement beyond our own business. New start-up companies cooperate with us. We share knowledge and experience so that new industry can flourish. In return, we gain access to future-oriented solutions and technology.

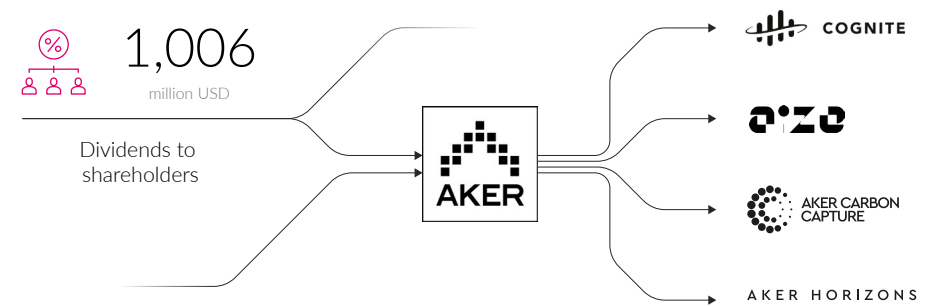
Figure 36: How Aker BP's tax payments for 2022 contribute to society at large



1) <https://statsregnskapet.dfo.no/inntekter-og-utgifter/formal>

2) <https://www.regjeringen.no/no/statsbudsjett/2022/statsbudsjettet-2022-statens-inntekter-og-utgifter/id2873448/>

Figure 37: We contribute by sharing knowledge and providing capital that our owners reinvest in renewable energy and new industries





Smart use of data saves energy

A software application helps the Energy Management Team and the offshore process control operators save energy at the Edvard Grieg platform by linking real-time production data with energy consumption information. Instead of measuring energy consumption, the application uses algorithms and data models to calculate energy loss for every individual component at the process facility. Utilising this tool helps ensure optimal operations, while saving a considerable amount of energy.

For 2022, the application of this software is estimated to have saved energy amounting to around 4.2 GWh which equals the annual energy consumption of approximately 260 households.

The application was developed in a cooperative effort between Aker BP and Honeywell. It runs on the existing software and hardware infrastructure, so no extra investments were necessary.

SUPPORTING LOCAL COMMUNITIES AND CAUSES WE BELIEVE IN

Aker BP is one of the largest employers in Norway, securing jobs in several locations around the country. Through the business activity we carry out, we provide a basis for many more jobs in far more local communities, by purchasing equipment and services. We are responsible for being a predictable and ethical player in the local communities we're a part of, directly or indirectly. Our alliance strategy ensures close cooperation with other Norwegian companies, with the ultimate result that a major share of value creation and employment takes place in Norway.

Aker BP governs important resources on behalf of society, which means high expectations for professional management of these resources. We want to be something more than just a passive player that secures employment and tax revenues, which is why we support culture, sports, research, and education at locations where we carry out business activities.

Some initiatives are 'one-offs', such as in 2022 with the donation of surplus personal protective equipment to a local secondary school, donation of laptops to Ukrainian refugees and funds for humanitarian organisations operating within Ukrainian territory. Others have a more strategic aligned approach and a multi-year perspective, such as our sponsorships within sports, culture and learning.

Our sponsorship and donation strategy rests on our sponsorship policy and is aligned with our code of conduct. When we consider potential sponsorship recipients, we look for partners that share our core values and where the relationship will be a mutual source of added value. We look for organisations, institutions, teams or athletes that make a difference in society.

To address potential risks that might arise in connection with sponsorship activities, strict adherence to internal procedures ensures transparency and that the funds are used for the intended purpose.

- Only the Head of the Communications Department can sign sponsorship contracts
- A quality check is performed by the Compliance department to prevent corruption and nepotism, and to ensure the recipient does not act in violation of human rights or other regulations or ethical standards
- Supply Chain Management reviews terms and conditions in sponsorship contracts and secures document storage
- All sponsor recipients must submit an annual account detailing how the funds are used. Based on this report, all contracts are evaluated before potential extension

We remain in continuous dialogue with local communities to get their feedback and try to anticipate any potential grievances that might occur in the local communities. All received feedback will be evaluated internally, including suggestion of means to address issues. In 2022 we have, for example, conducted several meetings with local communities in regards to the Aker BP project portfolio. The company engaged with municipalities, politicians and other stakeholders in the Oslo area, Stavanger, Stord, Verdal, Sandnessjøen and Hammerfest. All of these are locations that will be affected by high activity and ripple effects from the companies' coming investments. In the summer, we implemented public hearings of the environmental impact assessments for the projects sanctioned in 2022. This enabled communities and other stakeholders to address and discuss positive and negative impacts of the company's plans.

For example, in the Yggdrasil project development, Aker BP has regular dialogue with the Samnanger and Fitjar municipalities, both of which are affected by the power from shore plans. A public hearing on the impact of the power concession was carried out in January 2022.



The Norwegian Ski Federation - Nordic combined

Aker BP became a long-term partner with the Norwegian Ski Federation's Nordic combined team leading up to the 2022/23 winter season. The national Nordic combined team is fighting for equality. Women are not allowed to compete on par with men and have so far not been included in the programme for the 2026 Winter Olympics. Aker BP supports the Nordic combined women in their fight to change this.



Creating value through re-use of equipment

Following the acquisition of Lundin Energy, Aker BP was left with quite a lot of protective equipment that could no longer be used, for example due to aligning of standard products and oversupply. A decision was made to send this equipment to Helgeland Industrier, HIAS, a protected company that offers adapted work for people with mental or physical disabilities.

HIAS provides a meaningful job, an inclusive environment and sense of belonging for people who might otherwise have missed out on having a career.

Aker BP gave HIAS the assignment of removing the old logo and replacing it with a neutral patch.

When the job is done, the protective suits and jackets will be donated to local vocational schools that provide training for mechanics, carpenters and other practical trades, along with other general protective gear.

This was donated

14 pallets containing a mix of protective gear including jackets, pants, shoes, gloves, helmets and 1,300 protective suits.

Responsible employer

Employment practices →

Diversity and equal opportunities – One Team →

Occupational health and safety →

Risk management →

Asset integrity and critical incident management →

Security →

2,457

Permanent employees

19,864

Total completed courses

45

Average age of permanent employees

EMPLOYMENT PRACTICES

Creating the most attractive place to work is one of our main strategic pillars, emphasising that our people are our most valuable asset. Having the right capability is essential to meet our ambitious goals and deliveries, and we work systematically to secure and develop capacity and competence. We work to create an effective, inclusive and collaborative working atmosphere, which is emphasised through our One Team approach. Further, Aker BP provides employees with the opportunity to build an impressive CV of challenging tasks, experiences and development.

Our management approach

Aker BP practices a relatively flat chain of command and has many arenas for dialogue and information-sharing between management and employees. 12 percent of the total workforce holds a managerial position. We focus on team performance and deliverables; we expect our leaders to translate relevant top-down goals and to use the specialists within their team to turn these goals into prioritised team actions to ensure that 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.

Acquisition of Lundin Energy

During 2022, our organisation grew significantly due to the integration of the former Lundin Energy Norway organisation. With the addition of 421 employees from Lundin Energy, the new Aker BP organisation numbers 2,457 permanent employees in 2022. The organisational integration was conducted in a highly structured and transparent manner in close collaboration with the work councils and unions. Employees in both organisations were involved in planning, execution and follow-up of people and organisation. The



process was conducted based on lessons learned from former integrations and we have received positive feedback on the process and the degree of involvement through a structured survey. One of the firm principles announced at the start of the integration process was that there would be no downsizing. This was manageable due to our firm belief and supporting tools including:

- Reskilling and upskilling
- Replacement of capacity where applicable, based on refilling of natural deployment or reprioritisation of tasks
- Internal mobility programme (e.g. into project activity)
- Individualised follow-up of employees

Relevant policies:

[Diversity and inclusion policy](#)

[Security policy](#)

The importance of employee involvement

Aker BP conducts quarterly employee pulse surveys to help identify organisational input, risks and opportunities, with a structured approach to implementing relevant measures to improve the working environment. During 2022, we have implemented a new and improved tool called Qualtrics, and a new question-set with built-in AI to better detect nuances, interpret results and work more efficiently with the content. Qualtrics also provides a global benchmark. Consultants are included in the pulse surveys.

Aker BP adheres to collective bargaining agreements and has defined several topics that require in-depth involvement from our employees. Discussions regarding changes have mostly taken place through our work council and working environment committee, which serve as well-established arenas for employee representation and participation. Aker BP seeks to involve employee representatives as early as possible, before any significant changes to the organisation or operations are addressed and adopted.

Employee benefits

Aker BP employees are offered a wide variety of employee benefits, as listed in figure 38. Aker BP employees onshore have flexible working hours and a flexible hybrid-working policy that allows for remote working, provided there are adequate remote working conditions and tasks that do not require office presence.

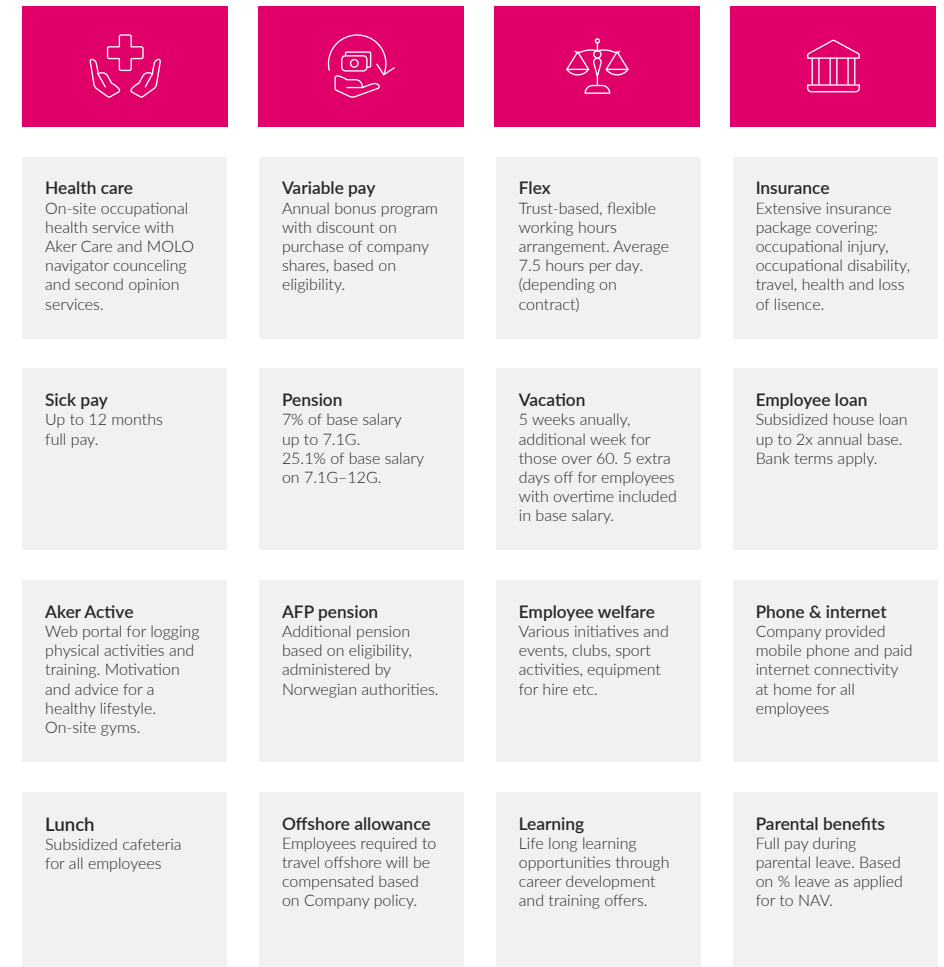
With regard to long-term incentives, Aker BP offers both a bonus scheme and discount on purchase of company shares. To mitigate retention risk after the acquisition, Aker BP introduced a stay-on incentive for all employees in the company as of 1 October 2022 who are still employed on 1 October 2023.

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. Aker BP does not offer a top-hat pension plan (pension on pensionable pay above NOK 1.2 million).

Workers who are not employees

Workers who are not employed are either workers in locations controlled by Aker BP or whose work is controlled by Aker BP. They include consultants and enterprise personnel delivering a service. In 2022, Aker BP had 4,237 workers who are not employees, of which 787 were consultants. Consultants are engaged in situations where we must maintain flexibility. All numbers reported regarding workers who are not employed are reported in head count and from the end of the reporting period.

Figure 38: Aker BP employee benefits



Parental leave and career breaks

Aker BP employees are entitled to parental leave in accordance with Norwegian legislation; parents are entitled to a total of 49 weeks with full pay, or 59 weeks with 80 percent pay. One-third is reserved for the mother, one-third for the father and the remaining period is shared at the parents' discretion. We offer full pay during parental leave, meaning that if the employee's salary exceeds 6G¹⁾, we pay the difference between 6G and full salary. Aker BP also complies with the statutory option of a further unpaid parental leave for up to 12 months directly following paid parental leave. During this period, employees are still covered by Aker BP's insurance plans. Employees on parental leave partake in the company's compensation and benefit processes during the period to ensure that parental leave does not cause a negative effect on salary development.

181 employees (46 women and 135 men) took parental leave in 2022. The return to work rate of employees that took parental leave was 100 percent. All Norwegian municipalities offer public childcare, enabling parents to return to work once their parental leave is over.

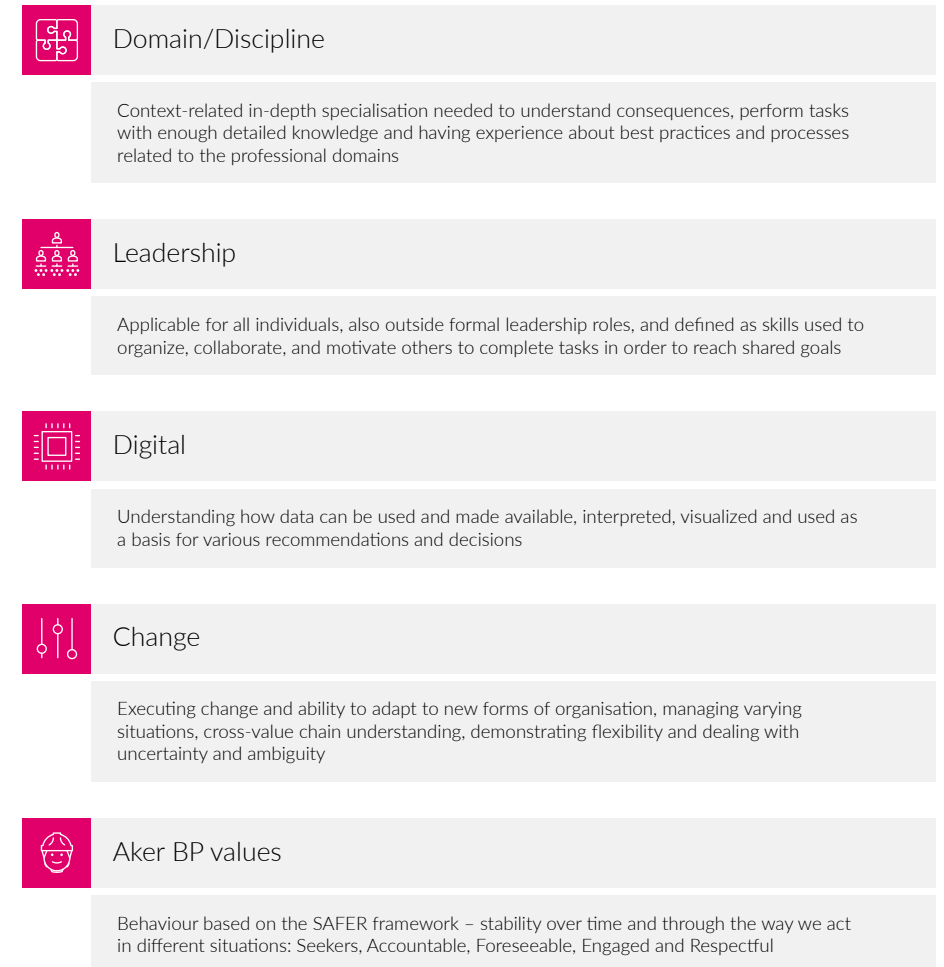
Training and education

We have defined our five core competence areas as essential for our development. These are illustrated in figure 39 and form the basis for all training and development:

Aker BP is a learning organisation where career development is at the core of our employee value proposition. As a company, we need to adapt, attract and transform our abilities, be proactive and learn more quickly. To achieve this goal, we are increasingly implementing tailored learning experiences and developing a culture of life-long learning through an extensive selection of sources for learning experiences, courses, programmes, networking and workshops. In 2022, we implemented a new learning experience platform in Aker BP to enhance the culture of learning. The aim is to enable a more strategic, personalised, social and integrated learning experience in their daily work application for our employees, with access to more than 15,000 courses from Microsoft, LinkedIn Learning and our In-house Academy. Figure 40 on the next page shows the training conducted through our in-house academy in 2022.

An important principle at Aker BP is that each employee is responsible and accountable for their own development, and we expect leaders to facilitate and contribute to the employee's development. The annual career development dialogue forms a good basis for further development of the employee in Aker BP. 88.5 percent of employees completed their development dialogues in 2022.

Figure 39: Our areas of work



1) G refers to the basic amount in the National Insurance scheme. As of 1 October 2022, 1G equals NOK 109,784

Building leaders and knowledge experts

To us, building leadership and knowledge expert pipelines are equally important. We invest in developing and coaching both our leaders and knowledge experts through tailor-made development programmes offered several times a year.

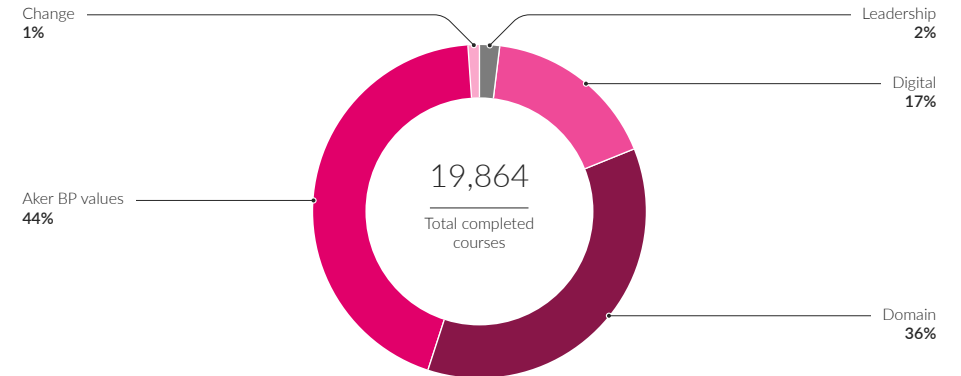
One example is the mentorship programme in leadership that pairs mentees and mentors in the organisation to co-develop through the programme for one year. The programme provides employees with support, toolkits, guidance and development opportunities, and 20 pairs participated in the 2022/23 programme. Another example is our programme for developing

knowledge experts in the company, focusing on driving professional and discipline expertise. Through participation in the programme, employees gain skills to drive insight of domain vs. oversight of company's strategic priorities in digital, innovation and managing change, and build trust through development and collaboration. In 2022, 42 knowledge experts participated in our in-house domain programme.

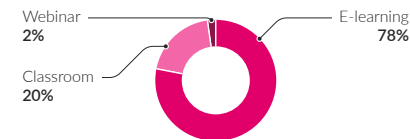
In addition, Aker BP offers the opportunity to apply for financial support for higher formal education. In 2022, 8 employees attended higher education with financial support from Aker BP.



Figure 40: **Internal training**



Courses by delivery method



Average number of courses by gender



Average training hours per person	23.3
Average completed courses Senior Management	4.1
Average completed courses Management & Senior Professionals	6.6
Average completed courses professional	6.7
Average completed courses tariff	7.7

DIVERSITY AND EQUAL OPPORTUNITIES – ONE TEAM

Aker BP values the unique contributions of our employees and believes that a diverse and inclusive workforce enhances deliveries and accomplishments. All decisions, from recruiting to promotions, should be merit-based, not based on characteristics such as gender, ethnic background, sexual orientation and so forth. We do not tolerate any form of discrimination.

Bloomberg's Gender Equality Index has rated Aker BP very high also in 2021 with emphasis on inclusive culture, anti-sexual harassment policies and equal pay and gender pay parity. Aker BP adheres to a gender-neutral pay system, meaning that men and women in identical positions, with equivalent experience and the same formal competence, who produce equivalent results, are paid the same.

Based on our diversity dashboard and quarterly pulse surveys, we continuously carry out in-depth analysis on diversity and inclusion metrics. We have an improvement and action plan, which particularly targets improving our gender distribution of 23.4 percent, with the goal of reaching 30 percent by 2030.

Aker BP supports United Nations (UN) Women's Empowerment Principles



United Nations Entity for Gender Equality and the Empowerment of Women

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.

As required by the Norwegian Equality and Anti-Discrimination Act we work actively, in a targeted and systematic manner, to promote equality and prevent

discrimination in the workplace. Following analysis, we work systematically and in line with the four-step model required by this act. Our diversity and inclusion policy expresses the mandatory principles all Aker BP employees must 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. 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.



Diversity and inclusion have been on the agenda throughout 2022, both at the executive level and in the works council. Together with the executive level, people and organisation oversees the execution of the agreed action plan. In 2022, the company has focused on activities to further implement our diversity and inclusion policy established in 2020. This includes:

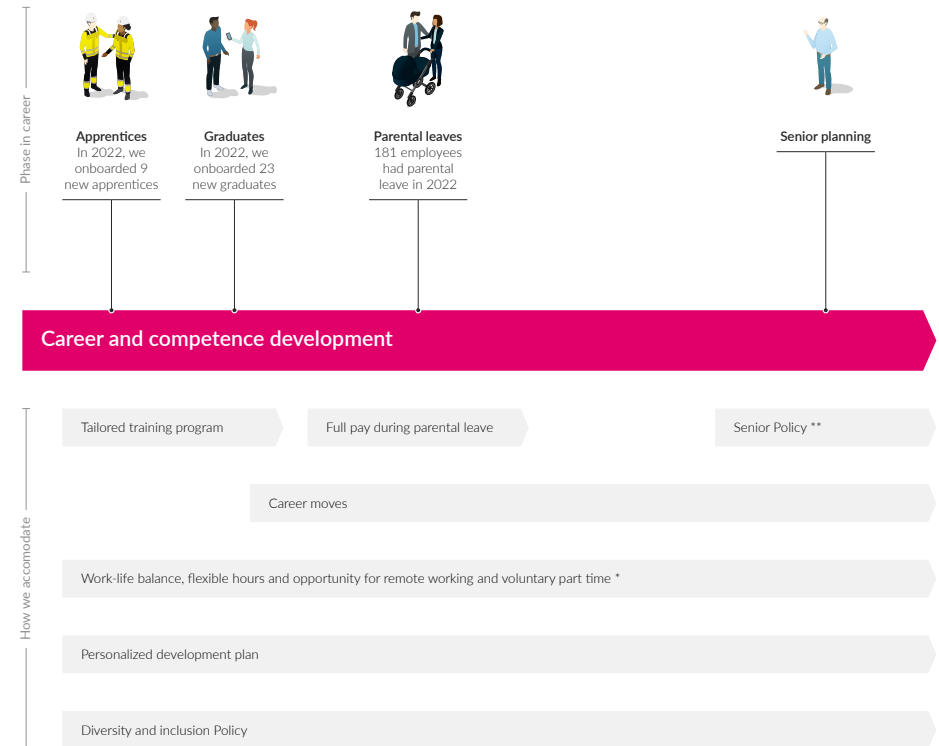
- Securing diversity, inclusion and belonging as an integral design criterion for how we conducted integration of the Lundin Energy Norway organisation and the people placement processes.
- Updating relevant people and organisation processes on selection of new hires and career development, such as succession and development programmes to include requirements for shortlists to secure diverse and inclusive teams.
- Improved and adjusted the fully transparent diversity analytics for our workforce; sorted by departments, age, position grades, nationalities, gender. This information is available to everyone in the organisation and is continuously updated.
- Participation in the 50/50 leadership programme and Female Future leadership development programme for females, with a dual ambition of leadership development

of talents and contributing to the company's diversity and inclusion programme by gaining insight and learning from other companies.

- Mandatory unconscious bias training for all employees, also integrated as a part of the onboarding package for former Lundin Energy Norway employees and all new hires.
- New standard on company representation and design of career opportunities, aspiring to create a more diverse workforce.

A total of 668 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 base pay ratio for tariff workers is 100 percent when adjusted for equal positions and seniority. Onshore employees and offshore supervisors are individually evaluated based on job complexity and accountability, as well as formal competence and experience level. For pay analysis purposes, employees are further grouped into three categories: subsurface and drilling, technical and business support.

Figure 41: Career and competence development during employment

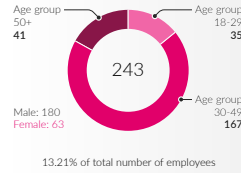


*Aker BP offers employees flexible working hours, meaning that employees may choose when they start and end their workday, with core hours between 9am and 3pm. This allows for adjustments to family logistics and personal preference.

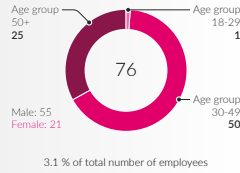
**Senior Policy offering reduced work hours for senior staff. Employees 60 years of age or more are offered senior planning courses and financial guidance (pension planning)

Figure 42: The people of Aker BP

Total new hires



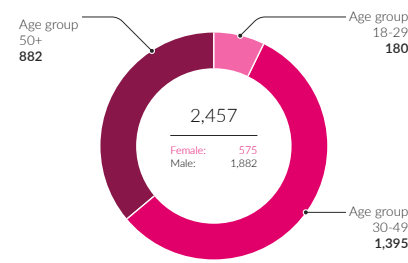
Total turnover



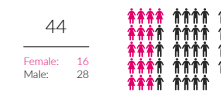
Total headcount:	3,244
Employees:	2,457
Consultants:	787
Nationalities:	37
Average age:	45

↑ = Female ↑ = Male

Total number of employees



Temporary employees



Part time employees



Involuntary part time



Parental leave (avg. weeks)



Board of directors



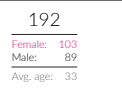
Senior managers



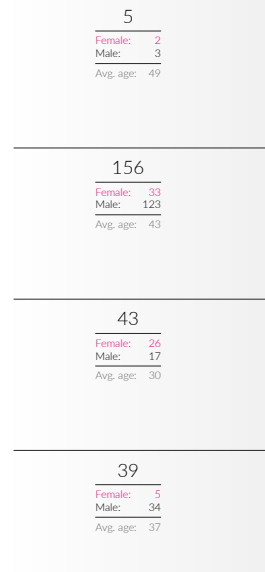
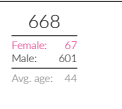
Managers and senior professionals



Professionals

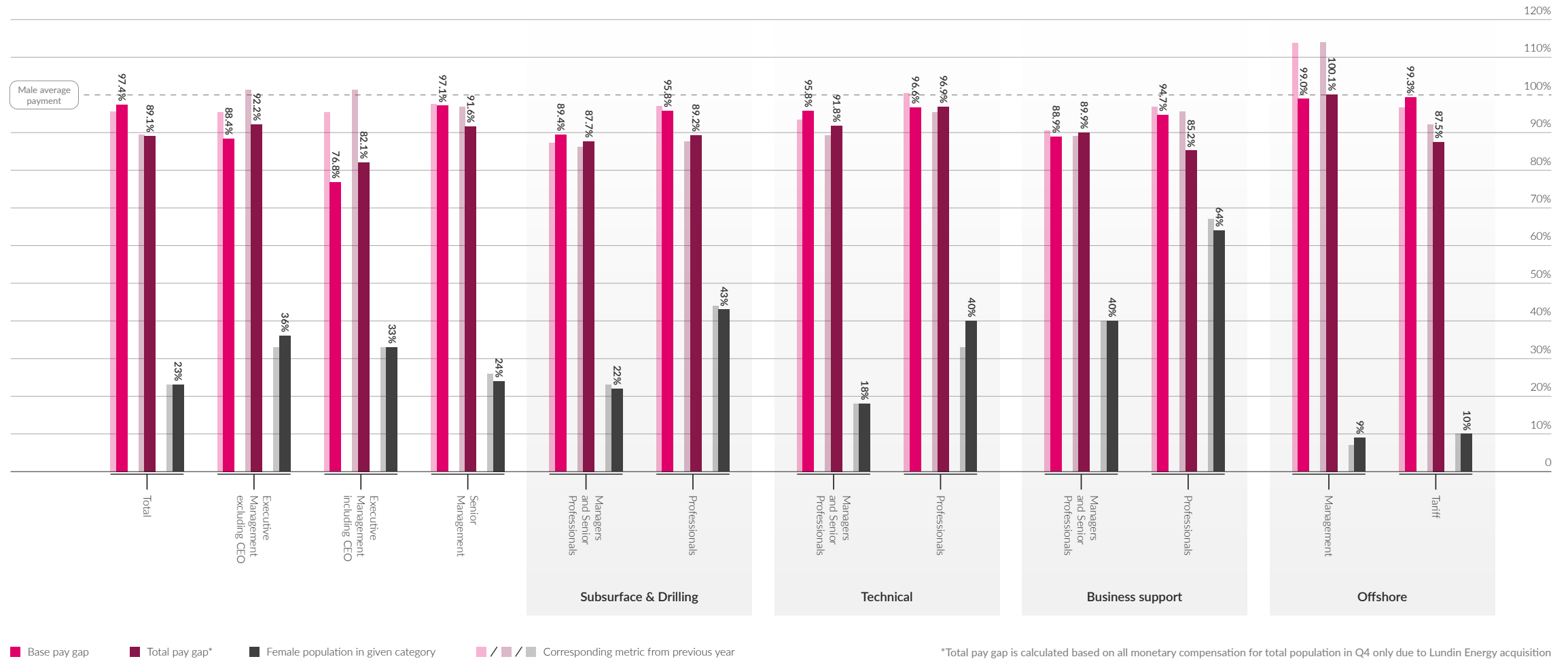


Tariff workers



0 200 400 600 800 1,000 1,200 1,400

Figure 43: Ratio of payment of women to men for each employee category



OCCUPATIONAL HEALTH AND SAFETY

Managing health and safety

Everyone working for Aker BP must plan for safe work, and has the authority to stop unsafe work. A licence to operate on the Norwegian continental shelf implies compliance with strict occupational health and safety requirements from the Norwegian Government and specifically the regulations administered by the Petroleum Safety Authority (PSA). 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 and anyone working for us.

Several structured measures are in place to fulfil this goal. A comprehensive occupational health and safety management system has been implemented to ensure that Aker BP identifies, understands, mitigates and manages health and safety risks throughout its offshore and onshore activities.

Aker BP's business management system is guided by regulatory requirements, international, national and industry-specific standards such as OHSAS 18001 and ISO 45001, even though our management system is not certified as such. It includes processes for monitoring occupational health and exposure to ensure that the health of workers is safeguarded, as well as the potential need for additional measures. Our health and safety management system is integrated in the business management system and applies to all employees and all workers that perform work for Aker BP, and is also anchored in Aker BP's safe operations and health and working environment policies. The requirements and

processes within our management system are subject to annual updates, in addition to ad-hoc updates based on lessons learned from e.g. incident investigations and audits.

In practice, our management system requirements ensure that Aker BP understands 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 working environment surveys and occupational hygiene measurements.

Aker BP's management system was subject to 11 audits by governmental health and safety bodies in 2022. The PSA carried out 10 audits, none of which resulted in any major findings. Similarly, the Civil Aviation Authority of Norway (CAA) conducted one audit of Aker BP, with a final report expected in Q1 2023.

Due to the current geopolitical situation in 2022, the PSA ordered all operators on the Norwegian continental shelf to review their security-related contingency plans and to implement mitigating measures as needed.

During the first nine months after the acquisition of Lundin Energy was announced in December 2021, work groups consisting of personnel from both companies identified differences in Aker BP's and Lundin Energy's work processes and procedures and concluded which ones to carry forward. Aker BP developed temporary bridging documents where necessary. The incorporation of Lundin Energy personnel into Aker BP has strengthened the company's robustness with respect to competence and capacity.

Aker BP operates a process for managing undesirable events. This process includes registration and classification of events, investigation and experience sharing. Depending on the severity of the event, both actual and potential consequences, the level of investigation is determined in a meeting where relevant roles, managers and HSSEQ professionals participate. The outcome can range from not launching a formal investigation for less severe cases, to an extensive investigation where the investigation team is appointed by Internal Audit for severe and complex events.

An investigation aims to identify what caused the undesirable event and to prevent similar events from reoccurring by establishing corrective actions. Aker BP's investigation team leads are trained in using the principles of "hierarchy of controls" and in addition to assess and score corrective actions in terms of risk reduction and reach, e.g., whether the action will be for one or more offshore installations. Every investigation is concluded in a management review meeting to ensure agreement on actions and proper resourcing and deadlines for implementation. In most cases, the outcome will address technical, procedural and organisational aspects, and when required, content in the management system is revised and updated. Actions are tracked to completion in Synergi, our incident reporting system. Lessons learned from the event are shared within the company and with other companies using the lessons learned collaboration system.

Aker BP acknowledges that ensuring health and safety is a continuous effort and maintains a comprehensive health and safety training programme. Mandatory pre-departure courses to ensure that all personnel travelling offshore have the necessary knowledge of HSSEQ requirements and guidelines, and extensive requirements for professional competence in

the individual disciplines, make it safe to travel to all Aker BP locations. Personnel working offshore regularly attend a basic safety training refresher course. In 2022, approximately 200 employees conducted such training. All Aker BP employees participate in mandatory e-learning training courses for chemicals, noise, ergonomics and psychosocial working environment.

Aker BP aims to be a health-promoting workplace for all personnel performing work for the company. To ensure personnel are healthy and sustain or even improve their health while working for the company, Aker BP has implemented several structured measures. Further, Aker BP is committed to and acknowledges that health is more than absence of sickness for the individual. Health can be defined as the presence of full mental, physical and social well-being and this is what we aim to achieve for personnel working for us.

Asset-specific training is provided by our working environment specialists in occupational hygiene and ergonomics based on needs identified in risk assessments and surveys. Furthermore, participants in working environment committees, managers and safety representatives, must undergo formal extended training in working environment topics.

Aker BP continued to strengthen its collaboration with other operating companies on the Norwegian continental shelf in 2022 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 HSSEQ initiatives as well as using the same training material.



Safety performance

Aker BP's 2022 personnel injury performance has improved compared with recent years. Despite a higher activity level in 2022, the number of near-misses with high potential, five, remained the same as for 2021. 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 did not experience any work-related employee or contractor fatalities in 2022. We have, however, experienced a total of 12 work-related injuries on Aker BP-operated facilities, two of which involved our own employees. Three of the injuries, all contractor-related, have been classified as serious. In one case a contractor was exposed to acetic acid and the two other incidents resulted in finger and elbow injuries. Two other contractor injuries of a less serious nature resulted in days away from work. The remaining seven injuries needed medical treatment only. The three incidents resulting in serious injuries have been thoroughly investigated to capture lessons learned and to prevent re-occurrence. Relevant lessons learned are also captured and shared for the less serious injuries.

The Serious Injury Frequency (SIF) for 2022 is 0.3, which is at the same level as in 2021. In 2022, Aker BP had a Total Recordable Injury Frequency (TRIF) target of 2.0 or less, which has been met. The TRIF has been reduced from 1.9 in 2021 to 1.1 in 2022. We will maintain our efforts to ensure continuous improvement in the years to come, for example through our quarterly HSE learning packages.

Continuous improvement of the working environment

The quarterly HSE learning packages that Aker BP develops in collaboration with three other major operators in Norway have the purpose of strengthening the industry's safety culture and to work together to have zero major accidents, avoid injuries, dropped objects, and to fortify health and working environment. The learning packages are designed to be used as a team exercise and are performed online by both offshore and onshore teams. This initiative is repeated annually and is a strong contribution to our proactive HSSEQ effort.

Aker BP works systematically with mapping and analyses of the working environment factors that can lead to work-related hazards and illnesses. Working environment health risk assessments (WEHRAs) is Aker BP's main tool to map its working environment risks. The method is based on our process to assess and deal with 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 for both chemical and physical working environment, ergonomics, psychosocial and organisational working environment. The WEHRA method is used for mapping and risk evaluation in projects for new-builds, modifications and in operations.

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 and ergonomic specialists that facilitate 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. Sensitive matters may be addressed through the safety representative, people and organisation department or the integrity channel.

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 (WEC) includes committees at 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 WEC is a decision-making and advisory body within the Aker BP working environment that meets quarterly, or more often if necessary.

Aker BP employees have elected safety representatives both onshore and offshore. The role of the safety representative is to safeguard worker interests in matters concerning the working environment. The safety representatives are represented in the WECs. All reports related to working environment inspections and measurements must be presented to the WEC.

Aker BP provides a set of both occupational and non-occupational health services to prevent, identify and monitor work-related health risks. Employees also receive non-occupational health services related to personal health, physical therapy and health-promoting services such as support for increased physical activity, quit-smoking assistance, dietary advice, vaccination programmes, health surveillance programmes and stress management. Furthermore, our affiliated occupational health care services (OHCS) assist Aker BP in being a healthy workplace for all our personnel. An OHCS representative has an advisory role in Aker BP's working environment committees. The Aker BP internal health resources consist of offshore nurses, a physician and a health lead onshore. In 2022, Aker BP registered nine work-related illnesses, a reduction compared with 2021. All work-related illnesses are closely followed up by the internal health department and the OHCS.

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.

Figure 44: **Work related illness**



Figure 45: **Injury frequency and lost time**

Serious injury frequency (SIF)



Total recordable injuries frequency (TRIF) – Employees and contractors



Lost time incident rate (LTIR) – Employees and contractors



Table 5: Sustainability data: Occupational health and safety

CATEGORY	2020	2021	2022	UNITS
Fatalities Employees	0	0	0	
Fatality Contractors	0	0	0	
Fatality rate Employees	0	0	0	
Fatality rate Contractors	0	0	0	
Serious Injuries Employees	1	2	0	
Serious Injuries Contractors	3	2	3	
Lost Time Incidents Employees	1	1	0	
Lost Time Incidents Contractors	3	6	5	
Lost Time Incidents rate Employees + Contractors	0,4	0,7	0,4	per mill exposure hours
Lost Time Incidents rate Employee	0,3	0,3	0	
Lost Time Incidents rate Contractors	0,4	1	0,8	
Medical treatment incidents Employees	0	2	2	
Medical treatment incidents Contractors	9	6	5	
Total exposure hours	10,84	9,25	11,32	Million hours worked
Total recordable injuries frequency (TRIF) - Employers + Contractors	1,2	1,9	1,1	per mill exposure hours
Total recordable injuries frequency (TRIF) - Employees	0,3	1,1	0,4	per mill exposure hours
Total recordable injuries frequency (TRIF) - Contractors	1,6	2,2	1,5	per mill exposure hours
Serious injury frequency (SIF)	0,5	0,3	0,3	per mill exposure hours
Near misses with high potential	3	5	5	
Asset integrity and process safety				
Number of Tier 1 process safety events	0	0	0	
Number of Tier 2 process safety events	0	0	0	

RISK MANAGEMENT

The principles, responses and measures we use to understand, control, manage and communicate our risks are embedded in our governance and business management system, and are complemented by our risk management framework. We continuously evaluate and improve our business management system to control and manage inherent risk, based on learning from our experiences and best industry practices. We also focus on developing and improving our business management system to strengthen the organisation's capability and improve the quality of our risk management work.

Risk management is fully integrated in all our activities and supports our decision-making at all levels. Communication of important risks arising across the value chain and assets is ensured by our enterprise risk management process, which forms the basis for regular risk reviews of the company's prioritised risks by the executive management team, audit and risk committee and the board of directors.

We rely on the collective experience and insight of our workforce to identify, understand and act to manage risk in an efficient manner throughout all phases of our activities, while we strive to support our work with digitalised tools and the insight they can provide.

We systematically support the improvement of our ways of working by using our three lines of assurance (3 LoA) model for independence in the assurance of Aker BP's business management system.

We support performance improvement through pro-active, context-specific training and coaching on how to apply the risk management framework. The current focus related to training

is to provide fit-for-purpose e-learning training to reach as many colleagues as possible in an effective manner and securing common communication across the organisation.

The overall objective of risk management in Aker BP is not only for our workforce to understand the standardised processes, apply the methods and use the systems, but also for them to integrate the risk approach in their daily work and behaviour to build a more robust company where risk is always considered and discussed upfront, and where uncertainty is taken into account.

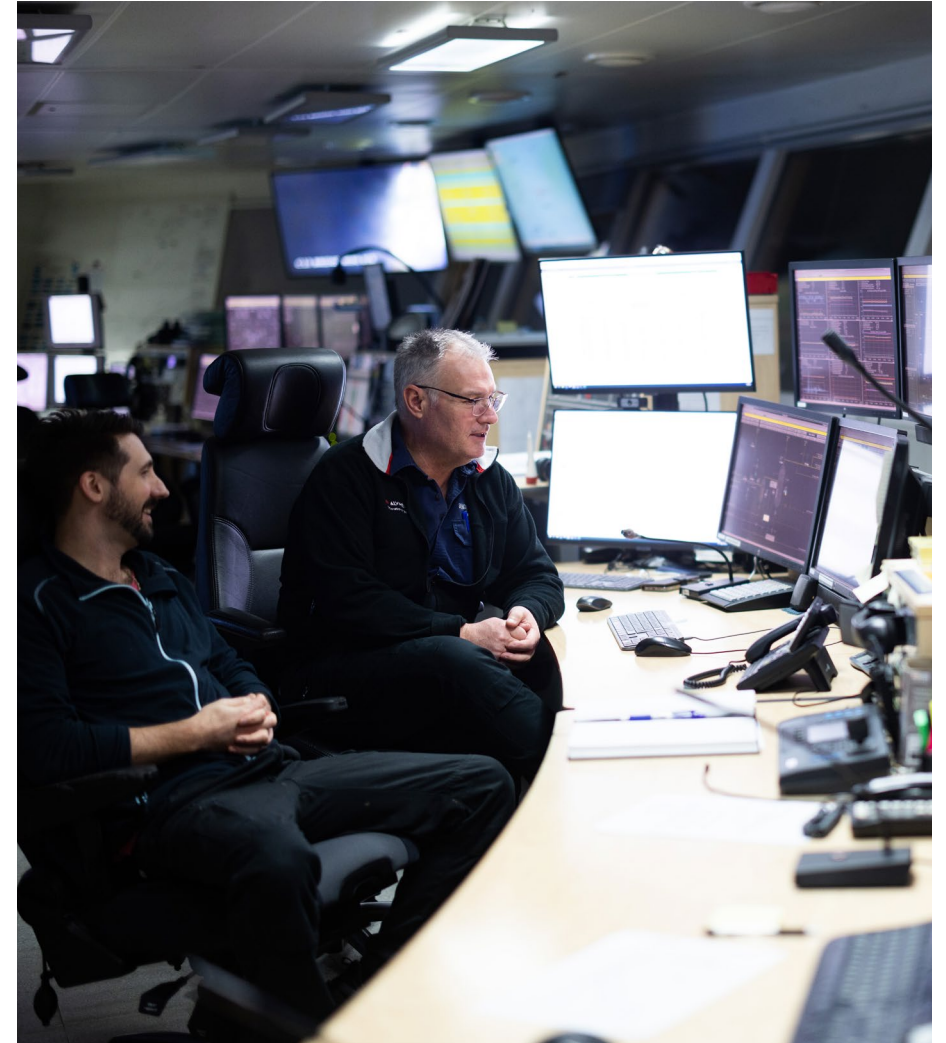
Identifying opportunities and performance optimisation is a natural part of what we do to support our goals and sustainable business growth. We structurally apply the company's strategy process to set the overall direction, goals and targets.

Aker BP's key risk factors are detailed in the board of director's report included in the 2022 annual report.

ASSET INTEGRITY AND CRITICAL INCIDENT MANAGEMENT

Asset Integrity and Barrier Management

Barrier management is systematically incorporated in asset design and critical operations by establishing, monitoring and maintaining barriers in order to prevent major accident events and/or significantly reduce potential consequences. We continuously evaluate and improve our barrier management framework to ensure that barriers are established and maintained so that they maintain their function at all times. We work to always have a clear picture of the risk and to reduce major accidental events by knowing the performance and integrity of our barriers, including technical, operational and organisational barriers.



For instance, to ensure tanker safety, our policies establish minimum requirements on both conventional and shuttle tankers which set out several requirements in line with industry standards and practice, including recognised flag states (whitelisted by IMO in accordance with the Paris Memorandum of Understanding), class and age limitation. The requirements are also enforced on our business partners, and we regularly perform assurance activities such as pre-qualification, screening, verifications and audits of vessels and vessel operators.

Identification, evaluation and mitigation of major accident risk is a main focus throughout the lifetime of assets in Aker BP. Design of installations is based on regulations, standards, Aker BP additional requirements and recognised engineering practices.

Inherently safe design principles are the basis for design. Major accident risks are managed through a set of engineered barriers that are in place both to reduce the probability of incidents with major accident potential, and to reduce the consequences should such an event occur.

Human intervention, including operational and organisational barriers, required to ensure effective barrier management and incident control is implemented through competence management, general training of offshore personnel and specialised training of the emergency response teams. The residual risk is quantified and verified to be within Aker BP's risk acceptance criteria.

During operation, a continuous focus on ensuring performance of technical barriers is implemented through testing and maintenance of active barrier functions and risk-based inspections of passive barrier functions. Failed tests or

inspection findings will be registered, evaluated, prioritised, and corrective actions will be taken to maintain safe operations. Pipeline integrity is performed by online monitoring of process parameters and risk-based inspection. Inspection findings will be registered, evaluated, prioritised, and corrective action will be taken to maintain safe operations and integrity.

Important functions, processes and systems to ensure asset integrity are also regularly validated through self-verification, assurance and audit activities.

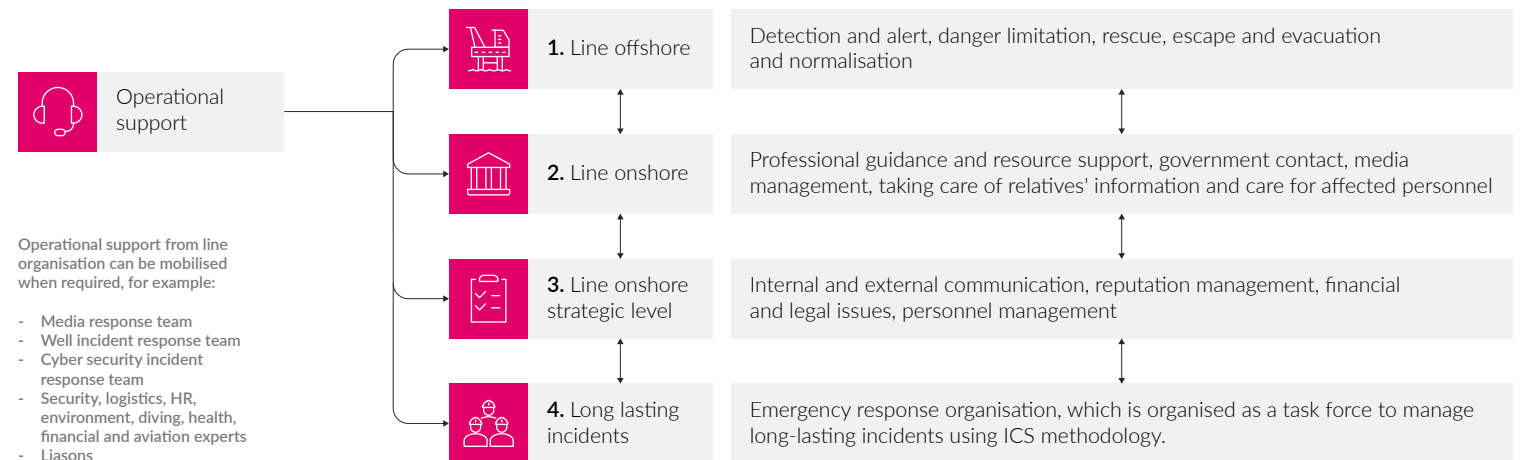
Emergency preparedness

Aker BP faces a range of incidents within our operations that can potentially harm people, the environment, our assets or the economy. We are committed to avoid harm and injury to personnel, the environment and all assets, to avoid work-related illness and ensure safe and compliant operations. Aker BP's emergency response organisation is designed and dimensioned to handle emergencies and hazardous incidents effectively, contribute to prevent dangerous situations from developing into accidents and reduce the consequences

once something has gone wrong. Aker BP has organised its emergency preparedness organisation as illustrated in figure 46.

In the event of an emergency incident that is expected to have a long duration, an incident command organisation will be mobilised and take over responsibility for handling the incident and the normalisation phase. This organisation is established when needed and works according to guidelines established in the plan for the incident command organisation.

Figure 46: **Aker BP emergency response**





We systematically conduct training and exercises for all parts of our emergency response organisation to prepare for situations that may occur. Our Business 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 apply our in-depth knowledge of our business to predict the potential outcome of any undesirable incident and assign our resources to handle the situation.

Emergency preparedness planning is based on the principles of establishing barriers, conducting risk assessments, analysis, procedures, and training of personnel. These are the core elements required to develop a competent, robust and well-trained organisation that can manage all incidents safely and effectively. A key element in our emergency preparedness is the concept of defined situations of hazard and accident (DSHA). These are predefined situations which contribute to how we design and dimension our emergency preparedness, for example well blowouts, oil spills, fire, explosion, collision, cyber-attacks and pandemic outbreaks. Each DSHA has specific emergency response plans and scaling factors to ensure prompt and precise handling.

The emergency preparedness department is responsible for verifying that Aker BP's emergency preparedness satisfies internal and external requirements. Our emergency preparedness organisation is coordinated with the public rescue

service, health and care services in the country and with the municipality's emergency preparedness. Aker BP also 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. This is particularly evident in oil spill response, where operators collaborate on joint emergency preparedness solutions. We have clear expectations for exchanging knowledge and experience to achieve a well-functioning emergency organisation.

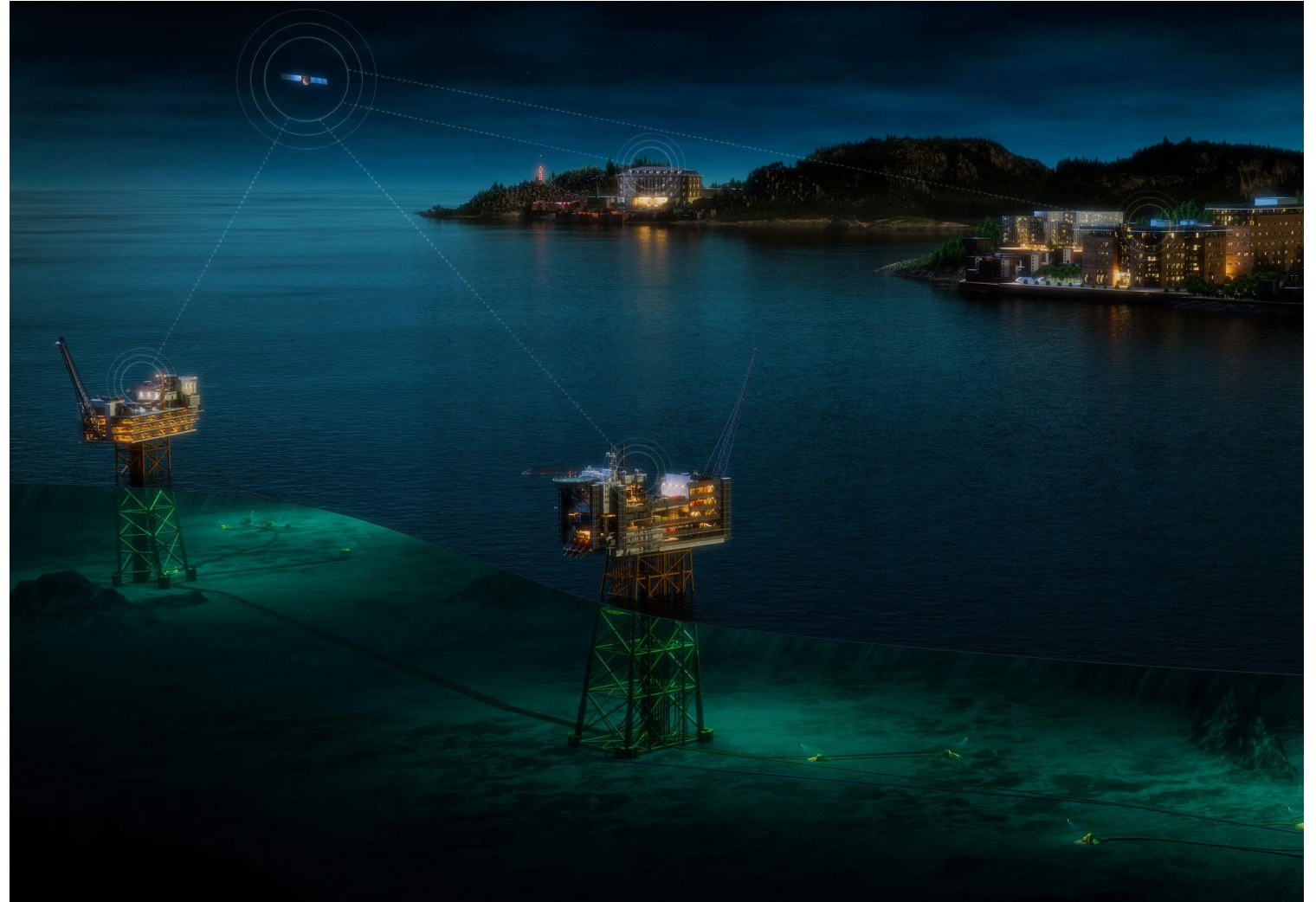
SECURITY

Unexpected imbalances in the energy supply may impact political and financial stability on a global scale, and the changed geopolitical situation as regards the invasion of Ukraine further emphasises this topic. There may be those who will deliberately seek to cause such imbalances to reap financial, political or other benefits. Preventing these parties from succeeding is the objective of our security efforts, which is further described in our security policy with associated principles and security management. Norway is a politically stable and relatively safe region which, at present, does not necessitate use of third-party armed security forces or similar aspects to protect our general workforce. Still, due to the abovementioned geopolitical developments, we have increased our security offshore from level one to two, out of three levels. This means increased focus on security measures in offshore operations. Going forward, it is deemed probable that level two will become the new normal.

The security providers at our offices follow the voluntary principles on security and human rights (of which Norway is a member) and all security personnel undergo background checks. In addition, we run integrity due diligence (IDD) checks on our suppliers and business partners. This IDD process includes questions related to security providers.

Security traditionally focuses on outside threats rather than those posed by untrustworthy individuals inside an organisation. To balance our holistic security approach, an enhanced focus on personnel security measures has been implemented in both governance and in practice.

With the threat situation becoming more demanding to understand and prepare for, building cyber-resilience is a high priority for Aker BP's digitalisation and cybersecurity programme. This means setting up an architecture for both the onshore and offshore digital infrastructure that utilises modern security principles to provide better resilience and high quality data for our security operations centre. The status of the cyber-risk situation is reported to the board of directors on a regular basis.



Appendix

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Cautionary statement

FORWARD-LOOKING STATEMENTS

This report (including all appendices) contains forward-looking statements that includes uncertainties and risks. Forward-looking statements may be identified in the report (including all appendices) by the use of words such as “aim”, “aligned”, “ambition”, “anticipate”, “believe”, “commit”, “could”, “estimate”, “expect”, “goal”, “intend”, “may”, “milestone”, “objective”, “outlook”, “plan”, “projected”, “risks”, “seek”, “should”, “target”, “will”, and other similar words or expressions. All statements other than those containing historical information are regarded as forward-looking and should as such be interpreted with caution. Such statements are, among others, related to Aker BP’s strategies, ambitions and targets, including those referring to achieving 50% absolute reduction in gross scope 1 and scope 2 GHG emissions by 2030, close to absolute zero gross scope 1 and scope 2 GHG emissions by 2050, and carbon removal offsets, among others included in this report (including all appendices).

Forward-looking statements reflect our current view about future events, derived from management’s assumptions, estimates, expectations and forecasts. These are by nature subject to significant uncertainties and risks that could affect their outcome. Factors that may alter forward-looking statements in this report (including all appendices) to materially deviate from actual future results, include the demand for oil and gas, price fluctuations in oil and gas, estimates of remaining reserves and results of drilling and production, both national and international regulatory and legal changes, such as those related to climate change, technological advances, including those related to renewable energy, physical risks on assets and environmental compliance, operational delays or halts due to issues in the value chain or infrastructure, unforeseen macroeconomic and geopolitical events, such as the war in Ukraine and the Covid-19 (coronavirus) pandemic, timing on, inability or will to exploit growth or investment opportunities, competitive landscape, attraction and retainment of skilled labour, as well as other unpredictable or unknown factors mentioned or not in the report (including all appendices). Hence, forward-looking statements contained in this report (including all appendices) should be used with caution in any

form of decision-making, including but not limited to, those related to investment decisions. Forward-looking statements have not been assured by a third-party and Aker BP takes no responsibility for the accuracy and completeness of these statements.

Historical information is limited to facts Aker BP is aware of at the time this report (including all appendices) was issued. Unless legally required, Aker BP does not undertake the obligation to provide updates or additional information which may impact the statements made in this report (including all appendices), whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION

Throughout the report (including all appendices), we refer to “net zero” as GHG emissions under the GHG protocols definition of scope 1 and scope 2 emissions under operational control. Meaning, scope 3 emissions, caused by both upstream and downstream activities are not included. Any emission

reductions target in this report (including all appendices) is related to operational scope 1 and scope 2 emissions unless otherwise explicitly stated.

In this report (including all appendices), Aker BP reports on emissions related to use of products sold in accordance with the GHG protocol (Scope 3 category 11). These emissions are estimates to provide transparency for the reader to better understand the lifecycle of our products. Our reporting on use of products sold should in no way be regarded as an admission of responsibility of the emissions caused by the use of our products.

From the Lundin Energy acquisition, Aker BP has updated its baseline year and included GHG emissions for the full year (including those related to energy) as per the GHG protocol. GHG emissions and energy usage has also been adjusted for the historical years 2020 and 2021. All other sustainability-related information resulting from the acquisition of Lundin Energy has been included from 1 July 2022 when the integration was complete, with no adjustments in historical data.

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Restatements

CHAPTER IN SUSTAINABILITY REPORT 2022	PAGE	ORIGINAL TEXT/DATA IN SR 2021	CORRECTION MADE IN SUSTAINABILITY REPORT 2022	REASON
Table 4: Sustainability data: Environment , 302. Energy	43	All data	All data	All energy data for 2020–2022 have been updated to include both Aker BP and Lundin Energy to align it with GHG emissions.
Table 4: Sustainability data: Environment , 305. Emissions	44–45	All data, except NO _x , SO _x and nmVOC emissions	All data, except NO _x , SO _x and nmVOC emissions	All emissions data for 2020–2022 have been updated to include both Aker BP and Lundin Energy, in accordance with the principles in the GHG protocol.
Table 4: Sustainability data: Environment , Scope 3	45	2020: 223,533 2021: 285,981	2020: 59,460,800 2021: 63,922,650	Improved upstream data quality and granularity, as well as inclusion of mid- and downstream scope 3 emissions give significant changes in emission levels (mostly due to inclusion of category 11)

Definitions and abbreviations

TERM	DEFINITION
ARC	Audit and risk committee - subdivision of the Board.
BAT	Best available technique.
Boe	Barrel of oil equivalent.
Carbon offsets	Voluntary carbon offsetting. Payment to receive credit for a certified unit of emission reduction or removal carried out by another actor.
CCS	Carbon capture and storage.
CDP	The CDP is an international non-profit organisation that helps companies disclose their climate and environmental impact.
CEO	Chief executive officer.
CH ₄	Methane
CO ₂	Carbon dioxide.
CO ₂ emission intensity	Equity share emissions of CO ₂ (in kg) per barrel of oil equivalent produced.
CO ₂ e	CO ₂ equivalents. It is a measurement of the global warming potential in any greenhouse gas to the equivalent amount of CO ₂ emissions.
Contractor	Any person employed by a contractor company or employed by a contractor company's subcontractor who is directly involved in execution of prescribed work under a contract with Aker BP.
DSHA	Defined situations of hazard and accident. These are predefined situations which contribute to the dimensioning of our emergency preparedness.
Employee wages and benefits	Employee wages and benefits include payroll expenses, pension and other personnel cost for employees in Aker BP.
EMT	Executive management team.
Energy consumption	Energy consumed by operated assets, including fuel gas and diesel consumption, power supplied from shore, and electricity consumed at office locations.
Energy Intensity	Energy consumed per produced barrel of oil equivalent.
Equity share	Under the equity share approach, we account for emissions from operated and non-operated assets, according to our share of equity in the assets.
ESG	Refers to reporting topics environmental, social and governance, and represents a holistic approach to sustainability.

TERM	DEFINITION
EU ETS	European Union Emissions Trading System. The ETS is a market mechanism that gives CO ₂ a price and creates incentives to reduce emissions in the most cost-effective manner.
Exposure hours	Hours worked. For contractors, only hours worked under Aker BP's control of work and/or control of workplace are included.
Flared hydrocarbons	Hydrocarbons burned in the flare.
FMC	First Movers Coalition. A global initiative to harness the purchasing power of companies to decarbonize hard-to-abate industrial sectors.
Freshwater	Freshwater is either withdrawn or produced. Withdrawn freshwater is third party water from onshore public water supply. Produced freshwater is made from seawater on the individual assets.
FPSO	Floating production, storage and offloading vessel.
GHG	Greenhouse gases. Reported GHGs are CO ₂ , CH ₄ and N ₂ O.
GHG emission intensity	Emissions of greenhouse gases (in kg CO ₂ e) per barrel of oil equivalent produced.
Hazardous waste	Waste that possesses any of the characteristics contained in annex II of the Basel Convention, or that is considered to be hazardous by national legislation.
HSSEQ	health, safety, security, environment and quality.
Human Rights Due Diligence	Due diligence with respect to fundamental human rights and decent working conditions, as required by the Transparency Act with reference to the OECD Guidelines.
IEA	International Energy Agency.
IPCC	Intergovernmental Panel on Climate Change.
KPI	Key performance indicator.
Lost Time Incident (LTI)	An incident which results in a Lost Time Injury.
Lost Time Incident Rate (LTIR)	Number of lost time incidents per million working hours.
Lost Time Injury	A personal injury which results in the person being unfit for work the day after the injury.
Medical Treatment Injury	A personal injury that is not severe enough to be reported as a lost time injury but is more severe than requiring a simple first aid treatment, for example if prescription medicine is given, sutures are needed, etc.
Methane emission Intensity	Percentage of volume methane per saleable gas.

TERM	DEFINITION
N ₂ O	Nitrous oxide
NCS	The Norwegian continental shelf.
NEA	Norwegian Environmental Agency.
Near Miss with high potential	A safety event which has a severity level potential ≥ 8 , where Aker BP's severity level ranges from 1 to 12, excluding safety events which have resulted in actual serious consequences.
Net zero	Net zero refers to the balance between anthropogenic GHG emissions and carbon offsets. In the report we also use the term "net zero across operations" which limits the boundary of the definition to our anthropogenic GHG emissions from scope 1 and scope 2.
NGO	Non-governmental organisation. A non-profit organization that operates independently of any government, typically one whose purpose is to address a social or political issue
nmVOC	Non-methane volatile organic compounds.
NO _x	Nitrous oxide.
NPV	Net present value.
OECD	The Organization for Economic Co-operation and Development.
OECD Guidelines	The OECD Guidelines for Multinational Enterprises, available at: http://mneguidelines.oecd.org/guidelines/ .
Operational control	Under the control approach, we account for 100 percent of the emissions from operations over which we have control.
Payments made to governments	Payments made to governments, including income tax, CO ₂ tax, area fee and social security tax.
PDO	Plan for development and operation of a petroleum deposit.
Produced water	Produced water is a by-product in the oil and gas well-stream, containing oil residues and other organic compounds.
Protected areas	Protected areas are defined where no industrial activity, or only limited activity, is permitted.
PSV	Platform supply vessels.
ROV	Remotely operated underwater vehicle.
Scope 1	Direct emissions from owned or controlled sources.

TERM	DEFINITION
Scope 2	Indirect emissions from the generation of purchased energy. It can be measured as location-based or market-based. Location-based scope 2 emissions are emissions calculated based on the average emissions intensity of a local power grid. Market-based scope 2 emissions are emissions calculated based on a specific purchase contract or agreement for energy.
Scope 3	Indirect emissions (not included in scope 2) that occur in the value chain of the company, including both upstream and downstream emissions.
SDG	The United Nations Sustainable Development Goals.
SEAC	Safety and environmental assurance committee. An initiative from the Board of Directors, whose purpose is to support and strengthen management's work on issues related to security, cybersecurity, and the environment.
Sensitive areas	Particularly valuable and sensitive areas ("Særlige verdifulle og sårbare områder" (SVO)) identified on the Norwegian continental shelf.
Serious Injury	A personal injury which is categorized as serious in accordance with the management regulations, Section 31, as enforced by the Petroleum Safety Authority Norway.
Serious Injury Frequency (SIF)	Number of serious injuries per million working hours.
SO _x	Sulphur oxides.
TCFD	Task Force for Climate-related Financial Disclosures.
The Norwegian Transparency Act	Norwegian act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Lov om virksomhetens åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold - Åpenhetsloven (LOV-2021-06-18-99)).
Tier 1 and 2 process safety events	A Tier 1 Process Safety Event may involve significant actual or potential impacts. A Tier 2 Process Safety Event is an event with consequence. It is an unplanned or uncontrolled release of any material, including non-toxic and non-flammable materials, from a process that results in consequences
Total Recordable Injury Frequency (TRIF)	Number of work-related injuries per million working hours. Same definition as SASB's TRIR except the calculations are done per million hours instead of per 200,000 hours.
UN Global Compact	The United Nations Global Compact is a non-binding United Nations pact to get businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation.
Work-related fatalities	Fatalities taking place while working for Aker BP.
Work-related illness	Illnesses related to work performed for Aker BP.
Work-related injuries	Injuries such as medical treatments and above (excluding first aid injuries) taking place while working for Aker BP.

GRI disclosures

A dark gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.

GENERAL DISCLOSURES

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
GRI 2: General Disclosures 2022					
2-1	Organisational details	Understanding our business and context, page 04			
2-2	Entities included in the organisation's sustainability reporting	Understanding our business and context, page 04			
2-3	Reporting period, frequency and contact point	Reporting practices, page 03			
2-4	Restatements of information	Restatements, page 82			
2-5	External assurance	Auditor's report, page 102			
2-6	Activities, value chain and other business relationships	Understanding our business and context, page 04	-	-	
2-7	Employees	Figure 42: The people of Aker BP, page 69	-	-	
2-8	Workers who are not employees	Workers who are not employees, page 64	-	-	
2-9	Governance structure and composition	Governance, page 13 Aker BP annual report 2022	-	-	
2-10	Nomination and selection of the highest governance body	Governance, page 13 Aker BP annual report 2022	-	-	
2-11	Chair of the highest governance body	Aker BP annual report 2022	-	-	
2-12	Role of the highest governance body in overseeing the management of impacts	Governance, page 13 Aker BP annual report 2022	-	-	
2-13	Delegation of responsibility for managing impacts	Governance, page 13 Aker BP annual report 2022	-	-	
2-14	Role of the highest governance body in sustainability reporting	Governance, page 13 Aker BP annual report 2022	-	-	
2-15	Conflicts of interest	Governance, page 13 Aker BP annual report 2022	-	-	
2-16	Communication of critical concerns	Governance, page 13 Aker BP annual report 2022	-	-	
2-17	Collective knowledge of the highest governance body	Governance, page 13 Aker BP annual report 2022	-	-	
2-18	Evaluation of the performance of the highest governance body	Governance, page 13 Aker BP annual report 2022	-	-	

A dark gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.

GENERAL DISCLOSURES

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
2-19	Remuneration policies Governance, page 13 Aker BP annual report 2022	-	-	-	
2-20	Process to determine remuneration Governance, page 13 Aker BP annual report 2022	-	-	-	
2-21	Annual total compensation ratio 34:1 Aker BP annual report 2022	-	-	-	
2-22	Statement on sustainable development strategy Letter from the CEO, page 05	-	-	-	
2-23	Policy commitments Policy commitment and governance, page 49	-	-	-	
2-24	Embedding policy commitments Policy commitment and governance, page 49	-	-	-	
2-25	Processes to remediate negative impacts Grievance mechanisms and remediation, page 50	-	-	-	
2-26	Mechanisms for seeking advice and raising concerns Grievance mechanisms and remediation, page 50 Reporting of concerns, page 55	-	-	-	
2-27	Compliance with laws and regulations Compliance with laws and regulations, page 56	-	-	-	
2-28	Membership associations Freedom of association, page 54	-	-	-	
2-29	Approach to stakeholder engagement Materiality, governance and stakeholder management, page 12	-	-	-	
2-30	Collective bargaining agreements Freedom of association, page 54	-	-	-	

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
GRI 3: Material Topics 2022					
3-1	Process to determine material topics Materiality, governance and stakeholder management, page 12				
3-2	List of material topics Figure 6: Sustainability framework and material topics, page 13				

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Economic performance					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Value creation and distribution, page 58	-	-	-
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	Value creation and distribution, page 58	-	-	-
201-2	Financial implications and other risks and opportunities due to climate change	Risk and opportunities posed by climate change, page 24	-	-	-
201-3	Defined benefit plan obligations and other retirement plans	Employment practices, page 63	-	-	-
201-4	Financial assistance received from government	USD 0.5 million	-	-	The number refers to financial assistance received due to the Tax deduction scheme for companies with R&D projects.
Market presence					
GRI 3: Material Topics 2021					
3-3	Management of material topics	N/A	-	Not applicable	Not a material topic
GRI 202: Market Presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	N/A	-	Not applicable	No workers/employees compensated based on wages subject to minimum wage rules.
202-2	Proportion of senior management hired from the local community	100%	-	-	Senior management is defined as the Executive Management Team, and its members are all either born or have legal right to reside in Norway indefinitely. The Company's geographical definition of local is within Norway.
Indirect economic impacts					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Value creation and distribution, page 58	-	-	-
GRI 203: Indirect Economic Impacts 2016					
203-1	Infrastructure investments and services supported	Value creation and distribution, page 58 Supporting local communities and causes we believe in, page 60	-	-	-
203-2	Significant indirect economic impacts	Value creation and distribution, page 58	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Procurement practices					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Procurement practices, page 51	-	-	-
GRI 204: Procurement Practices 2016					
204-1	Proportion of spending on local suppliers	USD 2,963.9 million spent. 89.44% of total spend	-	-	Definition of local is within Norway. -
Anti-corruption					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Integrity and anti-corruption, page 53	-	-	-
GRI 205: Anti-corruption 2016					
205-1	Operations assessed for risks related to corruption	Integrity and anti-corruption, page 53	-	-	-
205-2	Communication and training about anti-corruption policies and procedures	Integrity and anti-corruption, page 53	-	-	-
205-3	Confirmed incidents of corruption and actions taken	Integrity and anti-corruption, page 53	-	-	-
Anti-competitive behavior					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Anti-competitive behaviour, page 54	-	-	-
GRI 206: Anti-competitive Behavior 2016					
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-competitive behaviour, page 54	-	-	-
Tax					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Tax strategy, page 56	-	-	-
GRI 207: Tax 2019					
207-1	Approach to tax	Tax strategy, page 56	-	-	-
207-2	Tax governance, control, and risk management	Tax strategy, page 56	-	-	-
207-3	Stakeholder engagement and management of concerns related to tax	Tax strategy, page 56	-	-	-
207-4	Country-by-country reporting	Tax strategy, page 56	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Energy					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Energy management, page 18	-	-	-
GRI 302: Energy 2016					
302-1	Energy consumption within the organization	Table 4: Sustainability data: Environment, page 43	-	-	-
302-2	Energy consumption outside of the organization	Table 4: Sustainability data: Environment, page 43	-	-	-
302-3	Energy intensity	Table 4: Sustainability data: Environment, page 43	-	-	-
302-4	Reduction of energy consumption	Energy management, page 18	-	-	-
302-5	Reductions in energy requirements of products and services	-	Reductions in energy requirements of products and services	Information unavailable/incomplete	This information was not available at the time of reporting.
Water and effluents					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Water and effluents, page 35	-	-	-
GRI 303: Water and Effluents 2018					
303-1	Interactions with water as a shared resource	Water and effluents, page 35	-	-	-
303-2	Management of water discharge-related impacts	Water and effluents, page 35	-	-	-
303-3	Water withdrawal	Table 4: Sustainability data: Environment, page 43	-	-	-
303-4	Water discharge	Table 4: Sustainability data: Environment, page 43	-	-	-
303-5	Water consumption	Table 4: Sustainability data: Environment, page 43	-	-	-
Biodiversity					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Biodiversity, page 38	-	-	-
GRI 304: Biodiversity 2016					
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, page 38	-	-	-
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity, page 38	-	-	-
304-3	Habitats protected or restored	Biodiversity, page 38	-	-	-
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, page 38	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Emissions					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Climate policy, page 18	-	-	-
GRI 305: Emissions 2016					
305-1	Direct (scope 1) GHG emissions	Scope 1: avoid and reduce through electrification, energy efficiency and portfolio management as key levers, page 19 Table 4: Sustainability data: Environment, page 43	-	-	-
305-2	Energy indirect (scope 2) GHG emissions	Scope 2: electrification with renewable energy and energy efficiency as key levers, page 20 Table 4: Sustainability data: Environment, page 43	-	-	-
305-3	Other indirect (scope 3) GHG emissions	Scope 3: emissions from our supply chain and our customers, page 22 Table 4: Sustainability data: Environment, page 43	-	-	-
305-4	GHG emissions intensity	Table 4: Sustainability data: Environment, page 43	-	-	-
305-5	Reduction of GHG emissions	Scope 1: avoid and reduce through electrification, energy efficiency and portfolio management as key levers, page 19	-	-	-
305-6	Emissions of ozone-depleting substances (ODS)	-	Emissions of ozone-depleting substances (ODS)	Information unavailable/incomplete	This information was not available at the time of reporting.
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Emissions to air, page 34	-	-	-
Waste					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Waste, page 39	-	-	-
GRI 306: Waste 2020					
306-1	Waste generation and significant waste-related impacts	Waste, page 39	-	-	-
306-2	Management of significant waste-related impacts	Waste, page 39	-	-	-
306-3	Waste generated	Table 4: Sustainability data: Environment, page 43	-	-	-
306-4	Waste diverted from disposal	Table 4: Sustainability data: Environment, page 43	-	-	-
306-5	Waste directed to disposal	Table 4: Sustainability data: Environment, page 43	-	-	-
Supplier environmental assessment					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Procurement practices, page 51	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
GRI 308: Supplier Environmental Assessment 2016					
308-1	New suppliers that were screened using environmental criteria	Table 4: Sustainability data: Environment, page 43	-	-	-
308-2	Negative environmental impacts in the supply chain and actions taken	Procurement practices, page 51	-	-	-
Employment					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Employment practices, page 63	-	-	-
GRI 401: Employment 2016					
401-1	New employee hires and employee turnover	Figure 42: The people of Aker BP, page 69	-	-	-
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee benefits, page 64	-	-	-
401-3	Parental leave	Parental leave and career breaks, page 65	-	-	-
Occupational health and safety					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Managing health and safety, page 71	-	-	-
GRI 403: Occupational Health and Safety 2018					
403-1	Occupational health and safety management system	Managing health and safety, page 71	-	-	-
403-2	Hazard identification, risk assessment, and incident investigation	Managing health and safety, page 71	-	-	-
403-3	Occupational health services	Continuous improvement of the working environment, page 72	-	-	-
403-4	Worker participation, consultation, and communication on occupational health and safety	Continuous improvement of the working environment, page 72	-	-	-
403-5	Worker training on occupational health and safety	Managing health and safety, page 71	-	-	-
403-6	Promotion of worker health	Continuous improvement of the working environment, page 72	-	-	-
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Continuous improvement of the working environment, page 72	-	-	-
403-8	Workers covered by an occupational health and safety management system	Managing health and safety, page 71	-	-	-
403-9	Work-related injuries	Table 5: Sustainability data: Occupational health and safety, page 74	-	-	-
403-10	Work-related ill health	Table 5: Sustainability data: Occupational health and safety, page 74	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Training and education					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Training and education, page 65	-	-	-
GRI 404: Training and Education 2016					
404-1	Average hours of training per year per employee	Training and education, page 65	-	-	-
404-2	Programs for upgrading employee skills and transition assistance programs	Training and education, page 65	-	-	-
404-3	Percentage of employees receiving regular performance and career development reviews	Training and education, page 65	-	-	-
Diversity and equal opportunity					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Diversity and equal opportunities – One Team, page 67	-	-	-
GRI 405: Diversity and Equal Opportunity 2016					
405-1	Diversity of governance bodies and employees	Figure 42: The people of Aker BP, page 69	-	-	-
405-2	Ratio of basic salary and remuneration of women to men	Figure 42: The people of Aker BP, page 69	-	-	-
Non-discrimination					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Diversity and equal opportunities – One Team, page 67	-	-	-
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	Diversity and equal opportunities – One Team, page 67	-	-	-
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Freedom of association, page 54	-	-	-
GRI 407: Freedom of Association and Collective Bargaining 2016					
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Procurement practices, page 51 Freedom of association, page 54	-	-	-

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Child labor					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Respecting human rights, page 48	-	-	-
GRI 408: Child Labor 2016					
408-1	Operations and suppliers at significant risk for incidents of child labor	Procurement practices, page 51	-	-	-
Forced or compulsory labor					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Respecting human rights, page 48	-	-	-
GRI 409: Forced or Compulsory Labor 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Procurement practices, page 51	-	-	-
Asset integrity and critical incident management					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Asset integrity and critical incident management, page 75	-	-	-
GRI 306 Effluents and waste 2016					
306-3	Significant spills	Table 4: Sustainability data: Environment, page 43	-	-	11.8.2
	Tier 1 and Tier 2 process safety events	0	-	No Tier 1 or 2 process safety events	11.8.3
Closure and rehabilitation					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Closure and rehabilitation, page 41	-	-	-
402-1	Minimum notice period regarding operational changes	Closure and rehabilitation, page 41	-	-	-
	Operational sites that have closure and rehabilitation plans in place, have been closed, are in the process of being closed	Closure and rehabilitation, page 41	-	-	11.7.4
	Decommissioned structures left in place	Closure and rehabilitation, page 41	-	-	11.7.5
	Total monetary value of financial provisions for closure and rehabilitation	USD 4,165.6 million	-	-	11.7.6

MATERIAL TOPICS

DISCLOSURE	LOCATION	REQUIREMENT OMITTED	REASON FOR OMITTANCE	EXPLANATION OF OMITTANCE	GRI SECTOR STANDARD REF. NO.
Local communities					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Supporting local communities and causes we believe in, page 60	-	-	-
GRI 413: Local Communities 2016					
413-1	Operations with local community engagement, impact assessments, and development programs	Supporting local communities and causes we believe in, page 60	-	-	-
413-2	Operations with significant actual and potential negative impacts on local communities	Supporting local communities and causes we believe in, page 60	-	-	-
Supplier social assessment					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Procurement practices, page 51	-	-	-
GRI 414: Supplier Social Assessment 2016					
414-1	New suppliers that were screened using social criteria	Procurement practices, page 51	-	-	-
414-2	Negative social impacts in the supply chain and actions taken	Procurement practices, page 51	-	-	-
Public policy					
GRI 3: Material Topics 2021					
3-3	Management of material topics	Public policy, page 55	-	-	-
GRI 415: Public Policy 2016					
415-1	Political contributions	Public policy, page 55	-	-	-

TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NOT MATERIAL

TOPIC	EXPLANATION	
11.16	Land and resource rights	No significant impacts on land and resource rights from operations
11.17	Rights of indigenous peoples	No significant impacts on rights of indigenous peoples from operations
11.18	Conflict and security	No operations in areas of conflict

TCFD disclosures

SECTION IN REPORT

Governance

- | | | |
|----|---|---|
| a) | Describe the board's oversight of climate-related risks and opportunities. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |
| b) | Describe management's role in assessing and managing climate-related risks and opportunities. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |

Strategy

- | | | |
|----|---|--|
| a) | Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. | Risk and opportunities posed by climate change, page 24
Summary of climate-related risks and opportunities, page 27 |
| b) | Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning. | Risk and opportunities posed by climate change, page 24 |
| c) | Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | Risk and opportunities posed by climate change, page 24
Scenario analysis and portfolio robustness, page 25 |

Risk Management

- | | | |
|----|---|---|
| a) | Describe the organisation's processes for identifying and assessing climate-related risks. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |
| b) | Describe the organisation's processes for managing climate-related risks. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |
| c) | Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |

Metrics and Targets

- | | | |
|----|--|---|
| a) | Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process. | GHG emissions, page 19 |
| b) | Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks. | Risk and opportunities posed by climate change, page 24
Risk management, page 75 |
| c) | Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. | GHG emissions, page 19 |

ESMA disclosures

ADVERSE SUSTAINABILITY INDICATOR	METRIC	IMPACT	GRI	COMMENT
Climate and other environment-related indicators				
Greenhouse gas emissions				
1. Carbon emissions (broken down by scope 1, 2 and 3 carbon emissions)	Scope 1 Scope 2 Scope 3	Scope 1: 1,066,456 tonnes CO ₂ e Scope 2: 4,589 tonnes CO ₂ e Scope 3: 62,430 thousand tonnes CO ₂ e	305	Scope 1-3 is provided as GHG emission (in CO ₂ e)
2. Carbon footprint	kg CO ₂ e/boe	Scope 1: 6.7 kg CO ₂ e/boe Scope 1: 3.7 kg CO ₂ /boe	-	Gross operational control Equity share
3. Weighted average carbon intensity	-	N/A	-	-
4. Solid fossil fuel sector exposure	-	None	-	-
Energy performance				
5. Total energy consumption from non-renewable sources and share of non-renewable energy consumption	1. Total energy consumption from non-renewable energy sources (in GWh) 2. Share of non-renewable energy consumption from non-renewable energy sources compared to renewable energy source	3. 1,867 GWh 4. Non-renewable energy sources: 82% Renewable energy sources: 18%	302	-
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	Energy consumption from: Fuel gas: 1,699 GWh Diesel: 168 GWh	-	-
7. Energy consumption intensity	Energy consumption per million EUR of revenue (in GWh)	0.18 GWh / million EUR revenue	-	We consumed 18,306 TJ, or converted to electric power, 2,284 GWh of energy in 2022.
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	-	N/A

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	COMMENT	
Biodiversity					
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	304	Biodiversity, page 38	
10.	Natural species and protected areas	<ol style="list-style-type: none"> Share of investments invested in investee companies whose operations affect IUCN Red List species and/or national conservation list species 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 	304	Biodiversity, page 38	
11.	Deforestation	Deforestation policy	-	-	
Water					
12.	Water emissions	Weight in tonnes of water emissions generated	303	-	
13.	Exposure to areas of high water stress	-	303	-	
14.	Untreated discharged waste water	Total amount in cubic meters of untreated waste water discharged	303	-	
Waste					
15.	Hazardous waste ratio	Weight in tonnes of hazardous waste generated	306	-	
16.	Non-recycled waste ratio	Weight in tonnes of non-recycled waste generated	306	-	
Social and employee, respect for human rights, anti-corruption and anti-bribery matters					
Social and employee matters					
17.	Implementation of fundamental ILO Conventions	-	Yes	-	Respecting human rights, page 48
18.	Gender pay gap	Average gender pay gap	97.40%	405-2	Figure 43: Ratio of payment of women to men for each employee category, page 70
19.	Excessive CEO pay ratio	-	34:1	2-21	Increase from 2021 to 2022 due to settlement of long-term incentive program as a result of the Lundin Energy transaction ref. "Remuneration report 2022".
20.	Board gender diversity	Ratio of female to male board members	33.33% female	405-1	Figure 42: The people of Aker BP, page 69
21.	Policies on the protection of whistleblowers	-	Yes	2-26	Reporting of concerns, page 55
22.	Workplace accident prevention policies	-	Yes	403	Occupational health and safety, page 71

ADVERSE SUSTAINABILITY INDICATOR	METRIC	IMPACT	GRI	COMMENT
Human rights				
23.	Human rights policy	-	Yes	2-23 Respecting human rights, page 48 Policy commitment and governance, page 49
24.	Due diligence process to identify, prevent, mitigate and address adverse human rights impacts	-	Yes	2-23 Respecting human rights, page 48 Policy commitment and governance, page 49
25.	Processes and measures for preventing trafficking in human beings	-	Yes	2-24 Respecting human rights, page 48 Policy commitment and governance, page 49
26.	Operations and suppliers at significant risk of incidents of child labour	-	0	408-1 Respecting human rights, page 48 Policy commitment and governance, page 49
27.	Operations and suppliers at significant risk of incidents of forced or compulsory labour	-	0	409-1 Respecting human rights, page 48 Policy commitment and governance, page 49
28.	Number and nature of identified cases of severe human rights issues and incidents	-	0	2-27 Policy commitment and governance, page 49 Compliance with laws and regulations, page 56
29.	Exposure to controversial weapons	-	No	-
Anti-corruption and anti-bribery				
30.	Anti-corruption and anti-bribery policies	-	Yes	205 Our responsibility, page 48 Integrity and anti-corruption, page 53
31.	Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	-	0	205 Integrity and anti-corruption, page 53 Figure 33: Compliance indicators, page 53
32.	Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	-	0	205 Integrity and anti-corruption, page 53 Compliance with laws and regulations, page 56

SASB disclosures

ACTIVITY METRIC	UNIT	COMMENT
Production of: 1. oil 2. natural gas 3. synthetic oil 4. synthetic gas	Thousand barrels per day (Mbbl/day); Million standard cubic feet per day (MMscf/day)	1. oil: 239 mbbl/day 2. natural gas: 379 MMscf/day (including NGL of 69 MMscf/day) 3. synthetic oil: 0 4. synthetic gas: 0
Number of offshore sites	Number	Operator for Alvheim, Edvard Grieg, Ivar Aasen, Skarv, Valhall, Hod, Ula and Tambar, a partner in the Johan Sverdrup field and Oda field.
Number of terrestrial sites	Number	0

METRIC	UNIT	COMMENT
GHG emissions		
Gross global scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	Metric tons CO ₂ e (t), Percentage (%)	Gross global scope 1 emissions: 1,066,456 tonnes CO ₂ e Percentage methane: 2.9 percent Percentage covered under emissions-limiting regulations: 100%
Amount of gross global scope 1 emissions from: 1. flared hydrocarbons, 2. other combustion, 3. process emissions, 4. other vented emissions, and 5. fugitive emissions	Metric tons CO ₂ e	1. 71,357 tonnes CO ₂ e 2. 974,123 tonnes CO ₂ e 3. 317 tonnes CO ₂ e 4. 8,066 tonnes CO ₂ e, loading of oil to shuttle tankers 5. 12,594 tonnes CO ₂ e
Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	Risk and opportunities posed by climate change, page 24 GHG emissions, page 19

Air Quality	UNIT	COMMENT
Air emissions of the following pollutants: 1. NO _x (excluding N ₂ O), 2. SO _x , 3. volatile organic compounds (VOCs), and 4. particulate matter (PM10)	Metric tons (t)	Air emissions of the following pollutants: 1. 1,487 tonnes 2. 27 tonnes 3. Non-methane VOC 1,966 tonnes

METRIC	UNIT	COMMENT
Water Management		
1. Total fresh water withdrawn, 2. total fresh water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Thousand cubic meters (m ³), Percentage (%)	1. 102 Thousand m ³ 2. 0 percent of each in regions with High or Extremely High Baseline Water Stress
Volume of produced water and flowback generated; percentage 1. discharged, 2. injected, 3. recycled; hydrocarbon content in discharged water	Thousand cubic meters (m ³), Percentage (%), Metric tons (t)	1. 34 percent 2. 65 percent 3. 0.63 percent (Hydrocarbon discharged to sea)
Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	0 percent (No hydraulically fractured wells)
Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline	Percentage (%)	0 percent (No hydraulically fractured wells)
Biodiversity Impacts		
Description of environmental management policies and practices for active sites	Discussion and analysis	Biodiversity, page 38
Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8–10, and volume recovered	Number, Barrels (bbls)	0
Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage (%)	0
Security, Human Rights and Rights of Indigenous Peoples		
Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage (%)	0
Percentage of (1) proved and (2) probable reserves in or near indigenous land	Percentage (%)	0
Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	Discussion and analysis	Respecting human rights, page 48
Community Relations		
Discussion of process to manage risks and opportunities associated with community rights and interests	Discussion and analysis	Respecting human rights, page 48
Number and duration of non-technical delays	Number	0

METRIC	UNIT	COMMENT
Workforce Health and Safety		
1. Total recordable incident rate (TRIR), 2. fatality rate, 3. near miss frequency rate (NMFR), and 4. average hours of health, safety, and emergency response training for <ul style="list-style-type: none"> a. full-time employees, b. contract employees, and c. short-service employees 	Rate, Hours (h)	1. Total recordable incident rate (TRIR): 1.0 2. fatality rate: 0 3. near miss frequency rate (NMFR): 0.1 4. average hours of health, safety, and emergency response training per employee not available. Health and safety training is described in the Occupational Health and safety chapter in this report. Emergency response training is described in the Asset integrity and critical incident management chapter of this report.
Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	Discussion and analysis	Occupational health and safety, page 71
Reserves Valuation and Capital Expenditures		
Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Million barrels (MMbbls), Million standard cubic feet (MMscf)	Risk and opportunities posed by climate change, page 24 Sensitivity to carbon prices, page 27
Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tons (t) CO ₂ -e	672 million tonnes CO ₂ e 1)
Amount invested in renewable energy, revenue generated by renewable energy sales	Reporting currency	0
Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	Discussion and analysis	Risk and opportunities posed by climate change, page 24
Business Ethics and Transparency		
Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Percentage (%)	0
Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and analysis	Responsible business conduct, page 47 Integrity and anti-corruption, page 53
Management of the Legal and Regulatory Environment		
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and analysis	Responsible business conduct, page 47 Public policy, page 55
Critical Incident Risk Management		
Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate	0
Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and analysis	Asset integrity and critical incident management, page 75 Emergency preparedness, page 76

1) Number is not comparable to 2021 report. In 2021 we reported potential scope 1 emissions in Aker BP's proved HC reserves, while this year we report estimated scope 3 category 11 use of products sold.

Auditor's report



To the Board of Directors of Aker BP ASA

Independent statement regarding Aker BP ASA's key performance indicators for sustainability

We have examined Aker BP ASA's (Aker BP) measurement and reporting of selected key performance indicators for sustainability for the period 1 January to 31 December 2022. Our assurance engagement was conducted to obtain limited assurance.

- Aker BP's key performance indicators for sustainability (KPIs) are indicators of sustainability that Aker BP measures and controls. The indicators are available and included in tables in Aker BP's Sustainability report for 2022. The selected KPIs subject to our procedures are included in the following pages:

Table 4: Sustainability Data: Environment	Pages 43-46
Value creation and distribution	Page 58
Figure 42: The People of Aker BP	Page 69
Figure 43: Ratio of payment of women to men for each employee category	Page 70
Table 5: Sustainability Data: Occupational Health and Safety	Page 74

Aker BP has defined the KPIs and explained how they are measured in relation to each table containing the KPIs or in Appendix to the Sustainability report for 2022 including the GRI Index (Criteria).

Management's responsibility

Management is responsible for Aker BP's KPIs and for ensuring that they are prepared in accordance with Criteria as described above. The responsibility includes designing, implementing and maintaining an internal control that ensures the development and reporting of the KPIs.

Our independence and quality control

We are independent of the company in accordance with the law and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our ethical obligations in accordance with these requirements. We use ISQM 1 - Quality management for firms that perform audits or reviews of financial statements, or other assurance or related services engagements and maintain a comprehensive system of quality control including documented guidelines and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory claim.

Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion on Aker BP's KPIs listed above, based on the procedures we have performed and the evidence we have obtained. We conducted our work in accordance with the Standard on Assurance Engagements ISAE 3000: "Assurance engagements other than audits or review of historical financial information". A limited assurance engagement in

PricewaterhouseCoopers AS, Kanalettet 8, Postboks 8017, NO-4068 Stavanger
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



accordance with ISAE 3000 involves assessing the suitability in the circumstances of management's use of the Criteria as the basis for the preparation of the KPIs, assessing the risks of material misstatement of the KPIs whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the KPIs. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and, among others, included an assessment of whether the Criteria used are appropriate, as well as an assessment of the overall presentation of the KPIs. Our procedures also included meetings with representatives from Aker BP who are responsible for the preparation of the KPIs; review of internal control and routines for reporting KPIs; obtaining and reviewing relevant information that supports the preparation of the KPIs; assessment of completeness and accuracy of the KPIs and controlling the calculation of the KPIs, based on an assessment of the risk of error.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the key performance indicators for sustainability have been prepared, in all material respects, in accordance with the Criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that

- Aker BP's key performance indicators for sustainability are not, in all material aspects, developed, measured and reported in accordance with the definitions and explanations provided in relation to each table containing the KPIs or in Appendix to the Sustainability report for 2022 including the GRI Index.

Stavanger, 15 March 2023
PricewaterhouseCoopers AS


Per Arvid Gimre
State Authorized Public Accountant



2022 Transparency act report

This report has been prepared in accordance with the Norwegian Transparency Act (the “Transparency Act”) section 5 and summarises the policies and procedures in Aker BP ASA (“Aker BP”) with respect to safeguarding of human rights and decent working conditions and provides information on the implementation and results of Aker BP’s due diligence.

ABOUT AKER BP

Aker BP ASA is an upstream oil and gas company residing in Norway with a total turnover of USD 13,010 million in 2022 and total assets of USD 37,562 million as of 31 December 2022. The number of permanent employees is 2,457. The company’s headquarter is in Fornebu, outside Oslo, Norway. We also have offices in Lysaker, Harstad, Trondheim, Sandnessjøen and Stavanger.

The company engages in exploration, development and production activities on the Norwegian continental shelf (NCS), and operates five hubs: Alvheim, Edvard Grieg & Ivar Aasen, Skarv, Ula and Valhall. We are also a partner in the Johan Sverdrup field. We do not engage in, nor do we control midstream or downstream activities, and as such do not interact directly with end-user segments.

With a total production of ~400 mboepd, Aker BP is the second-largest operating company on the NCS and one of the largest independent listed oil and gas companies in Europe. The company is listed on the Oslo stock exchange (AKRBP), and major shareholders are Aker ASA (21 percent), BP PLC (16 percent) and Nemesia S.A.R.L (14 percent).

OUR COMMITMENT TO HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Aker BP acknowledges all internationally recognised human and labour rights standards as set out in the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. Our human rights work is guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We align our work with the United Nation’s Sustainable Development Goals.

Aker BP works to ensure that our business operations do not cause or contribute to, or is directly linked to, actual or potential adverse impact on human rights and decent working conditions.

In 2022, Aker BP worked proactively in strengthening our work in safeguarding human rights and decent working conditions. Some of the measures included updating our internal policies and procedures related to human rights and conducting in depth analysis of our actual and potential risk of adverse human rights impacts. We conducted 10 supplier human rights assessments in 2022 and identified key areas for human rights due diligence for 2022-2023. We also provided general human rights training to employees and more extensive human rights training to employees in high-risk roles such as supply chain, business development, people and organisation.

GOVERNANCE OF HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Policies and governing documents

Aker BP’s human rights policy describes Aker BP’s approach to managing human rights risks in our operations and compliments Aker BP’s Code of Conduct. It sets out our obligation to perform human rights impact assessment and due diligence to understand and mitigate potential and actual adverse impact and ensure that Aker BP, through its operations, does not cause or contribute to adverse human rights impacts.

Aker BP’s human rights commitments are embedded in our internal policies, procedures and processes such as the diversity and inclusion policy, the anti-corruption policy, the health and working environment policy, the business partner integrity procedure and sustainability framework. Our supplier declaration sets expectations to our suppliers to act with respect for human rights and labour standards. Aker BP’s Sustainability strategy governs environmental, social and governance (“ESG”) activities and aims to mitigate adverse impacts of Aker BP’s operations.

Responsibilities

Aker BP’s Board of Directors has the oversight responsibility of the management of the company. The strategic direction is anchored with the board directors, where material environmental, social and governance issues are an integral part of the annual strategy process.

The Board of Directors approves Aker BP’s human rights policy and the principles therein.

The board of directors has two subcommittees, both with functions related to ESG topics. The Audit and Risk Committee assists management in evaluating the risk management and effectiveness of internal controls and has been given a review role related to ESG topics, including risk of adverse impacts on human rights and decent working conditions. The organisational development and compensation committee is responsible for ensuring that the remuneration arrangements support the company strategy, including the integral aspect of sustainability matters, such as the climate transition plan.

The CEO holds the responsibility for managing ESG risks including impacts on human rights and decent working conditions, supported by the executive management team (EMT), which is accountable for ensuring the effectiveness of the risk management processes and review of mitigation efforts for identified impacts. This includes assessing and managing risks of adverse impact on human rights and decent work related to Aker BP’s operations. The CEO reports to the Board on a regular basis.

Aker BP’s VP internal audit and compliance and VP strategy sustainability are responsible for more detailed implementation processes related to human rights management, including training and establishment of risk-based assessment, monitoring and control procedures. Aker BP’s Compliance

department and Sustainability department regularly report to the Audit and Risk committee on ESG risks including impact on human rights and decent working conditions.

As part of the implementation process of the requirements of the Norwegian Transparency Act, Aker BP established a procedure for handling information requests. The Lead Compliance Officer and VP Communications are responsible for regular monitoring and follow-up of incoming requests for information.

Aker BP's approach to managing human rights risks and promoting decent working conditions

Our overall approach to ensuring respect for human rights and decent working conditions throughout our operations and supply chain includes stakeholder involvement and cooperation through industry initiatives. Our employees and their union representatives are involved in governance and management through their unions. Aker BP supports employees' rights to form and join trade unions, and equally also their right to remain non-unionised. Employees are informed of their trade union rights during onboarding and unions may promote themselves freely. Approximately 68 percent of Aker BP employees are organised in one of the following unions: Industri Energi, Tekna, Safe, Lederne or NITO. Employees who remain non-unionised are still covered by collective bargaining agreements. We also follow the principles of diversity and inclusion as stated in our diversity and inclusion policy.

We collaborate regularly with relevant stakeholders and rightsholders to inform them on our ongoing work to ensure respect for human rights and include feedback into our work

in reducing actual and potential human rights risks. Our stakeholders include employees, authorities, local communities, NGOs, business partners, suppliers, contractors, investors and other counterparties.

Aker BP cooperates with peer operators on the Norwegian continental shelf to improve workers' conditions in supply chains. Since 2019, Aker BP has been a member in the human rights working group for supplier assessments in the energy sector as part of Collabor8 by Offshore Norge. The Joint qualification system (Magnet JQS) provides a possibility to nominate suppliers for human rights assessments and audits of human rights, and to share the results of these assessments with participating companies.

We aim at reflecting our expectations related to ethical business conduct in contractual documents with suppliers. Our supplier declaration includes expectations for suppliers in relation to internationally recognised human rights standards, HSSEQ standards, living wages and the ILO core conventions. Aker BP has included an obligation to carry out human rights due diligence pursuant to the OECD Guidelines for Multinational Enterprises as part of our standard special conditions of contract with our suppliers.

Aker BP has implemented an integrity procedure for M&A transactions which governs management of issues related to responsible business practices in M&A transactions, including identifying and addressing risk of adverse impacts on human rights.

Aker BP has mechanisms in place to report circumstances that are in violation of laws and regulations, Aker BP's Code of Conduct or ethical norms that are generally accepted in society. We encourage employees, hire-ins and external parties to raise concerns and report suspected violations of applicable laws and regulations to our integrity channel. All reports made in good faith shall be dealt with according to internal procedure. Aker BP has a clear no retaliation policy.

As part of its awareness and training activities, Aker BP conducts annual Code of Conduct training with its employees. At the end of the course, employees are requested to sign off that they have read and understood the Code of Conduct and will act in accordance with it. In 2022, a separate human rights module was included in the annual Code of Conduct course to inform employees about the Norwegian Transparency Act.

DUE DILIGENCE WITH RESPECT TO HUMAN RIGHTS AND DECENT WORKING CONDITIONS

Aker BP undertakes ongoing due diligence to identify, prevent, mitigate and account for actual or potential adverse impacts on human rights and decent working conditions and provide for or co-operate in remediation where required.

Our human rights due diligence process is integrated in relevant business processes, such as risk assessments, environmental impact assessments, supplier pre-qualification and due diligence processes, procurement practices, M&A processes and HSSEQ assessments.

In line with the principles of the Transparency Act and the OECD Guidelines for multinational enterprises, as well as the United Nations Guiding Principle on Business and Human Rights, we apply a risk-based approach when evaluating risks of adverse impact on human rights and decent working conditions. This involves looking at the location and context of operations, nature of activity, the number of people that are potentially affected and severity and probability of impact.

RISK ANALYSIS

The risk assessment takes its starting point in the general risk for adverse human rights impact related to geographical location and industry sector. Aker BP operates in a low-risk environment with regard to human rights impact as all our operations are located in Norway, which on international human rights indexes has a very low risk, and where general and industry specific regulations safeguard human rights. Despite significant Norwegian content, we remain dependent on global suppliers. Our suppliers' fabrication yards are often located in countries that are exposed to certain human rights risks. We do recognise a risk of forced and compulsory labour, risk related to safety and security at the workplace and risk related to migrant workers among our suppliers in Asia and the Middle East.

In 2022, we performed 10 human rights assessments in relation to managing sourcing and awarding contracts in accordance with Aker BP requirements. The nomination of these assessments is based on an overall risk mapping of our supply chain, and in line with the risk-based approach in the Transparency Act, taking into consideration the context of our operations and structure of our supply chain.

Our risk mapping is based on identifying the most salient potential negative impacts on human rights, using factors such as severity of adverse impacts in terms of their gravity, scale and remediability on one side, and likelihood of occurring on the other. Additional risk factors, such as industry risks, sector-specific risks, spend category and geographical risk factors as well as known supplier risks, were also taken into consideration.

The assessments are managed through the cross-operator platform Magnet JQS, where audit findings are shared among the major operators on the Norwegian continental shelf. The findings related to gaps in the supplier business management framework as regards safeguarding human rights and decent working conditions have been noted, and corrective action plans to close the gaps have been put in place jointly with respective suppliers.

For the next phase of our human right due diligence, we plan to conduct nine audits focusing on human rights and decent working conditions, in addition to 15 audits in relation to health, safety and environment evaluation criteria.

Based on our risk assessment, Aker BP has defined the following key risk areas for human rights due diligence for 2022-2023:

- Marine construction and installation services
- Construction of fixed oil and gas facilities
- Drilling and well services

MITIGATION OF RISK

Based on our risk analysis, we have not identified actual adverse impacts on fundamental human rights and decent working conditions linked to our own operations. Human rights due diligence assessments of selected suppliers have identified some gaps in the supplier business management framework related to safeguarding of human rights and decent working conditions. We are working to mitigate these gaps by implementing corrective action plans jointly with suppliers.

SPECIFIC INSTANCE PROCESS BEFORE THE OECD CONTACT POINT FOR RESPONSIBLE BUSINESS CONDUCT

On 31 May 2022, Aker BP received a complaint filed with the Norwegian OECD Contact Point for Responsible Business Conduct (the NCP) by eight civil society organizations¹⁾, regarding the acquisition of Lundin Energy Norway AS from Lundin Energy AB (new name Orrön Energy AB). Although not required for this account of our due diligence under the Transparency Act, we include information about the case here. The complaints relate to well-known allegations that Lundin Energy AB has caused or contributed to adverse human rights impact relating to its operations in Sudan during the period 1999–2003, and claims that the transaction has left Orrön Energy AB incapable of providing remedy for their alleged contribution to human rights violations. In relation to the transaction, Aker BP was very conscious that Orrön Energy AB should have sufficient financial capabilities

to undertake all potential obligations related to the Sudan activities. The NCP has offered a dialogue and mediation process regarding the human rights due diligence in connection with the transaction, which Aker BP will participate in.

FOCUS IN 2022 AND PLANS FOR 2023

During 2022, our efforts, with respect to human rights and decent working conditions, have been focused on:

1. Updating policies and procedures related to human rights management
2. Anchoring roles and responsibilities for human rights management
3. Strengthening supplier risk assessments processes related to human rights and decent working conditions
4. Conducting human rights and decent working conditions risk assessments and supplier risk mapping
5. Conducting human rights and decent working conditions due diligence desktop assessments of suppliers
6. Providing human rights training to Aker BP's employees
7. Participating in the human rights working group for supplier assessments in the energy sector managed by Offshore Norge

Going forward, we are intending to strengthen our work related to safeguarding human rights and decent working conditions. In 2023, Aker BP plans the following activities:

8. Continuous monitoring of actual and potential risks of negative impact on human rights and decent working condition in our supply chain
9. Working proactively on identifying meaningful KPIs related to supplier human rights risk identification
10. Providing training and awareness to the organisation on human rights topics

1) Civil Society Coalition On Natural Resources, Global Idé, Liech Victims Voices, Norwegian Church Aid, Norwegian People's Aid, PAX, South Sudan Council Of Churches and Swedwatch.

SIGNATURES – BOARD OF DIRECTORS

The Board of Directors and the CEO of Aker BP ASA
Fornebu, 15 March 2023



ØYVIND ERIKSEN

Chairman of the board



ANNE MARIE CANNON

Deputy chair



KJELL INGE RØKKE

Board member



TROND BRANDSRUD

Board member



CHARLES ASHLEY HEPPENSTALL

Board member



KATE THOMSON

Board member



MURRAY AUCHINCLOSS

Board member



TERJE SOLHEIM

Board member



INGARD HAUGEBERG

Board member



TORE VIK

Board member



HILDE KRISTIN BREVIK

Board member



KARL JOHNNY HERSVIK

Chief Executive Officer



VALBORG LUNDEGAARD

Board member

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Headspin: 15, 20, 48, 63, 78

Aker BP Decom team: 24

Christina Dalen-Rasmussen: 40

Aker Solutions: 41

Steinar Karlsen: 58

Vegard Breie: 61

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