

ABOUT THIS REPORT

This report constitutes the first corporate responsibility report for Akastor as an investment company and covers the preceding fiscal year. In this report, we present our approach to corporate responsibility as well as the implementation, activities and performance in 2014 for each portfolio company.

The purpose of the report is to support our primary stakeholders — our employees, investors and customers — in gaining insight into activities related to corporate responsibility at Akastor and our portfolio companies, by providing them with an honest picture of the opportunities and challenges we meet in this area and how we seek to manage them.



2014

CORPORATE RESPONSIBILITY REPORT

01. AKASTOR

LETTER TO OUR STAKEHOLDERS

Shaping up for the future

2014 was a special year for Akastor. Aker Solutions ASA was split into two separate companies, Akastor and Aker Solutions, on September 29. Akastor has put in place a new corporate structure and governance model, as well as a new management team, and is now a stand-alone investment company with a range of independent industrial holdings. The overall purpose of the separation was to position our businesses in an increasingly competitive global energy industry. A large amount of work was done throughout the autumn in order to form Akastor into an independent company. Today, the portfolio companies owned by Akastor can adapt their business more freely to meet market and customer needs, a valuable quality during volatile times for the oil and gas sector.

Challenging market environment

2014 was also characterized by our industry adjusting to falling oil prices. There will be challenging times ahead. Unfortunately, several of our portfolio companies have had to adjust their workforce base. I know this is very challenging for those affected by these changes. We take our responsibility, and will make sure the process is fair and predictable, even if it is painful. I am confident that our companies will generate employment for a lot of people in the long-term perspective.



Operating with integrity

As an owner, Akastor is setting the standard for the conduct of all of our portfolio companies. Responsible business conduct is a priority for us. This priority reflects the fact that our companies' success in the highly regulated oil-services industry depends on integrity and solid corporate responsibility processes.

Corruption and other integrity risks represent real challenges in our markets. They can ultimately harm the finances and reputation of a business, its employees, and its executives. Akastor's correct corporate conduct strengthens our industry, protects our portfolio companies, and builds confidence among our many stakeholders. Operating with integrity and with zero tolerance for corruption goes hand in hand with achieving Akastor's business goals. It is all about reinforcing the trust we have established among customers, employees, suppliers, partners, and the societies in which we work.

Looking ahead

Akastor's portfolio companies are separate companies with different operations, markets and stakeholders. They are expected and encouraged to assess their integrity risks and develop their own corporate responsibility targets and activities. Akastor has established minimum requirements and will make sure that each portfolio company and management team will follow up on these in 2015. Our ambition is to build a portfolio of strong and sustainable companies, while creating the highest possible return for our shareholders through professional and active exercise of our ownership role.

Frank O Reite, CEO

“

Operating with integrity and with zero tolerance for corruption goes hand in hand with achieving Akastor's business goals. It is all about reinforcing the trust we have established among customers, employees, suppliers, partners, and the societies in which we work.

7 609

employees worldwide (FTE)

21.4 NOK billion

total revenues

AKASTOR KEY FIGURES (including portfolio companies)

Total revenues (NOK billion)	21.4
EBITDA (NOK million)	1 380

PEOPLE

Total employees (FTE)	7 609
Own staff (FTE)	6 400
Own staff (headcount)	6 544
Female Male (%)*	28 72
Full time Part time (%)*	93 7
Business ethics training attendance (%)	66

* Percentage based on total number of employees. However, some business operations are not included in these figures due to legacy issues.

ENVIRONMENT

Energy intensity (MWh per million worked hours)	11 794
CO2 emissions (Tonnes)	34 370
CO2 emissions (Tonnes per million worked hours)	2 775
Total waste (Tonnes)	6 109
Recycling factor (%)	69
Hazardous waste (Tonnes)	362

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF) incl. sub-contractors (per million worked hours)	0.65
Total Recordable Incident Frequency (TRIF) incl. subcontractors (per million worked hours)	1.62
Fatalities incl. subcontractors	0
Sick leave (% of worked hours)	2.7

Throughout this report, employee-related statistics are calculated using employee headcounts. Instances in which data is based on Full Time Equivalent (FTE) figures are clearly identified as such.

COMPANY PROFILE

Akastor ASA (hereinafter referred to as Akastor) is an investment company based in Norway with a portfolio of companies in the oilfield services sector, in addition to real estate and other smaller-sized holdings. The portfolio companies of Akastor were organized as independent companies following the demerger of Aker Solutions ASA, in September 2014. Akastor was the surviving entity in the demerger, and subsequently has been established as an investment company with independent portfolio companies, responsible for all aspects of their own operations. Aker Kværner Holding AS, which is owned by Aker ASA and the Norwegian government, is the largest shareholder of Akastor with a shareholding of 40,27 percent. The shares of Akastor are traded on the Oslo Stock Exchange under the ticker AKA.

Akastor's portfolio companies had 2014 revenues of about NOK 21.4 billion, EBITDA of NOK 1.4 billion and approximately 7 600 employees worldwide.

Akastor operates a lean corporate center with 23 employees situated in Oslo, Norway. Akastor's aim is to develop and refine our portfolio companies as stand-alone enterprises, with the goal of maximizing the value potential of each entity. Akastor works to clarify the portfolio companies' business models, capitalize on their market positions, and strengthen underdeveloped areas of value creation. Akastor has a range of strategic, operational and financial value-creating measures at its disposal, including operational improvements and organic growth, acquisitions and divestments, and financial measures.

Akastor's portfolio had 2014 revenues of about NOK 21.4 billion, EBITDA of NOK 1.4 billion and approximately 7 600 employees around the globe.

THE AKASTOR PORTFOLIO

 mhwirth

 Frontica™
Business Solutions

 AKOFS
Offshore

 FJORDS
PROCESSING

 KOP

Real Estate and
other holdings

INTERNATIONAL PORTFOLIO



Akastor's portfolio companies are active on five continents and serve customers based in more than 30 countries. Akastor portfolio companies are integral parts of the countries and regions in which they operate, and can be important players in local communities.

COUNTRY	EMPLOYEES (FTE) insourced and contract ¹⁾	REVENUES NOK million ²⁾	COUNTRY	EMPLOYEES (FTE) insourced and contract ¹⁾	REVENUES NOK million ²⁾
Australia	109	878	Malaysia	357	50
Azerbaijan	60	180	Myanmar	0	3
Brazil	350	501	Netherlands	24	0*
Canada	46	345	Nigeria	53	40
Czech Republic	5	0*	Norway	3 557	13 668
China	52	13	Pakistan	43	14
Cyprus	2	59	Russia	48	90
Denmark	28	64	Singapore	597	1 609
France	54	149	South Korea	0	4
Germany	706	802	Thailand	51	67
India	103	0*	UAE	30	64
Indonesia	590	83	UK	314	1 903
Kazakhstan	25	30	USA	405	814
Kuwait	0	1			

* only internal revenue

¹⁾ The locations of employees and hired-in contracts are based on the location of the company where they are employed

²⁾ Revenue figures per country include internal and external revenues and are based on location of the company in which the revenue is recognised. Intercompany sales are subtracted («eliminations») to present external revenues as in the income statement.

APPROACH TO CORPORATE RESPONSIBILITY

Commitment and policies

As an owner, Akastor promotes and requires corporate responsibility — as a mindset and a business approach — to be integral to our portfolio companies' operations and business strategy.

Akastor's commitment to corporate responsibility aligns with the international principles of the UN Global Compact, the Universal Declaration of Human Rights, the implementation framework of the UN Guiding Principles for Business and Human Rights, as well as the ILO Declaration on Fundamental Principles and Rights at Work. These international principles guide our Code of Conduct and Integrity Policy and provide the overall framework for our corporate responsibility work.

The Akastor Code of Conduct and the Integrity Policy govern the behavior and frame the corporate responsibility of Akastor and its portfolio companies. The Code of Conduct resides above all other company policies and guidelines, and specifies the ethical business conduct required by all employees and all operations in Akastor and its portfolio. The Code of Conduct is a tool for resolving the daily dilemmas we face when entering new markets, when collaborating with partners, and in developing and delivering products and services.

Akastor's Integrity Policy supports the Code of Conduct by describing the controls that must be in place to ensure corporate responsibility and compliance with the Code of Conduct. For example, the policy requires all portfolio companies to ensure that their suppliers commit to a set of requirements of ethical conduct, to ensure that these principles are properly communicated, and to undertake risk-based reviews to confirm implementation of such principles. The policy also describes procedures necessary for conducting due diligence processes for agents and other high risk suppliers, and integrity evaluations required when planning business activities in high risk countries.

Operating model

Akastor's operating model reflects the fact that portfolio companies are independent entities that operate according to different business models and therefore face different corporate responsibility risks and expectations from stakeholders. As independent companies, the portfolio companies are responsible for defining their corporate responsibility goals, guidelines and activities, and implementing a systematic Integrity Program.

Akastor sets the overall requirements for the portfolio companies' priorities and also provides a risk management framework and governing policies applicable to all portfolio companies.

Akastor requires each portfolio company to implement a corporate responsibility strategy based on four main priorities that reflect areas considered material to the companies' stakeholders and to the oil services industry:

- Respecting Human Rights
- Working against Corruption
- Caring for Health & Safety
- Minimizing Impact on the Environment.

Solid implementation of Akastor's Code of Conduct and Integrity Policy requires continuous attention and effort. Therefore, Akastor's Legal and Compliance department works to support the portfolio companies in implementing the policy requirements. Akastor's Legal and Compliance department also monitors the implementation of and compliance with the Code of Conduct and Integrity Policy on an ongoing basis, by receiving quarterly reports from the portfolio companies and by undertaking internal reviews of portfolio company operations. The Akastor board of directors receives at least a quarterly update on the main compliance risks and implementation status of the Integrity Policy.

PROGRAMMES TO STRENGTHEN INTEGRITY

Integrity training

Strong employee integrity is our most valuable safeguard against corruption and other unethical conduct. Education and awareness training are key pillars for managing integrity risks and ensuring that managers, directors, employees, and other representatives of Akastor are able to resist corruption. The Akastor Integrity Policy requires all new employees to go through our Code of Conduct e-learning program to be launched in 2015. Under the policy, all Akastor managers and office-based staff are also required to participate in classroom-based integrity training. Insourced personnel in certain roles are also required to undertake integrity training, and third party representatives (TPR) receive integrity training specially prepared for them. In 2015, Akastor intends to roll out a new classroom course to replace the course that has been in place since 2011.

Country risk evaluations

Akastor maintains a “Country Watchlist” which is updated at least biannually, and which prescribes different risk assessment procedures for countries dependening on their assessed risk level. For “Company Approval Countries” on the Watchlist, portfolio companies are required to undertake an assessment of risks related to human rights, corruption, sanctions, environmental impact and reputational issues, and implement mitigating actions to address these risks, before any bid can be submitted or any new facility can be established in that country. For “Corporate Approval Countries”, such an assessment must be submitted to the Akastor Legal and Compliance department for approval, before any bid can be submitted or new facility established. A few countries are listed as “restricted”, which means that no Akastor entity can perform any activities in such country or deliver anything (directly or indirectly) to customers located there.

Whistleblowing

Pursuant to our Integrity Policy, Akastor has established a whistleblowing system covering all companies that are part of Akastor's porfolio. All incidents reported through the whistleblower system are received by Akastor's Legal and Compliance department. All employees are required to report breaches of the Code of Conduct, and Akastor encourages reporting of any concerns as to compliance with law and/or ethical standards. During 2014, Akastor received 35 whistleblowing notifications in total, and by year-end, 28 out of 35 reports had been investigated and closed. At the time of the finalization of this report, 31 of the whistleblowing cases from 2014 are closed.

In February 2015, Akastor received permission from the Norwegian data protection authorities to operate an externally available whistleblowing channel. This will be rolled out in the spring of 2015. In 2015, Akastor will also invest in new systems to improve case handling and reporting of whistleblowing cases, and to facilitate communication with anonymous whistleblowers.

02. PORTFOLIO COMPANIES

The following chapter presents a brief overview of each of our portfolio companies and their key corporate responsibility activities in 2014. Each section also features 2014 corporate responsibility achievements.



4 237

employees worldwide (FTE)

10.7 NOK
billion

total revenues

MHWIRTH



MHWirth is a leading global provider of first-class drilling solutions, equipment, and services that deliver safe, efficient and reliable operations. MHWirth has activities on five continents and offices in more than 20 countries. The company employs approximately 4 300 dedicated professionals. The company is recognised for its strong commitment to high quality and yielding economic advantages for customers and stakeholders.

MHWirth works to ensure that all activities are aligned with the company's corporate responsibility strategy to:

- Safeguard that the value derived from operations also benefits the societies in which the company has a presence, and that it is used to stimulate local economic and social development
- Protect the health, safety, human rights, and well-being of the company workforce
- Reduce negative environmental impacts of the global oil and gas industry by providing leading technology and environmentally safe products and by reducing the adverse environmental effects of MHWirth's own operations
- Being open and transparent about the way MHWirth operates and its impact on society

Health, Safety, Security and Environment (HSSE)

MHWirth employees engage in work under challenging conditions around the world, and the company therefore maintains a sharp focus on reducing risk in all situations. Through its HSSE management system, policies, procedures, competences and company culture, HSSE is as an integrated part of all operations and represents a core value and commitment that MHWirth brings to its customers, employees and partners.

A zero-incident mindset is supported by the MHWirth executive management team, and implemented through continuous and practical activities focused on the operations of MHWirth:

- Ensuring HSSE content in meetings on all levels
- Reporting incidents and sharing lessons learned throughout teams
- Ensuring cultural awareness and overcoming language barriers
- Undertaking employee conversations with focus on employee health and stress levels
- Ensuring security and emergency preparedness in our teams
- Defining, measuring, and reporting on HSSE key performance indicators
- Training and testing to the ensure necessary competence to perform jobs safely
- Promoting a culture that promotes awareness, alertness, and reporting of non-conformance with HSSE standards

Investing in skills and development

MHWirth is a global company with a widespread local presence. To further develop skills across functions and regional borders, MHWirth's service division (Drilling Lifecycle Services) regularly re-assigns a significant number of local service engineers to work with the company's most experienced technicians at other locations. This adds to the company's excellent international training environment and sharing of best practices.

Social engagement

Since 2009, MHWirth has supported the Karanba project, a non-profit organization that uses education and football as tools to provide life-changing opportunities for children and youth from poor areas of Brazil. At the Karanba base in Sao Goncalo, 20 Brazilian full-time employees and 10-15 Norwegian volunteers engage with between 700-800 boys and girls every day. In 2014, the project helped participants to gain skills in the areas of welding, mechanics, and hydraulics. Students were also supported with preparatory courses for university.

Integrity

Training employees to recognize compliance and ethics risks — and know how to respond to them — is integral to ensuring the systematic management of integrity and corruption risks in MHWirth. The compliance and ethics training has been

conducted as face-to-face training since 2011, taking almost one third of employees through business ethics training every year. By the end of the second quarter of 2014, MHWirth decided to expand its training program by purchasing a new e-learning platform to supplement classroom training. The objective is to ensure that 100 percent of MHWirth's employees have completed adequate integrity training by year-end 2015.

In 2014, MHWirth also decided to strengthen its efforts to monitor and control global activities down to the transaction level by implementing the process control part of SAP's Governance, Risk, and Compliance (GRC) software. Implementation of SAP GRC allows for more detailed monitoring of high-risk transactions and centralization of control mechanisms to increase transparency and efficiency.

Supply chain

The worldwide supplier base of MHWirth follows the company's operational set-up in all regions. MHWirth has approximately 450 approved suppliers on its qualified supplier list. All suppliers must operate in accordance with MHWirth's values and Code of Conduct, and they must meet the required standards for HSSE. Quality, delivery, customer requirements, competition, and equal treatment of suppliers are key elements in MHWirth's supplier selection.

Environmental impact

MHWirth is committed to continuously reducing its environmental impact. The company designs products and services that reduce undesirable environmental effects and to achieve safe and efficient utilisation of energy and natural resources. MHWirth's operations are conducted with efficient use of materials and energy, and with minimum waste and damage to the environment. The company also seeks to ensure that products can be recycled or disposed of safely.



KEY FIGURES

Total revenues (NOK million)	10 681
EBITDA (NOK million)	941

PEOPLE

Total employees (FTE)	4 237
Own staff	3 770
Female Male (%)*	19 81
Full time Part time (%)*	99 1
Business ethics training attendance (%)	78

*Percentage based on own employees

ENVIRONMENT

Energy intensity (MWh per million worked hours)	7 796
CO2 emissions (Tonnes per million worked hours)	9 982
Total waste (Tonnes)	4 079
Recycling factor (%)	87
Hazardous waste (Tonnes)	167

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF) incl. sub-contractors (per million worked hours)	0.8
Total Recordable Incident Frequency (TRIF) incl. subcontractors (per million worked hours)	1.8
Fatalities incl. subcontractors	0
Sick leave (%)	3.1

CASE: COLLABORATING ON ENVIRONMENTAL STANDARDS

Through the Ecotrack project, MHWirth works to help shape international environmental standards. The Ecotrack project seeks to document the environmental impact of products and services developed, produced and used by the oil and gas industry.

Ecotrack is a new tool and methodology that helps companies analyze and document how their business

affects the environment. The tool is used to measure and analyse environmental aspects and impacts such as energy consumption, supply chain, discharge, and emissions. Increased awareness of environmental costs and eco-friendlier alternatives enables companies to design solutions that are better for the environment and better for their business. Companies that can document greater sustainability are preferred partners and thereby have a greater edge.



1 356

employees worldwide (FTE)

5.8 NOK
billion

total revenues

Photo: Eivind Röhne

FRONTICA BUSINESS SOLUTIONS



Frontica Business Solutions provides corporate services to the petroleum industry in more than 20 countries around the world. The services include information technology, sourcing and procurement, facility management, transactional HR and finance, human resources, recruitment, business advisory, and document control. The company's experience dates back more than a decade, as Frontica Business Solutions began providing in-house services to Aker Solutions in 2002. Today, Frontica Business Solutions is an independent company and Akastor's second largest portfolio company measured in sales.

Frontica Business Solutions comprises two distinct business segments; the recruitment and staffing business, and the IT services, consultancy, payroll and additional support services business. The staffing business is conducted under the trademark Frontica Advantage™. The company employs 1 350 people in key locations including Norway, Brazil, the United Kingdom, Cyprus, Asia Pacific and the United States. In addition, approximately 3 000 engineering consultants work for Frontica's customers worldwide through Frontica Advantage. The company's vision of "solutions preferred by customers" sets the overall direction for the business and reflects its ambition and the type of business and employer Frontica Business Solutions aspires to be. The company's values, Quality, Respect and Trust, guide the actions and conduct of the company and its employees—and helps Frontica Business Solutions achieve its vision.

For Frontica Business Solutions, corporate responsibility means making sustainable decisions as to all the services we provide to partners, customers, and not the least our employees. Corporate responsibility provides key strategic benefits for the company, as it improves processes and makes Frontica Business Solutions a more attractive partner for its stakeholders.

People and human rights

Frontica Business Solutions aspires to be a stimulating workplace that is able to offer an inclusive and diverse working environment. "Respect" is a core company value; it reinforces respect for the uniqueness of each individual. Frontica Business Solutions strives to be a workplace free from discrimination and harassment.

As part of the company's commitment to upholding international human rights and international labor standards, Frontica Business Solutions encourages employee/union

representation in all locations and business units. Employee representatives participate in working committees are represented on the board of directors, and are involved in operational improvement and organizational change initiatives.

Developing and attracting talent

Frontica Business Solutions is a service provider and as such, highly skilled and motivated employees who share the company's values and put customers first are key success factors. The company seeks to attract and retain the right talent by offering employees opportunities to succeed and develop their careers, while also caring for their health and wellbeing. The company offers training and leadership programs and conducts regular performance reviews (at least once a year). A new global career model will be implemented in 2015, with the purpose of making it easier for employees to develop professionally and advance within the company.

Risk, Quality and HSE

Quality processes and thorough risk management are important strategic components of how Frontica Business Solutions runs its business on a global scale. By maintaining diligent quality control and sound risk management, the company ensures quality and minimizes waste and errors. This also enables the company to run its business in a responsible and sustainable way on all levels. Frontica Business Solutions is committed to conducting all activities in compliance with national legislation. It aligns its management systems with international standards such as ISO 9001 (quality management), ISO 14001 (environmental management), ISO 31000 (risk management) and OSHAS 18001 (occupational health and safety management). The company is currently in the process of obtaining certification to the ISO 9001 standard (updated version of ISO 9000).

Frontica Business Solutions has a systematic approach to preventing risks related to the operational health and safety of people and assets. The company believes that all incidents are preventable and strives towards zero incidents in all activities. The development of an HSE strategy and action plans supports this vision.

Caring for the environment is integral to Frontica Business Solutions' HSE policy, and will remain a focus area in 2015. The company strives to systematically prevent harm and adverse environmental impacts throughout all its activities and services. Through efficient energy management, minimization of waste, and eco-friendly routines Frontica Business Solutions reduces the company's impact on the environment. Frontica's HSE strategy prescribes that HSE activities must be implemented into the contracting processes with suppliers. In 2015, Frontica Business Solutions will therefore extend its environmental commitment to include collaboration with key suppliers and contractors.

Integrity and compliance

As a subsidiary of Akastor, Frontica Business Solutions has adopted and implemented Akastor's Code of Conduct and Integrity Policy. The company offers classroom integrity

training to all employees. As of December 2014, 47 percent of Frontica employees had completed integrity training. Consultants working for customers through Frontica Advantage on contracts of more than a six month duration are also required to attend training. Going forward, the company will emphasize data privacy as an area where compliance and integrity efforts will be further strengthened.

Community impact

Local employees who understand the specific needs of customers in different regions of the world add value to Frontica Business Solutions' services. Employment of a local workforce is also positive for the communities in which Frontica Business Solutions operates.

An ambition for 2015 is to make it easier for all employees to be actively involved in charity programs by volunteering their expertise and skills. This aim is supported by the company's People Policy, which states that "Employees are encouraged to apply their skills and knowledge for the benefit of the communities in which they live and work". The goal is to create shared value by allowing employees to develop by putting their competencies to use for a worthy cause and at the same time benefit society.

KEY FIGURES

Total revenues (NOK million)	5 753
EBITDA (NOK million)	315

PEOPLE

Total employees (FTE)	1 356
Own staff	963
Female Male (%)*	55 45
Full time Part time (%)*	98 2
Business ethics training attendance (%)	47

*Percentage based on own employees

ENVIRONMENT

Energy intensity (MWh per million worked hours)	273
CO2 emissions (Tonnes per million worked hours)	143
Total waste (Tonnes)	21
Recycling factor (%)	54
Hazardous waste (Tonnes)	0.9

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF) incl. sub-contractors (per million worked hours)	0.4
Total Recordable Incident Frequency (TRIF) incl. subcontractors (per million worked hours)	0.4
Fatalities incl. subcontractors	0
Sick leave (%)	3.9



CASE 1: ENGINEERIUM, INSPIRING YOUTH TO BECOME ENGINEERS

Engineerium is an interactive exhibition center, showcasing the contributions of science to technological development. The exhibition center is part of Frontica Business Solutions' service portfolio. The center partners with local schools in the counties of Oslo and Bærum to increase awareness of, and build an interest in the engineering profession.

Engineerium features a huge exhibition area, which focuses on the oil and gas industry through interactive installations, historic artifacts and models, and a 3D visualization center. In 2014, Engineerium had approximately 13 500 visitors, of whom more than 2 300 were students participating in a school program. Engineerium also hosts a program to give teachers an opportunity to learn more about the oil and gas industry.

CASE 2: OUR CHRISTMAS PRESENT — SOS CHILDREN'S VILLAGES

Charity is one way for Frontica Business Solutions to give back to society. Charity activities are also an appreciated way to support employee motivation and engagement. In 2014, instead of giving employees Christmas presents, a donation was made to SOS Children's Villages. SOS Children's Villages is

a global non-profit that provides long-term, family-based care for children who have lost or are at risk of losing parental care. This initiative was well-received by employees. Our intention is to involve employees in deciding which charity they would like Frontica Business Solutions to support in 2015.

AKOFS OFFSHORE



AKOFS Offshore is a global provider of vessel-based subsea well construction and intervention services to the oil and gas industry. AKOFS Offshore's main markets in 2014 were Brazil, West Africa, and the North Sea.

Health, Safety, Environment and Quality

Providing safe and high-quality services is important for AKOFS Offshore's continued success. To prevent adverse impacts on society and the environment, the company works towards a "zero" vision; AKOFS Offshore believes that with proper precaution in operations, it is possible to prevent accidents, incidents, injuries, ill health and pollution of the environment. This goal is to achieved through a collaboration based on mutual trust and respect and by adopting a proactive risk management approach throughout the company's critical activities.

AKOFS Offshore's in-house HSEQ management system complies with local legislation and the international standards ISO 9001, ISO 14001, and OHSAS 18001. Adding to this, the company is certified in these standards by the certification body DNV. AKOFS Offshore systematically reviews and continuously strives to improve the company's HSEQ performance.

Managing HSEQ is a core line management responsibility in the company. Leaders at all levels are expected to coach their teams in HSEQ management and to be role models. Staff is trained and encouraged to take personal responsibility for the company's performance by focusing on their own conduct. All employees have both a right and a duty to suspend work that does not meet HSEQ requirements. In 2014, AKOFS Offshore increased the number of proactive HSEQ cards offshore by 144 percent compared to 2013. HSEQ cards are proactive hazard observations, suggestions for improvement, and positive performance feedback recorded by personnel on our vessels offshore. No recordable personnel injuries were registered in 2014, down from two in 2013.

AKOFS Offshore is committed to continuing its efforts to reduce the company's environmental impact of the company's operations, particularly in the areas of energy and waste. In

KEY FIGURES

Total revenues (NOK million)	1 542
EBITDA (NOK million)	175

PEOPLE

Total employees (FTE)	115
Own staff	110
Female Male (%)	13 87
Full time Part time (%)	99 1
Business ethics training attendance (%)	59

*Percentage based on own employees

ENVIRONMENT

Energy intensity (MWh per million worked hours)	158 005
CO2 emissions (Tonnes per million worked hours)	37 921
Total waste (Tonnes)	669
Recycling factor (%)	51
Hazardous waste (Tonnes)	17.7

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF)	
incl. sub-contractors (per million worked hours)	0
Total Recordable Incident Frequency (TRIF)	
incl. subcontractors (per million worked hours)	0
Fatalities incl. subcontractors	0
Sick leave (%)	2.3



2014, AKOFS Offshore did not meet the target of recycling 80 percent of all waste because of the lack of options for recycling waste in Angola, where the company had significant operations during 2013-14. However, AKOFS Offshore continues to seek out options for further reducing the company's environmental footprint.

Integrity

In some of the geographic locations in which AKOFS Offshore operates, companies may be exposed to significant integrity risks. AKOFS Offshore works hard to ensure that all employees are prepared to recognize such risks and deal appropriately with dilemmas, if or when they arise.

Akastor's Code of Conduct has been translated into Portuguese, as this is the main language in some of the countries in which the company operates. The required dilemma-based business ethics training continues, and more than half of the company's onshore employees completed this training in 2014. The company is now awaiting release of a

new web-based eLearning tool. The tool will ensure that all staff is reached in an efficient and effective manner.

Community Impact

AKOFS Offshore operates in many different countries and communities. The company's approach is to promote and respect human rights in line with in-house standards and international principles, such as the UN Global Compact and the UN Universal Declaration of Human Rights.

Supply Chain

AKOFS Offshore requires its suppliers to commit to integrity and corporate responsibility. Its management principles for procurement are described in the Procurement & Logistics Policy, which all AKOFS departments are required to adhere to. AKOFS Offshore Procurement and Logistics is responsible for maintaining the Procurement & Logistics Policy and ensuring and verifying compliance. Line and project management is responsible for implementing this policy in their own organization.



CASE: LOCAL SKILLS ARE SUSTAINABLE

One area in which AKOFS Offshore can make a positive difference on local communities' livelihoods is through the company's activities to promote local employment and skills development. In Brazil, AKOFS Offshore's contract with Petrobras, which commenced in 2010, has been staffed 100

percent by Brazilian offshore crews (45 people) and supported by a 100 percent Brazilian onshore support team (11 people). This contract will continue for another five years, ensuring a long-term direct and positive impact on local employment and the local economy.

FJORDS PROCESSING



Fjords Processing provides world-class wellstream processing technology, systems, and services to the upstream oil and gas industry. Our company delivers market-leading solutions for separation and treatment of oil and gas, based on innovative technology and extensive competence accumulated over the last 40 years.

With a comprehensive product portfolio, we deliver unique solutions across all oil, gas, and water treatment segments. Our product range includes fluid stream separation, oil and gas processing, and water treatment. Market leading technology and expertise are combined to create tailored solutions to meet customer specifications and on-site conditions within this product range.

Fjords Processing is present in all major oil and gas markets worldwide. This presence allows the company to be an efficient and flexible service partner, no matter where in the world customers are located. The company has approximately 600 employees, working in 17 countries across the globe.

KEY FIGURES

Total revenues (NOK million)	2 322
EBITDA (NOK million)	52

PEOPLE

Total employees (FTE)	617
Own staff	546
Female Male (%)	27 73
Full time Part time (%)	94 6
Business ethics training attendance (%)	50

*Percentage based on own employees

ENVIRONMENT

Energy intensity (MWh per million worked hours)	1 646
CO2 emissions (Tonnes per million worked hours)	41
Total waste (Tonnes)	101
Recycling factor (%)	30
Hazardous waste (Tonnes)	0.4

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF)	
incl. sub-contractors (per million worked hours)	0
Total Recordable Incident Frequency (TRIF)	
incl. subcontractors (per million worked hours)	2.2
Fatalities incl. subcontractors	0
Sick leave (%)	2

Corporate responsibility commitment

The core corporate responsibility focus of Fjords Processing aligns with Akastor's strategic priorities. Fjords Processing strives to conduct business in a way that makes people proud to be part of the company. Operating with integrity is fundamental to achieving overall business goals. Integrity is required to gain trust from customers, employees, suppliers, and other business partners. The company's corporate responsibility commitment is summarized in the following principles:

- We have zero tolerance for corruption
- We respect human rights and work diligently to avoid being complicit in violations
- We care for the health and safety of our employees, and we take a precautionary approach to managing the environmental effects of our operations.



Health and Safety

Fjords Processing takes the health and safety of our employees seriously. While we were part of Aker Solutions, we implemented the Just Care HSE scheme and the Just Rules. After the demerger, we modified and implemented the new HSE standards across all our facilities.

Although most of our facilities are offices, we have two production sites, Midsund and Bakersfield. In 2014, Midsund had an excellent Lost Time Incident Frequency (LTIF) performance and Total Recordable Incident Frequency (TRIF) of zero. Bakersfield experienced two Total Recordable Incidents (TRI) in 2014. To ensure that the HSE standards at Bakersfield are fully compliant with Fjords Processing HSE standards, we will employ a full-time HSE manager to embed the HSE mindset and ensure better performance in 2015.

Integrity

The Akastor Code of Conduct, adopted by Fjords Processing, outlines the ethical requirements that all employees, directors and managers of Fjords Processing must comply with at all times. In 2014, Fjords Processing focused on conducting business ethics training based on the Code of Conduct, which concurrently was distributed throughout the organization. By the end of 2014, 50 percent of all employees had completed the business ethics training.

Environment

Fjords Processing has begun to collect data on electric power consumption, CO2 emissions, as well as waste and recycling activities. We are building our baseline data especially from the Midsund and Bakersfield production sites. Following one more year of monitoring, we will define a strategy and set targets for reduction of energy usage and CO2 emissions.

Supply chain

Fjords Processing only engages with suppliers who consistently operate in accordance with the company values and the Code of Conduct, and are in compliance with national laws and regulations. They must also meet the company's requirements for health and safety, quality management, environment, ethics and anti-corruption. The company exercises responsible supply chain management and encourages integrity and respect for human rights and workers' rights among its suppliers.

To help monitor suppliers' compliance with company standards, a Supplier Qualification and Information System (SQiS) is used. The SQiS measures and predicts supplier performance in a number of areas through rigorous qualification and monitoring procedures and by providing a fact-based approach to supplier selection and development.



CASE: COOL SORPTION'S VAPOUR RECOVERY TECHNOLOGY

Cool Sorption A/S is a subsidiary of Fjords Processing headquartered in Copenhagen, Denmark. Cool Sorption is dedicated to environmental efficiency and improvement, by supplying vapor recovery units for the recovery of gasoline or crude oil vapors in the environment. The application is highly effective and reduces the emissions of environmentally

hazardous substances such as volatile organic compound (VOC) emissions by 90-99 percent. It is used when loading crude oil, when transferring automotive fuel products such as gasoline and diesel, and aviation fuels from refineries to road trucks or rail cars, or in transferring such products from coastal depots to coastal tankships.

KOP SURFACE PRODUCTS



KOP Surface Products is a leading global supplier of surface-based flow control equipment to the oil and gas industry. Its main products are valves, wellheads, and trees for offshore and land-based surface production. The company provides engineering, manufacturing, installation, and life-of-field support services. The history of the company traces back to 1934.

KOP Surface Products is headquartered in Singapore. Its main manufacturing operations are located in Batam, Indonesia. Worldwide installation and operation assistance for all products is provided through a global network of service centers located in Singapore, Malaysia, India, Indonesia, Thailand, the United Arab Emirates, Vietnam, and Nigeria. The market position of KOP Surface Products has grown rapidly in recent years, as the business has expanded its footprint and market share in the Asia Pacific region, the Middle East, and North Africa.

KOP Surface Products employs 854 highly qualified professionals, 746 permanent employees and 108 contractors. The employee turnover rate in 2014 was 5.46 percent.

Health, Safety, Environment and Quality

KOP Surface Products is committed to systematically managing risks related to Health, Safety, Environment and Quality (HSEQ). KOP Surface Products services and products are designed to ensure safety for employees and customers and always comply with the highest international standards in each specific area. KOP Surface Product's manufacturing facility is certified to ISO 14001 (Environmental Management) and OHSAS 18001 (Occupational health and safety management) standards. The company's manufacturing programs are all certified to meet the ISO 9001 (Quality Management) standard.

KEY FIGURES

Total revenues (NOK million)	1 119
EBITDA (NOK million)	156

PEOPLE

Total employees (FTE)	854
Own staff	742
Female Male (%)	24 76
Full time Part time (%)	100 0
Business ethics training attendance (%)	52

*Percentage based on own employees

ENVIRONMENT

Energy intensity (MWh per million worked hours)	2 524
CO2 emissions (Tonnes per million worked hours)	171
Total waste (Tonnes)	598.
Recycling factor (%)	94
Hazardous waste (Tonnes)	163.5

HEALTH AND SAFETY

Lost Time Incident Frequency (LTIF)	
incl. sub-contractors (per million worked hours)	0
Total Recordable Incident Frequency (TRIF)	
incl. subcontractors (per million worked hours)	0.5
Fatalities incl. subcontractors	0
Sick leave (%)	0.60



Health and Safety performance

KOP Surface Products experienced no fatalities and no lost time incidents in 2014. The estimated sick leave rate was 0.60 percent. Zero lost time incidents and zero recordable incidents for all facilities is also the goal for 2015. In order to achieve this goal, production facilities will intensify their focus on controlling high risk activities, such as pressure testing and lifting operations, and implementing additional control procedures in 2015.

Environmental performance

KOP Surface Products' estimated energy consumption for 2014 was 4 800 MWh, the total waste generated is 598 tonnes and recycled waste generated was 580 tonnes. The estimated hazardous waste generated was approximately 163 tonnes. Going forward, KOP Surface Products will seek to reduce the company's waste emissions and increase the rate of recycling of produced waste. To this end, KOP Surface Products plans to implement environmental programs with an overall target of reducing emissions and/or energy consumption by at least 2 percent in 2015.

Integrity

KOP Surface Products maintains a strong focus on awareness and integrity, and is continuously conducting business ethics training for employees. By year end 2014, 52 percent of employees had completed the Akastor Integrity training program, which was introduced in 2011. The goal is for at least 90 percent of employees to have completed such company training one or more times by the end of June 2015.

Supply chain

KOP Surface Products depends heavily on the commitment of suppliers. The company has a strong focus on the process of selecting the right suppliers and maintains a diversified supply chain. KOP Surface Products only uses suppliers from its in-house approved vendor list. To be included in this list, suppliers must satisfy corporate responsibility requirements. In addition to this prequalification process, KOP Surface Products conducts regular periodic audits on approved suppliers to ensure that they continue to meet the defined requirements.



CASE: LOCAL SKILLS DEVELOPMENT

Since 2012, KOP Surface Products has been working closely with two major universities in Indonesia, Gadjah Mada Universiti and Institut Teknologi Bandung, to offer engineering internships and scholarships. As a result of this partnership, KOP Surface

Products has employed five former interns from these renowned institutions. KOP Surface Products also partners with the technical university Politeknik Batam in Indonesia to recruit interns in other relevant professional disciplines.

REAL ESTATE AND OTHER HOLDINGS



KEY FIGURES — AKASTOR REAL ESTATE

Total revenues (NOK million)	265
EBITDA (NOK million)	16
Total employees (FTE)	2

Akastor manages a portfolio of real estate and other holdings. Akastor Real Estate owns eight properties in Norway (book value of approximately NOK 1 billion). In addition, Akastor Real Estate manages a subletting portfolio and a few development projects. Akastor Real Estate has a team of two professionals but uses multiple external advisers to add local expertise and execution ability on many large projects globally. The team has a strong focus on maintaining Akastor's integrity requirements in their business and conducts, among other things, robust background checks on business partners, agents, and tenants, to ensure that our assets/projects are not exposed to undue risk.



KEY FIGURES — STEP OILTOOLS

Total revenues (NOK million)	346
EBITDA (NOK million)	- 2
Total employees (FTE)	319
Own staff	321
Female Male (%) Percentage based on own employees	19 81
Full time Part time (%) Percentage based on own employees	99 1
Business ethics training attendance (%)	41

STEP Oiltools is an independent provider of drilling waste management products and services. Akastor holds a 76- percent stake in STEP Oiltools. Working with its partners and other specialty suppliers, STEP Oiltools has developed a package of equipment and services, which ensures that drill cuttings and fluids can be effectively contained, handled, treated, and disposed of with minimal environmental impact. Customers worldwide primarily comprise oil and gas majors, national oil companies, and drilling contractors, although STEP Oiltools also serves customers in the refinery, shipping, and civil construction industries.

Integrity STEP Oiltools' network of subsidiaries operates in many countries worldwide where the risk of corruption and violation of human and labor rights is considerable. Its group supports and respects human rights as expressed in the UN Guiding Principles on Business and Human Rights. It has adopted the Akastor People Policy and Code of Conduct to ensure ethical conduct that respects human rights. STEP Oiltools conducts a range of due diligence activities and has developed an ethics and compliance module used in training for all new employees. In 2014, senior management staff as well as office staff in Pakistan and Russia underwent business ethics and compliance training (41 percent of total staff) based on the Akastor business ethics training documents tailored to the needs of Step Oiltools.

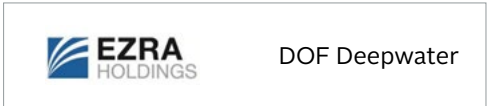


KEY FIGURES — FIRST GEO

Total revenues (NOK million)	158
EBITDA (NOK million)	14
Total employees (FTE)	85
Own staff	66
Female Male (%) Percentage based on own employees	32 67
Full time Part time (%) Percentage based on own employees	97 3
Business ethics training attendance (%)	77

First Geo is the largest Norwegian petroleum sub-surface consultancy. The company delivers expert advice to most oil and gas companies on the Norwegian Continental Shelf. Akastor holds a 100-percent stake in the company. Operating with a team of 65 geologists, geophysicists, and reservoir engineers and a further 20 associate consultants, First Geo focuses on seismic interpretation, geological and reservoir modeling, operations, and well site geology, depth conversion, data management, well management, and sales of geological and geophysical information.

In terms of managing corporate responsibility risks, First Geo is in the process of improving its Health, Safety, Environment and Quality system to ensure that the company's operations have minimal adverse environmental impact and maintain high quality and safety standard at all times. First Geo ensures that all its activities are regulated through contracts. By the end of 2014, 77 percent of staff had participated in Akastor business ethics and compliance training.



Akastor also holds shares in Ezra Holdings and DOF Deepwater.

03. REPORTING PRINCIPLES

This report describes the corporate responsibility approach and activities of Akastor ASA and its portfolio of companies for 2014. Its main focus is on activities that took place during the months of September through December 2014, after the spin-off of Aker Solutions ASA. The report should be read in conjunction with Akastor's Annual Report 2014 to give the fullest picture of our business and how we create value.

This is our first corporate responsibility report as an investment company. The report builds on our own analysis of stakeholder expectations. This analysis has not yet been validated by stakeholders. The information presented on corporate responsibility activities and KPIs is based on reporting by the portfolio companies. In addition, some data for the group has been extracted from our common reporting systems, HFM (for financial reporting) and Synergi. Akastor allows for a flexible set-up and for each portfolio company to determine its own corporate responsibility strategy and activities, and similarly focus their reporting on issues that are of particular relevance

to their business. We will continue to work on improving our data quality and reporting processes.

This report is intended to make Akastor and its portfolio companies compliant with the corporate responsibility requirements of the Norwegian Accounting Act. The report has been prepared with inspiration from the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines as well as the UN Global Compact's guidelines for communicating on progress.

The report covers the activities of the holding company Akastor ASA and its portfolio of companies, based on the accounting principle of operational control. No companies have been acquired or sold after the split from Aker Solutions. Shares of profit from associates (usually between 20-50 percent ownership) and jointly controlled entities are included in the reported figures.

Any questions regarding this report can be directed to:

COMPLIANCE:

Mari Engh Brekke
Head of Compliance

T +47 21 52 58 18
mari.engh.brekke@akastor.com

MEDIA AND INVESTORS:

Tore Langballe
Head of Communications

T +47 21 52 58 10
tore.langballe@akastor.com



Cover photo: Simon Kennedy | Design: Tania Goffredo Design

www.akastor.com