Materiality Assessment Results

Aker Solutions

December 2022

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01

Introduction to the Materiality Assessment
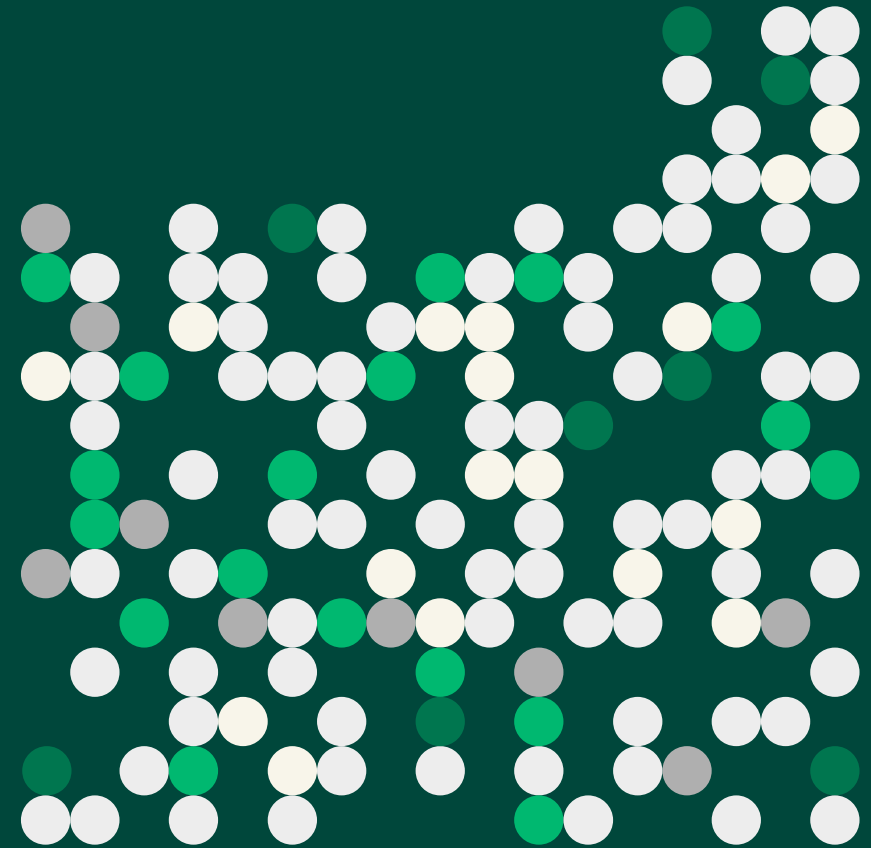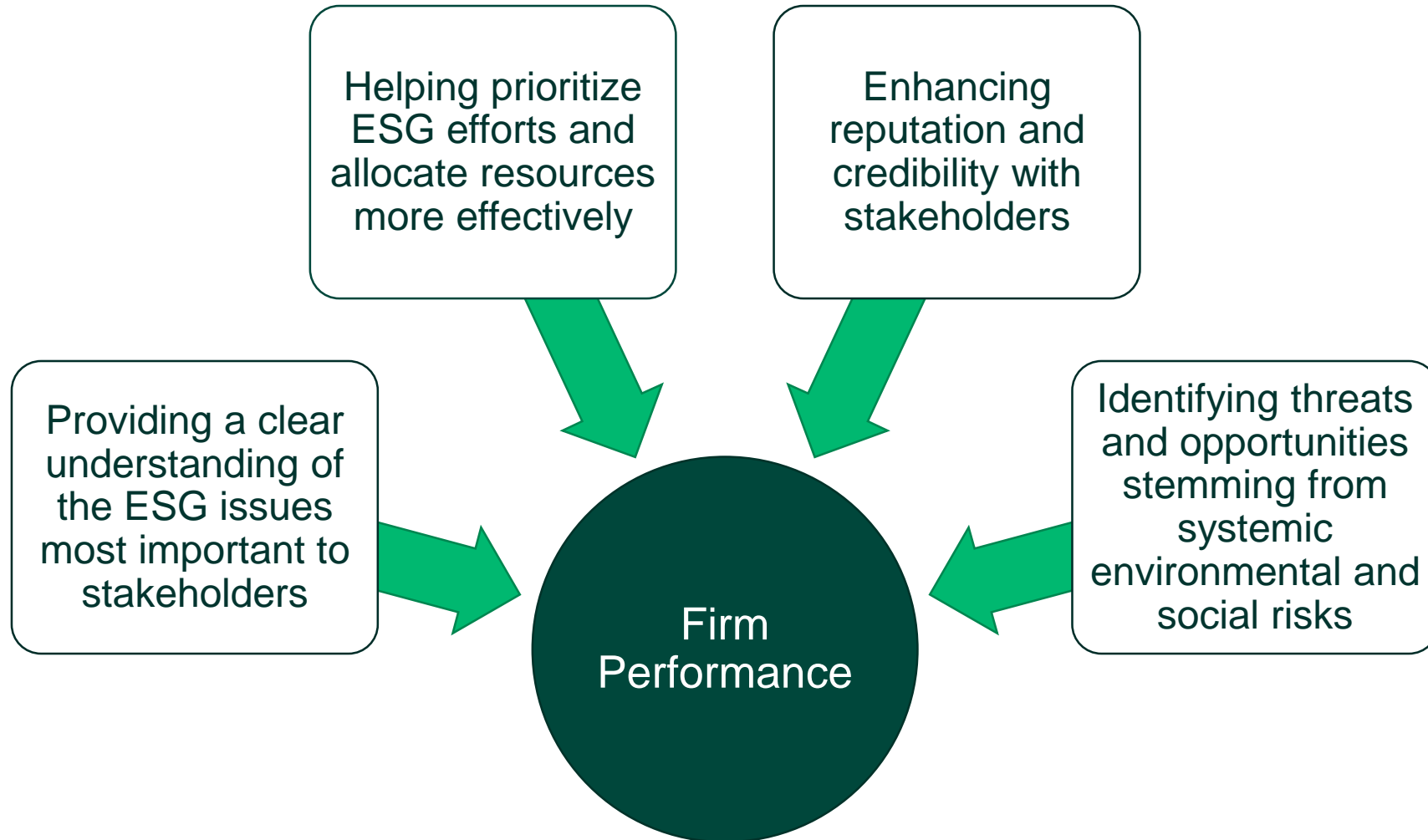
Materiality Assessment

Purpose: to understand the concerns and priorities of different stakeholder groups and ensure Aker Solutions is addressing its most material ESG issues.

Double Materiality: *understanding the relative importance of different ESG topics to both stakeholders and financial performance*

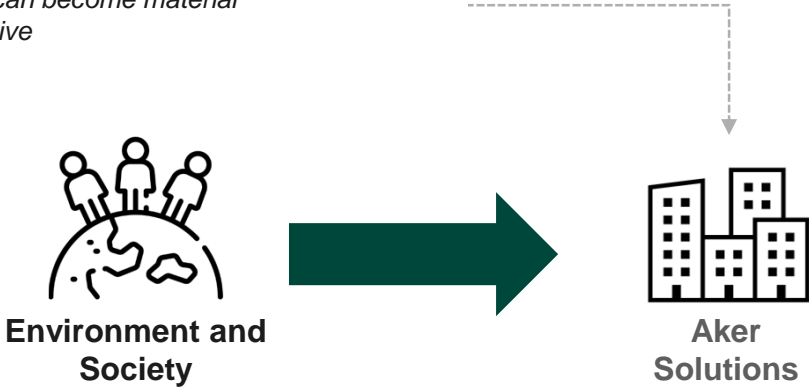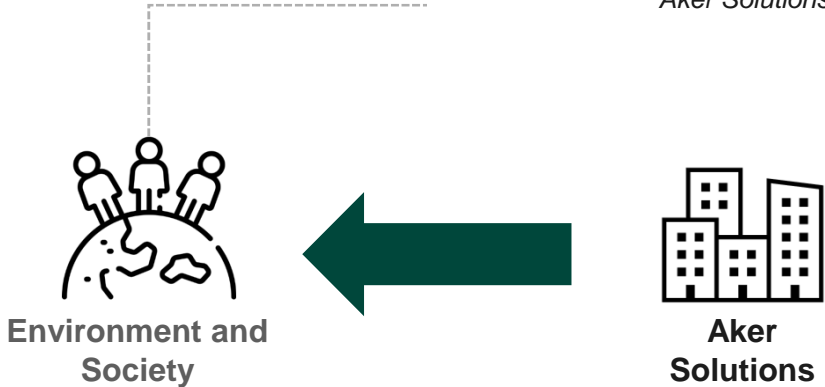| Impact on Environment and Society	Enterprise Value
Aker Solutions' impact on environment and society	Financial and strategic impact on Aker Solutions

Aker Solutions' impact on environment and society can become material from an enterprise value perspective
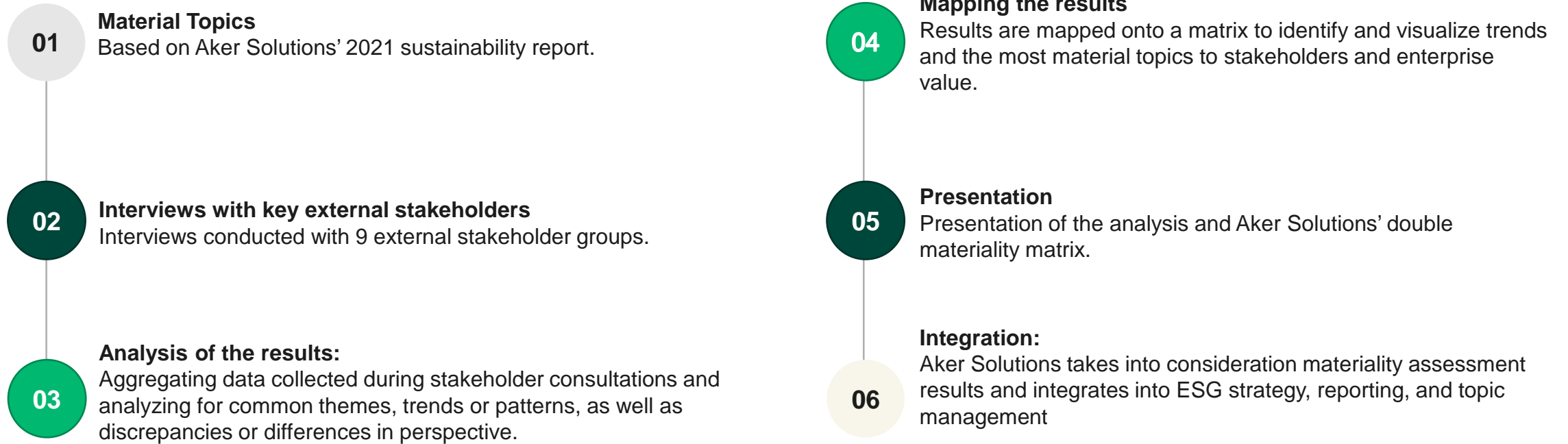

Environment and Society

Aker Solutions

Environment and Society

Aker Solutions

GRI

IFRS®

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Process and Method

Process

01 **Material Topics**
Based on Aker Solutions' 2021 sustainability report.

02 **Interviews with key external stakeholders**
Interviews conducted with 9 external stakeholder groups.

03 **Analysis of the results:**
Aggregating data collected during stakeholder consultations and analyzing for common themes, trends or patterns, as well as discrepancies or differences in perspective.

04 **Mapping the results**
Results are mapped onto a matrix to identify and visualize trends and the most material topics to stakeholders and enterprise value.

05 **Presentation**
Presentation of the analysis and Aker Solutions' double materiality matrix.

06 **Integration:**
Aker Solutions takes into consideration materiality assessment results and integrates into ESG strategy, reporting, and topic management

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Method

	Key Stakeholder Groups Identified		Interviews with Stakeholder Representatives*		Analysis

Key Stakeholder Groups Identified	Interviews with Stakeholder Representatives*	Analysis
• NGO • Suppliers • Investors • Union • Industry • Board of Directors • Customers	• NGO (2) • Supplier (2) • Investor (2) • Union • Industry • Aker Solutions' Board of Directors • Customer	• Analysis completed by PGA • Results of the analysis presented to Aker Solutions

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*Names of companies or representatives who were interviewed are not included due to privacy reasons.

Starting Points: 2020 Long List of Potential Topics

Gathered from core sustainability issues, competitors, reporting standards, and expert desktop analysis.

Suggested themes & topics for AKSO stakeholder interviews 2020

Environment	Employees	Society	Governance	Value chain
GHG emissions	Occupational health and safety	Human rights	Business integrity	Responsible supply chain
Energy management	Diversity	Local communities	Anti-corruption and bribery	Safety focused technologies/product safety
Renewable energy technology	Talent attraction and retention	Product safety	Emergency preparedness	Clients' ecological impact and environmental risk
Ecological impacts			Crisis management	
Water management	Labor relations	Quality management of products		
Waste management	Employee benefits	Community impact and relationships	Security practices	
Climate risk	Safe and respectful workplace		Critical incident risk management	
Climate opportunity	Labor conditions		Management of the legal and regulatory environment	
	Labor management relations		Fair dealings	
Spills	Non-discrimination		Honest and transparent communications	
Raw materials use	Knowledge Management		Board leadership, responsibility, and diversity	
Toxic substances	Training and Development		Executive compensation	
Energy transition			Ethics, integrity, compliance and transparency	
Operational eco-efficiency			Fiscal responsibility	
Environmental Risk Management			Stakeholder Engagement	
Chemical Transparency			Political accountability	
Technology Impact			Anti-competitive behavior	
Resource Consumption				
Research and Development				

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Starting Points: 2021 Materiality Refresh

Material Topic 2021	Impacts		Significance
Low carbon solutions for customers	Positive impact mitigating climate change	Renamed: Enabling the energy transition	High
Occupational health and safety	Impacts (temp and perm.) on worker health	Combined: Health, safety and wellbeing	High
Mental health and wellbeing	Long term mental health and well-being impacts related to employment		Medium
Responsible supply chain	Environmental and social impacts caused by suppliers		Medium
Human rights	Human rights impacts in contractual agreements and supply chain		Medium / Low
Climate risks	Requires clarification – risk to the business itself, or social and environmental risks?	Removed: financial risk/impact	TBD
GHG emissions	Climate-related impacts of GHG emissions from operations	Renamed: Climate impacts and GHG emissions	Medium
Diversity and equal opportunity	Inequality impacts caused by gender or other biases		Medium
Anti-corruption and bribery	Loss of trust and criminality impacts		Medium
Data privacy and security	Privacy and security impacts		Medium
Energy management	Energy efficiency and use of non-renewable resource impacts		Low
Emergency preparedness	Loss of containment, security and related emergency situation impacts		Medium
Talent attraction and retention	Requires clarification – an impact for the business to manage rather than a sustainability impact?	Removed: business risk / impact	TBD
Just transition	Socio-economic impacts of employment opportunities changing rapidly during the energy transition	Combined: Human capital	High
Training and development	Positive impacts of investing in human capital		Medium
Water and Waste management	Environmental impacts of water consumption and discharge	Combined: Waste and spills management	Low
Spills	Biodiversity, aesthetic, recreational and related impacts caused by spills of pollutants		Low
Biodiversity	Biodiversity impacts through operational activities in marine environments		Medium

Starting Points: GRI Oil & Gas Sector Standard 2021

- Cross-referenced with the 2020 long list and the 2021 refresh list for potentially material topics not considered in previous assessments.

Topics Considered in 2022:

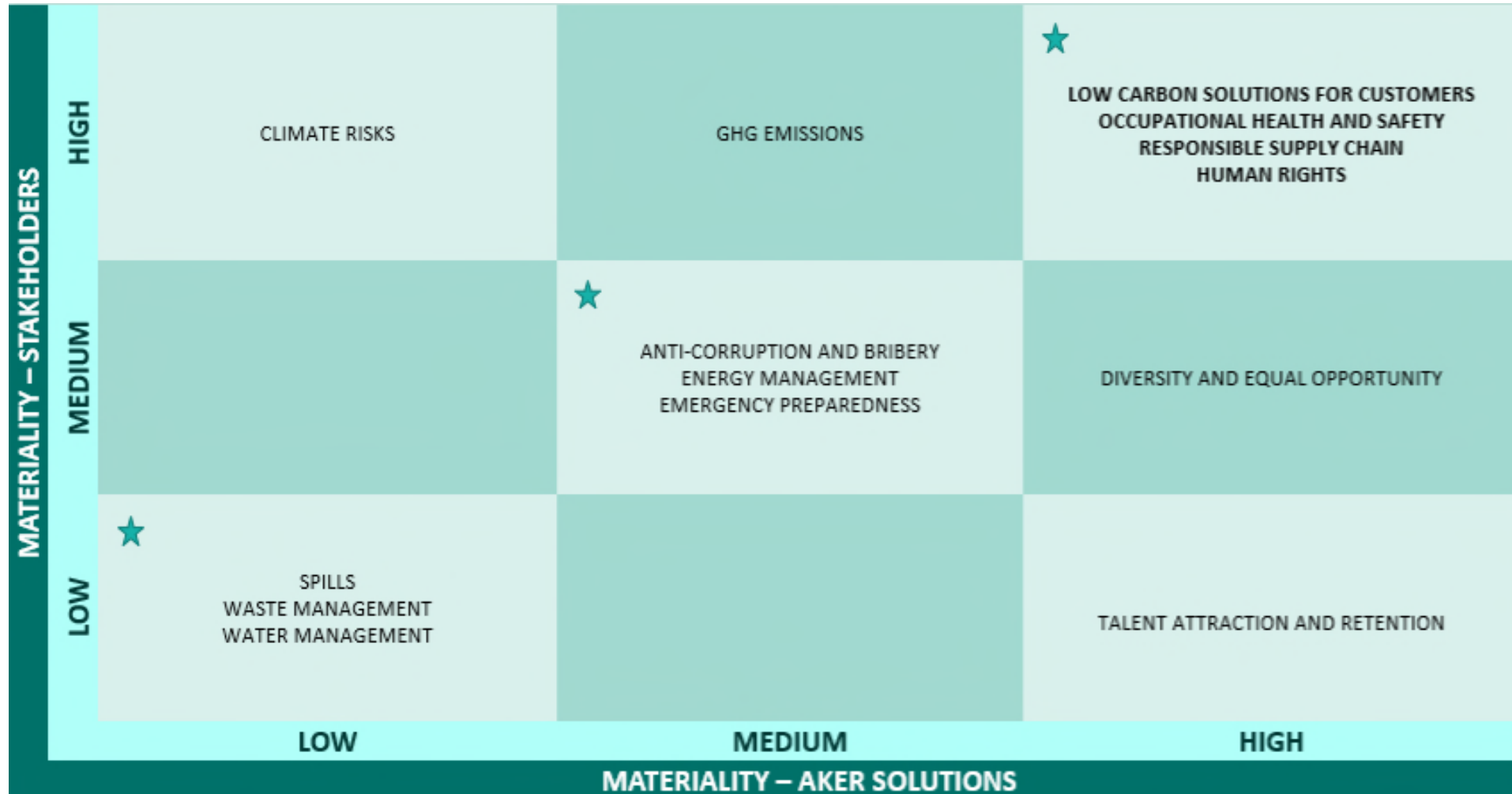| ENVIRONMENT	SOCIAL	GOVERNANCE
• GHG emissions • Responsible supply chain • Enabling the energy transition* • Circular economy • Energy management • Biodiversity • Waste management • Spills	• Health, safety, & wellbeing • Responsible supply chain (social) • Human rights • Diversity & equal opportunity • Human capital management	• Anti-corruption & bribery • Data privacy & protection

*To count as a positive impact, the impact must be significant and preferably related to the business model and main products/services.

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Materiality Assessment Results
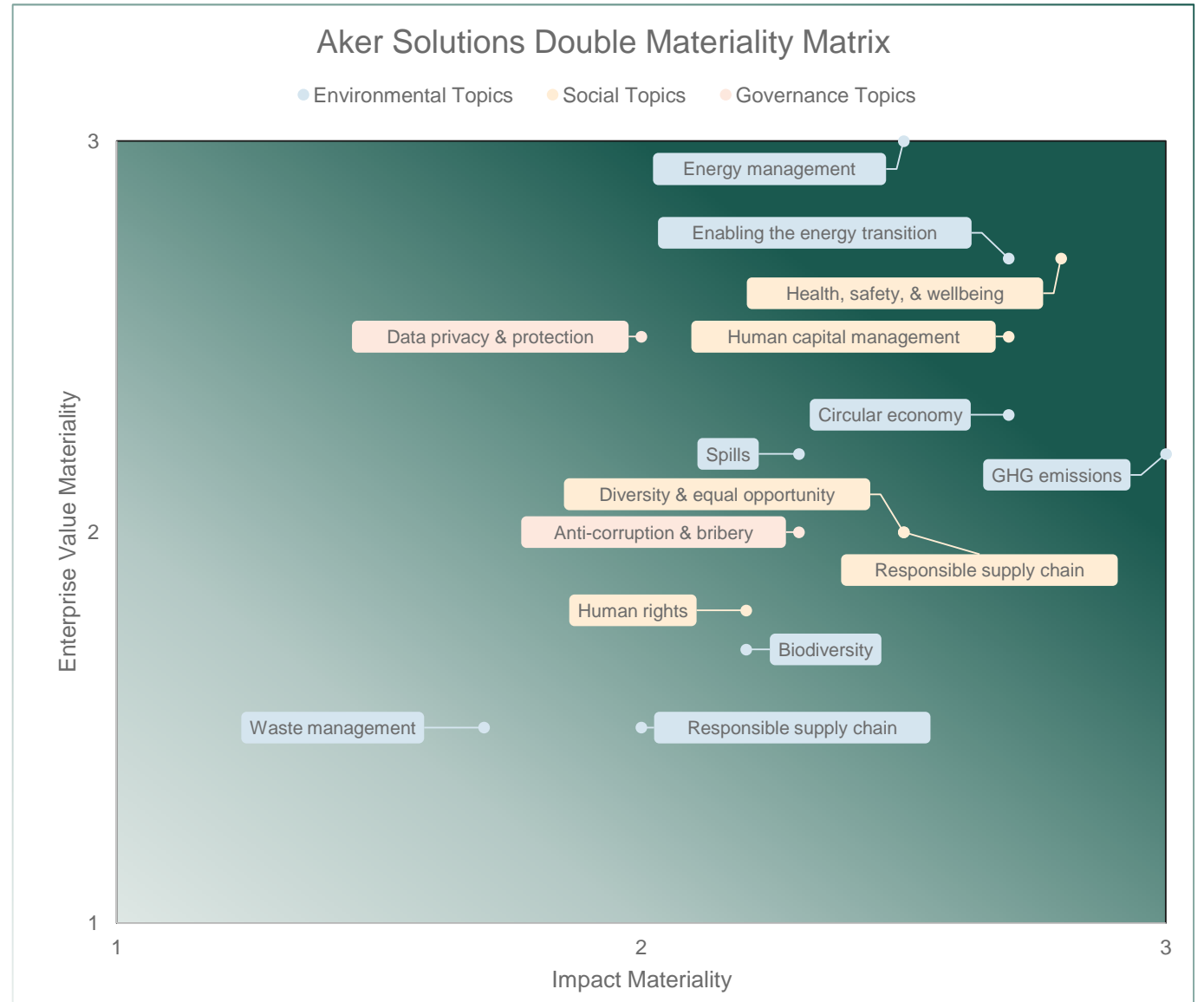
2020 Materiality Matrix

Updated Materiality Matrix

No changes to material topics, though relative shifts in importance were observed.

Stakeholders see waste management as more material on both axes when viewed through the lens of recycling and circularity.

Climate-related topics are a priority for many stakeholder groups and are seen as having high impact materiality and enterprise value materiality.

Aker Solutions Double Materiality Matrix

● Environmental Topics ● Social Topics ● Governance Topics

Energy management
Enabling the energy transition
Health, safety, & wellbeing
Data privacy & protection
Human capital management
Circular economy
Spills
GHG emissions
Diversity & equal opportunity
Anti-corruption & bribery
Responsible supply chain
Human rights
Biodiversity
Waste management
Responsible supply chain

Enterprise Value Materiality
Impact Materiality

Stakeholder Priorities and Concerns

These priorities and concerns are based on the numerical rankings and comments provided by the stakeholders in the materiality surveys.

Priorities and Concerns						
GHG emissions ESG reporting & transparency Holistic security risk management	Financial materiality Energy transition Circular economy	Environmental & social issues, such as human rights & biodiversity	Responsible supply chain Energy transition	Health, safety, and well-being Human rights Diversity & equal opportunity	Climate & environmental issues Energy transition Human capital management
Customers	**Investors**	**NGOs**	**Suppliers**	**Union**	**Board of Directors**

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Key Comments from Stakeholders

__GHG emissions from the value chain__ are fast becoming a focus area and this requires supplier engagement. On the financial side - investors are demanding it.

Collaborative circular solutions are the only way to reach the required scale. __Aker Solutions should collaborate with other industry players__ to drive circular solutions.

There is a __clear business case for diversity and equal opportunity__, both from a risk and a return perspective.

Aker Solutions' __efforts to reduce GHG emissions and transition to renewable__ energy sources are essential for the long-term sustainability and viability of the company.

We are very dependent on our suppliers doing proper security risk assessment and mitigation. __Suppliers need to be able to document how they have identified security risks and what they have done to mitigate them.__ It's important that everyone has the same risk picture and that there's coordination in how to handle an incident.

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Discrepancies and Insights

- The board of directors and investors ranked energy management and human capital management as high priority, while these topics were ranked lower by some other stakeholder groups.

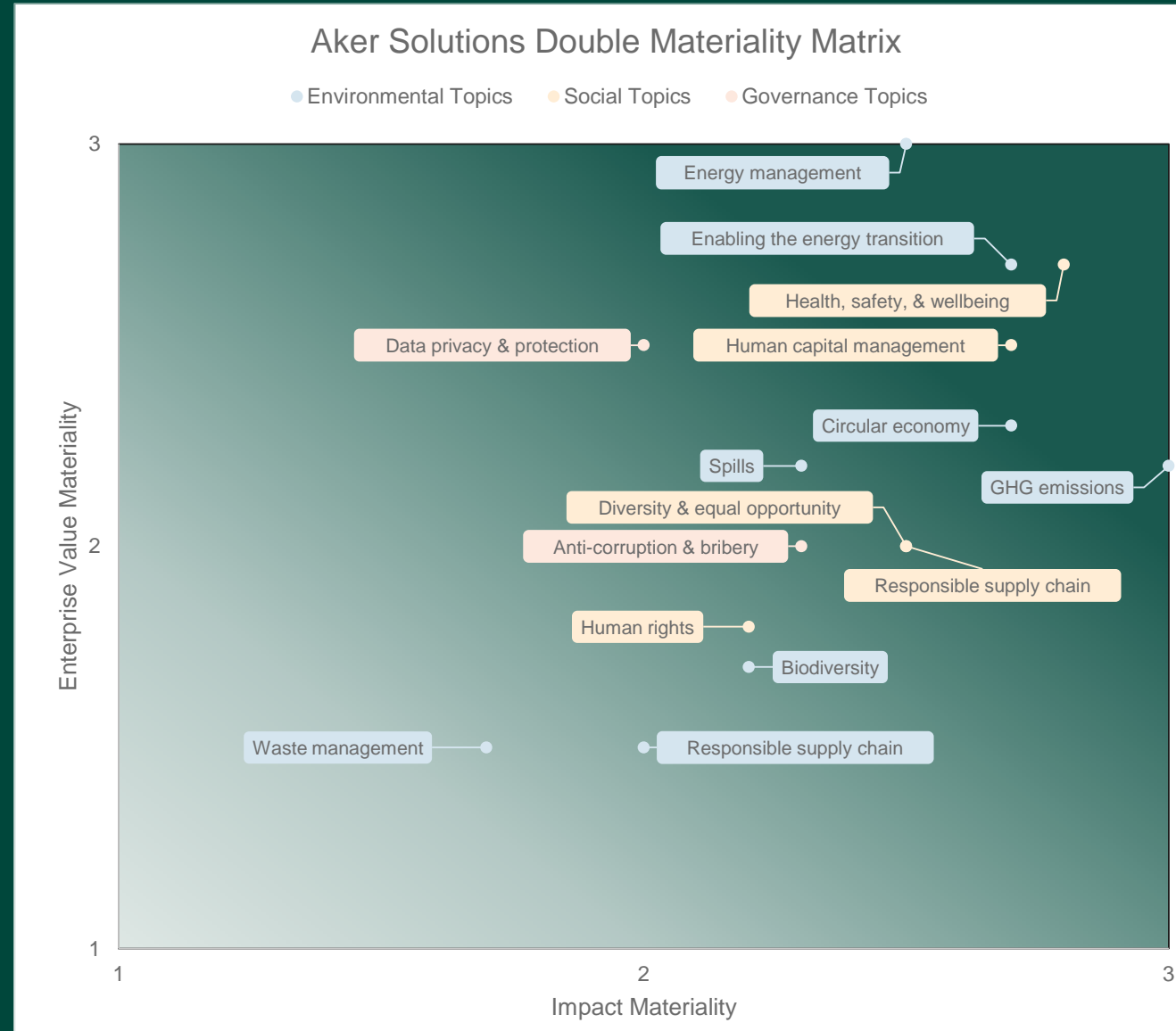- NGO respondents ranked human rights and biodiversity as higher priorities than some other stakeholder groups.

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Recommendations and Takeaways

Recommendations

- **Focus on topics identified as most material.** Prioritize target-setting and the creation of policies and procedures to embed material topic management into daily operations.

- **Continue to highlight circularity topics when reporting on waste management**, as done in previous reporting seasons.

- **Look for win-win solutions** that will add enterprise value and have positive external impact.

- **Engage with key stakeholders** to better understand their varied priorities and concerns, and to develop collaborative solutions.

- **Integrate ESG into the company's business model** by aligning it with financial goals and by looking for positive and negative social and environmental consequence during the enterprise risk management cycle.

Aker Solutions Double Materiality Matrix

Environmental Topics · Social Topics · Governance Topics

Energy management
Enabling the energy transition
Health, safety, & wellbeing
Data privacy & protection
Human capital management
Circular economy
Spills
GHG emissions
Diversity & equal opportunity
Anti-corruption & bribery
Responsible supply chain
Human rights
Biodiversity
Waste management
Responsible supply chain

Enterprise Value Materiality

Impact Materiality

Relating the Materiality Assessment to Aker Solutions' 2021 Sustainability Report

1. **GHG emissions:** While the 2021 report highlights Aker Solutions' efforts to reduce emissions from its own operations, it does not provide much detail on scope 3 emissions or efforts to reduce emissions throughout the value chain. Future reports could benefit from more transparency and goals in this area.

2. **Enabling the energy transition:** The 2021 report mentions Aker Solutions' involvement in renewable energy projects; future reports could provide more information on the extent of its involvement and its strategy for driving the energy transition.

3. **Waste and spills management:** The 2021 report mentions efforts to reduce waste and prevent spills; future reports could provide more detail on the specific strategies and goals in place to achieve these objectives.

4. **Human rights:** While the 2021 report mentions a commitment to human rights, more information could be provided on efforts to ensure that human rights are respected throughout its value chain. This could include details on how the commitment to human rights informs its strategy, risk management, or procurement policies.

Sustainability Report 2021   Aker Solutions

Solving global energy challenges for future generations.

#PowerTheChange

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Looking Ahead: 2023

Next Steps

Continuous Process: Control, Implementation, Verification, Reporting, New Assessment

- In the year ahead, Aker Solutions should update its strategy according to new prioritizations, identify relevant indicators, and set targets.

- Prior to the 2023 reporting season, a new materiality assessment will be conducted from a refreshed long list of potential material topics

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