

AKER HORIZONS

Transparency Act Report
2022

Aker Horizons ASA

Account of due diligence pursuant to the Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (“Transparency Act” or “the Act”).

This report has been prepared in accordance with section 5 of the Transparency Act and summarizes the approach taken by Aker Horizons ASA (“Aker Horizons” or “the Company”) to identify and assess actual and potential adverse impacts on human rights and decent working conditions in the Company’s own operations, supply chain and business partners, and provides information on the results of Aker Horizons’ human rights due diligence.

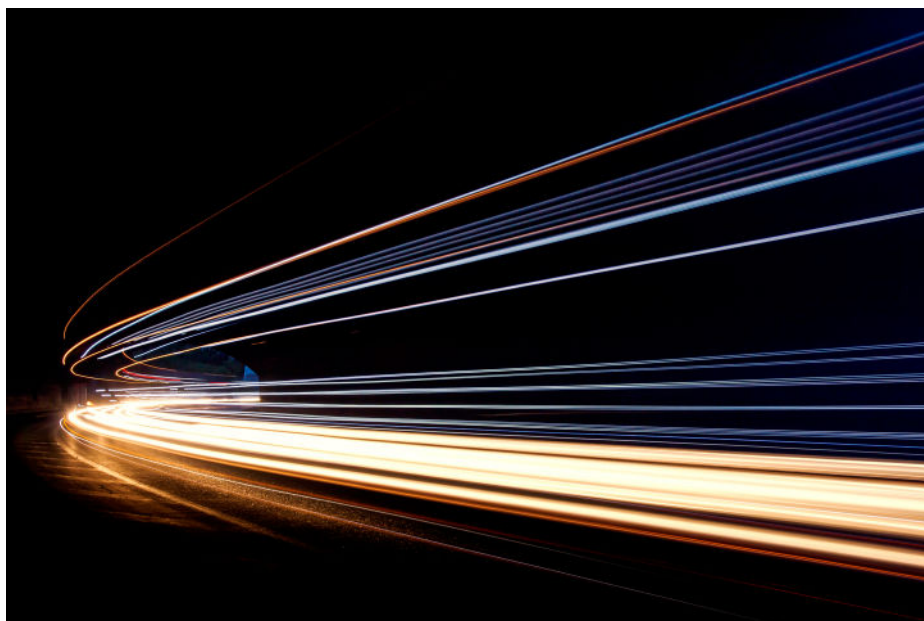
This report covers the period 1 January 2022 to 31 December 2022.

Background



About Aker Horizons

Aker Horizons develops green industrial projects and technologies that accelerate the net zero transition. The company holds assets across renewable energy and carbon capture, and develops green industrial hubs that combine low-cost renewable energy with hydrogen production and downstream applications, while providing substantial value creation over time through active ownership. Aker Horizons is listed on the Oslo Stock Exchange and is indirectly majority owned by Aker ASA, a Norwegian industrial holding company listed on the Oslo Stock Exchange, through its subsidiary Aker Capital AS (“Aker ASA” or “Aker”).



Nature of Aker Horizons’ operations

The particular nature of Aker Horizons’ operations is as a company that exerts active ownership over its portfolio companies but with limited own operations. The Transparency Act specifies that a parent company’s own operations include the operations of its subsidiaries, irrespective of where those subsidiaries are registered or operate. It follows that Aker Horizons’ human rights due diligence of its own operations must also take account of risks in the operations of its subsidiaries. Aker Horizons has three subsidiaries that are either majority owned or that the Company consolidates for accounting purposes: Aker Carbon Capture (“ACC”), Mainstream Renewable Power (“Mainstream”) and Aker Horizons Asset Development (“Asset Development” or “AAD”).

Since the Transparency Act applies to all companies that are publicly listed in Norway, Aker Carbon Capture is itself in scope of the Act and required to report on the company’s human rights due diligence work separately. Aker Carbon Capture’s account of due diligence pursuant to the Transparency Act can be found [here](#).

Mainstream is not itself in scope of the Act, but – as a majority-owned and controlled subsidiary of Aker Horizons – it is considered part of Aker Horizons’ own operations and therefore indirectly impacted by the Act’s requirements through Aker Horizons’ reporting obligations.

Asset Development is a business unit of Aker Horizons, set up as a separate wholly-owned legal entity. Aker Narvik AS (“Aker Narvik”) is a joint venture with Aker Horizons’ partner Nordkraft AS (“Nordkraft”), in which Aker Horizons has majority ownership. Aker Horizons’ share of the asset development activities in Aker Narvik are staffed and managed by the Asset Development business unit. As such, the two entities (i.e. Asset Development and Aker Narvik) have been assessed jointly for the purposes of Aker Horizons’ human rights impact assessment.

Equity-accounted investees that are not majority owned or controlled by Aker Horizons are not considered subsidiaries of Aker Horizons – and therefore not part of Aker Horizons’ own operations – for the purposes of the Act. Further information on these investees, and Aker Horizons’ work with human rights more generally, can be found in Aker Horizons’ [2022 Annual and Sustainability Report](#).

Strategy and exercise of active ownership towards portfolio companies

In addition to developing assets through the Asset Development business unit, Aker Horizons' core business is to invest in and be an active owner of companies, and, if decided, to divest. Aker Horizons has therefore developed processes to evaluate, monitor and follow up on actual or potential adverse impacts on human rights and decent working conditions in relation to potential new investments, current holdings and potential divestments.

Aker Horizons exercises active ownership by contributing to the development of its portfolio companies, using its influence as a shareholder, mainly through board positions (including by having Aker Horizons representatives on audit and sustainability committees). As an active owner, Aker Horizons also regularly engages with other functions in the portfolio companies, including Legal, Compliance and Sustainability, across a range of areas. This includes assisting the companies in their efforts to identify and assess any actual and potential adverse human rights impacts.

Aker Horizons' portfolio companies are legal entities with their own governance structure and Aker Horizons expects its portfolio companies to comply with applicable laws, regulations, and standards, including the principles set forth in Aker Horizons' human rights policy, as reflected in its Code of Conduct and Sustainability Policy. If a conflict occurs between any applicable law, regulation, standard, and the Code of Conduct, we expect business partners to apply the highest standard.

Aker Horizons expects its portfolio companies to implement their own codes of conduct and other relevant policies and procedures, in line with Aker Horizons' values and the relevant legal requirements applicable to each respective portfolio company. Aker Horizons also expects its portfolio companies to have in place governing documents and processes to ensure respect for and adherence to fundamental principles of human rights and labor rights and to assess and monitor any actual or potential adverse impacts on human rights and decent working conditions. This includes having in place processes to take steps to cease, prevent, mitigate and/or remediate (as appropriate) any such adverse impacts.



Safeguarding human rights at Aker Horizons



Aker Horizons' commitment to preventing adverse impacts on human rights and decent working conditions

Aker Horizons respects, supports, and acknowledges the principles and values of fundamental human rights and decent working conditions. Aker Horizons requires that its business operations, including its supply chain and business partner relationships, do not cause or contribute to, or are directly linked to, actual or potential adverse impact on human rights and decent working conditions.

Since 2021, Aker Horizons has been committed to the UN Global Compact corporate responsibility initiative and its principles in – among others – the areas of human and labor rights. Aker Horizons is also covered by the Global Framework Agreement between Aker ASA, the Norwegian United Federation of Trade Unions (Fellesforbundet), IndustriALL Global Union, NITO and Tekna. The agreement commits Aker ASA and its portfolio companies to respect and support fundamental human rights and union rights in societies where the companies operate.

Aker Horizons' commitment to human and labor rights is embedded in the Company's governing structure. Aker Horizons' efforts to comply with the requirements of the Transparency Act have been expressly anchored with Aker Horizons' Board of Directors.

The Board, through the Board's Audit Committee, has since the second quarter of 2022 received regular updates on the progress of Aker Horizons' steps to ensure compliance with the Transparency Act. The chief executive officer is responsible for overseeing the implementation of the work, which in Aker Horizons is jointly led by the respective heads of Sustainability and Compliance. The Sustainability function is responsible for maintaining Aker Horizons' policies and procedures relating to preventing adverse impacts on human rights and decent working conditions, whereas the Compliance function is responsible for preventing and addressing risks and issues in the Company's operations, supply chain and other business partner relationships, including the commitment to carry out risk-based due diligence to prevent Aker Horizons from – or identify instances of Aker Horizons – causing, contributing to or being directly linked to adverse impacts on human rights and decent working conditions.

In addition to the Company's commitments and efforts in this area, all Aker Horizons employees are individually responsible for respecting human rights and decent working conditions.



Aker Horizons’ approach to preventing adverse impacts on human rights and decent working conditions

During 2022, Aker Horizons took a number of steps to enhance its efforts to safeguard human rights and decent working conditions. The Company has implemented new procedures and processes to conduct human rights impact assessments and human rights due diligence, as well as training and awareness raising to upskill employees in this area.

Mainstream and Aker Carbon Capture have also taken similar steps to safeguard human rights and decent working conditions as the ones described below (with corresponding policies and procedures in place), and Aker Horizons maintains a close dialogue with the companies in this respect.



Policies

Aker Horizons’ human rights policy is contained in the Aker Horizons Code of Conduct and Sustainability Policy, both of which are approved by the Board and regularly reviewed to ensure they remain relevant to Aker Horizons’ business strategy, investment decisions and how the Company exercises its ownership interests. From the Code of Conduct, it follows that Aker Horizons shall ensure that its business operations do not cause or contribute to any infringements to human and labor rights and that Aker Horizons is committed to implementing and enforcing effective systems to minimize risks of human and labor rights infringements in Aker Horizons’ own operations and in the supply chain. Aker Horizons’ policies also address the Company’s responsibilities in the case of uncovering having caused or contributed to infringements to human and labor rights. The Sustainability Policy commits Aker Horizons to ensure ESG emergency preparedness, including responsible remedy liability analysis, monitoring, and equal access to remedy for the affected persons or communities. Remedy, as defined by the UN Guiding Principles on Business and Human Rights, includes "apologies, restitution, rehabilitation, financial or non-financial compensation and punitive sanctions, as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition".¹

Aker Horizons has also adopted measures to ensure that all material agreements with business partners incorporate Aker Horizons’ Code of Conduct for Business Partners in addition to specific contractual clauses which commit Aker Horizons’ business partners to identifying and preventing actual or potential adverse impacts on human rights and decent working conditions. The Business Partner Code of Conduct is a new policy document that was implemented in 2022 and, for parts of the Aker Horizons Group, replaces existing Supplier Declarations. The document sets out Aker Horizons’ requirements of its business partners, including an expectation that they respect fundamental human rights and decent working conditions. Furthermore, they are expected to carry out human rights due diligence to understand and mitigate potential and actual adverse impacts and ensure that their company, through its operations, does not cause or contribute to adverse impacts on human rights and decent working conditions.

¹ [UN Guiding Principles on Business and Human Rights](#)

Procedures

An important aspect of the Company's approach to detecting and preventing negative human rights impacts in its supply chain and business partner relationships is the Aker Horizons Integrity Due Diligence ("IDD") Procedure, which specifies steps that must be taken to assess and monitor integrity risks relating to new and existing suppliers and other business partners. The IDD Procedure is risk based. By way of example, suppliers and business partners with direct involvement in the construction, infrastructure, or extractives and mining industries and/or those located in medium- or high-risk countries, will be subject to additional due diligence. Additional due diligence may include self-assessment questionnaires, engagement of external intelligence providers and direct engagement with relevant stakeholders. As part of the IDD Procedure, suppliers and business partners are screened and monitored in an external screening system (Compliance Catalyst) against sanctions, watchlists, adverse media and other adverse news of relevance to Aker Horizons' assessment of the supplier / business partner relationship.

Following the entry into force of the Transparency Act, Aker Horizons has updated internal procedures and processes to include measures to identify, assess, prevent and respond to (i.e. cease or mitigate) negative human rights impacts in its operations, supply chain and business partner relationships. Notably, the IDD Procedure has been updated to expressly integrate human rights impact assessments into Aker Horizons' integrity due diligence carried out on prospective and existing suppliers and business partners. Taking account of human rights is not, in and of itself, new. With the updates, however, the IDD process must specifically consider the risk that a supplier or business partner could cause, contribute to, or be linked to adverse impacts on fundamental human rights and decent working conditions. If there are concerns, weaknesses or red flags associated with a business partner, Aker Horizons will engage the business partner in dialogue and identify measures to enable them to work towards attaining the integrity standards stipulated by Aker Horizons' Code of Conduct for Business Partners. Further, Aker Horizons has updated its procedure for integrity management within its own operations to ensure human rights impact assessments are included in the Company's regular integrity risk assessments.

Audit

Aker Horizons is committed to conducting audits in projects where risks are identified and will respond to negative impact as far as reasonably possible, given the Company's level of influence and control.

Channel for whistleblowing and grievances

Aker Horizons' whistleblowing channel for reporting incidents or suspicions concerning any violation of applicable laws/ regulations or any breach of the Code of Conduct or other misconduct in relation to any of its companies, has been opened up to third parties, as a mechanism for receiving grievances. Such grievances may include actual or potential adverse impacts on human rights or decent working conditions caused or contributed to by, or linked to, Aker Horizons' operations, supply chain and/or business partner relationships. The channel is available in numerous languages, and information about how to access it is included on Aker Horizons' website. Both Aker Carbon Capture and Mainstream have their own channels that allow stakeholders to anonymously report actual or suspected breaches of laws, the respective company's code of conduct and other misconduct, as well as other grievances.

Assessment of actual and potential adverse impacts on human rights and decent working conditions in Aker Horizons' own operations, supply chain and business partner relationships

During 2022 and the first part of 2023, Aker Horizons carried out a human rights impact assessment, using a combination of quantitative and qualitative methods to map and assess the Company's actual and potential negative impact on human and labor rights in its own operations, supply chain and other business partner relationships. The assessment covered the period from 1 January 2022 to 31 December 2022.

Inherent risks in green industries

In green industries generally, there is an inherent risk of adverse impacts on local communities affected by renewable energy development projects. This is particularly true if the communities affected include indigenous people or other vulnerable groups.

Further, there is an inherent risk of adverse impacts associated with the renewable energy sector's supply chains, as these are often concentrated in high-risk markets where there is low transparency. High risk is associated with exposure to China in general and the Xinjiang province in particular, as well as other relevant high-risk markets such as Brazil, Chile and South Africa. Furthermore, the mining and processing of metals and minerals – an important aspect of many green energy and green industry projects – is associated with a high inherent risk of adverse impacts due to the nature and location of such operations. In the construction of infrastructure for green energy and green industry projects there is also an inherent risk of adverse impacts due to labor-intensive work, often executed with contracted workforces.

Detailed below are the actual and potential risks identified in the operations and supply chains of Aker Horizons (including Asset Development and Narvik) and Mainstream resulting from the 2022 human rights impact assessment. Since Aker Carbon Capture is subject to the Transparency Act in its own right, the company's assessment is only briefly summarized, and a link to the company's own report is provided.



AKER HORIZONS

Aker Horizons (incl. Asset Development and Aker Narvik)

In its assessment of human rights for 2022, Aker Horizons has not identified any actual adverse impacts on fundamental human rights or decent working conditions in the company’s operations or supply chain or in its business partner relationships.

Aker Horizons’ own operations

Aker Horizons currently only has offices and operations in Norway. The most significant risk of adverse impacts on fundamental human rights and decent working conditions in Aker Horizons’ own operations relates to the construction work being undertaken in Narvik. Although the Company has a number of other projects under development at varying stages, none of these projects are yet operational, and only the project in Narvik has reached a stage where (early-stage) construction work is ongoing (to prepare the land for further development).

As such, the risk that Aker Horizons, through its own operations, could cause, contribute to or be linked to adverse impacts on human rights and decent working conditions is presently considered low. The risk is considered to be slightly higher for the construction project in Narvik (low-medium), solely as a result of the inherently high risks of adverse working conditions in the construction industry. These higher risks are, however, mitigated by the project’s location in Norway – with its high standards for labor rights –, the fact that the workers involved are primarily local (as opposed to migrant) workers, and finally that Aker Horizons, through its JV partner, Nordkraft, exercises close oversight, including frequent on-site visits, as the project develops.

Aker Horizons is also mindful of the potential future risks that may crystallize once the Company’s other projects under development enter construction and operational phases, and will ensure that these risks are closely monitored and addressed as and when construction and development commences on the relevant projects.

The human rights risk associated with Aker Horizons’ customer relationships is considered low, as the Company currently does not have any operative agreements with potential off-takers (customers). When projects currently under development eventually do go into operation, the prospective customers are expected to be located primarily in Europe within highly regulated industries that do not perform labor intensive work.



Aker Horizons' supply chain and business partner relationships

In its human rights impact assessment for 2022, Aker Horizons did not identify any actual adverse impacts on fundamental human rights or decent working conditions in the Company's supply chain or in relationships with other business partners.

With the exception of Aker Horizons' JV partner in Narvik, all business partnerships in Aker Horizons are prospective i.e. limited to agreements between the parties to potentially work together in the future. As a result, these prospective partnerships have been considered to constitute a very limited current risk of Aker Horizons causing, contributing to or being linked to adverse impacts on human rights and decent working conditions. This may change once the projects become operational (i.e., once the project moves from the planning stage to construction and development stages) and will be monitored closely throughout 2023 and beyond.

In 2022 Aker Horizons – including Asset Development and Aker Narvik – had a total of 361 uniquely registered suppliers. The top three suppliers represent over 90% of total spend – and were related to EPC contracting, land acquisition and construction of a new transformer station, all in Narvik.

Although, as noted above, no actual adverse impacts were identified in 2022, the following supplier categories and related potential risks of adverse impacts on human rights and decent working conditions were identified in relation to Aker Horizons' supply chain and other business partner relationships:

- Construction;
- Electronics and computer equipment;
- Software and IT services;
- Hospitality (including office rental; other office costs and meetings/training/events);
- Office supplies; and
- Recruitment services.

The potential risks of adverse impacts associated with these sectors generally, which will serve as a basis for Aker Horizons' targeted mitigation work, include:

- Health and safety, including workplace conditions and excessive working hours;
- Forced labor;
- Child labor;
- Collective bargaining and freedom of association;
- Indigenous peoples' rights and affected communities; and
- Equality, diversity and inclusion.

The vast majority of Aker Horizons' direct suppliers and business partners are from countries considered to be low risk from a human and labor rights perspective, which to some extent serves to mitigate the risk of Aker Horizons causing or contributing to adverse human rights impact through its supply chain. This is also the case for the construction project in Narvik, which predominantly makes use of local direct suppliers.

The risk remains, however, that the Company could be directly linked to such impacts through its indirect suppliers, particularly in the construction and electronics categories, sectors with typically higher supply chain risks. The Company is in the process of following up with its direct suppliers to better understand any such potential adverse impacts that may arise through these supply chains.

Aker Horizons has a limited number of direct suppliers from higher risk countries. Specifically, these are from Brazil, Greece and the US, and are, for the most part, providers of consultancy services, a category that has been considered low risk due to relatively limited human and labor rights issues in the sector generally and its prevalence of high-skilled labor.



Mainstream Renewable Power

In its assessment of human rights for 2022, Mainstream has not identified any actual adverse impacts on fundamental human rights or decent working conditions in the company’s operations or supply chain or in its business partner relationships, although the company has identified adverse impacts that could have occurred but for the implementation of mitigating actions by Mainstream.

Mainstream’s own operations

The human rights risks associated with Mainstream’s engagement with local communities and indigenous people are considered to be high for those markets where indigenous people are affected by project developments. Managing and mitigating such impacts can be challenging, as the same people can be affected by a sum of impacts from several infrastructure developments or technologies in the same area, by unrelated developing companies.

Mainstream has identified the following countries where indigenous people are affected by its projects:

Country	Community affected	Risks identified and mitigating actions taken to reduce likelihood of adverse impacts
Chile	The Atacameños, Quechuas, Aymaras and Mapuche indigenous people are located in neighboring areas to four of Mainstream’s projects.	<p>Ckhúri windfarm (under construction) is located in an area which affects the Atacameños, Quechuas y Aymaras indigenous people. Three of four communities have raised concerns related to archaeological heritage impacts. Project construction was halted in 2022 following a requirement by the National Monuments Council, while new archaeological works are conducted with close community involvement through the Voluntary Community Monitoring Program to verify in situ the protection of the archaeological heritage. The transmission line has been relocated to avoid archaeologically sensitive areas and permission to restart construction is pending.</p> <p>Puelche Sur windfarm (under construction) is located in an area that affects four Mapuche indigenous communities. One of the four communities raised concerns that were mitigated by project adaptation and the construction was successfully finalized. Community relations and compliance with commitments of the environmental permit are being continuously developed to prepare for the operations phase.</p> <p>Caman windfarm (under construction) is located in an area which affects the Mapuche indigenous people. The main concern of the four communities is related to vehicular traffic through the local route, pruning of native trees and possible archaeological finds. During the current construction stage, the communities are participating in community monitoring activities to verify in situ the progress of the project and in a Mesa de Trabajo to execute social investment initiatives funded as part of compliance with the environmental permit.</p> <p>Entre Ríos windfarm (pre-construction) is located in an area which affects the Mapuche indigenous people. The main concern of the five communities for the construction stage is related to vehicular traffic through the local route, the distance to the planned wind turbines and possible archaeological finds. During the pre-construction stage, the communities are participating in a Mesa de Trabajo to convey information on the status of the project and execute social investment initiatives as part of Mainstream’s voluntary commitment to social development in the area.</p>
Vietnam	The Hoa and Khmer people form a large percentage of the population in the five communities in the project area of Soc Trang offshore windfarm.	<p>Soc Trang windfarm (pre-construction) is located in an area which affects certain Hoa and Khmer communities. An environmental impact assessment, including an assessment of affected communities and indigenous people, has been conducted, and a mitigation and management plan has been developed to eliminate or reduce potential impacts from the construction of turbines on natural resources under customary use of the Khmer community. Free, Prior and Informed Consent (FPIC) is required from the indigenous people for the project to proceed and Mainstream is engaging with the communities in that respect.</p>

Mainstream's supply chain and business partner relationships

The risks of Mainstream being linked to adverse human rights impacts through its supplier relationships is inherently high, as it is challenging to achieve full transparency of the supply chain and hence to uncover aspects that require mitigating actions. As part of Mainstream's efforts to uncover such aspects, a mapping exercise of the company's main suppliers was conducted based on supplier questionnaires.

Although no actual adverse impacts were uncovered in Mainstream's supply chain or business partner relationships in 2022, several risks of potential adverse impacts were identified, as outlined in the following:

Manufacturing of PV modules: There is a known risk associated with the sourcing of solar PV modules, particularly given the concentration of polysilicon manufacturing in the Xinjiang region in China. Reports of human rights violations emerged in 2020, most notably the US Department of State's report titled 'Xinjiang Supply Chain Business Advisory' and Sheffield Hallam University's report titled, 'In Broad Daylight'. Mainstream does not maintain direct contractual relationships with polysilicon suppliers, but they are part of the supply chain for solar PV projects.

Mining of metals/minerals: There is a known risk associated with the mining of materials needed for wind turbines, solar modules and battery cells. There is particular cause for concern related to the sourcing of cobalt which is used in many common battery cell chemistries. An estimated 60-70% of the global supply of cobalt is located in the Democratic Republic of Congo, of which 15% is extracted by 'artisanal'² mining. Mainstream does not maintain direct contractual relationships with mineral suppliers, but they are part of the supply chain for renewable energy components.

To prevent and/or mitigate the above potential adverse impacts, Mainstream has implemented the following measures:

- Modern Slavery Policy developed and incorporated into contract agreement templates.
- Engagement with a selection of third-party suppliers to carry out a supply chain traceability exercise on the next solar project.
- Adopting a risk-based approach to prioritize transparency efforts and associated due diligence in areas of particular risk, such as solar modules.
- Sustainability and Compliance functions directly involved in procurement discussions with JV-partners on solar projects to include human rights clauses in EPC contracts. Wind and solar contract templates updated to include:
 - Contractor reporting obligations in the event of discovering a breach of the Modern Slavery Policy.
 - Right for Mainstream to take action in the event actual adverse impacts on human rights or decent working conditions are identified.
 - Audit rights for Mainstream.
 - A requirement for the contractor to incorporate similar protections in subcontractor agreements.

The above items highlight the significant progress made during 2022 but also highlight the scale of the challenge to achieve full transparency of Mainstream's wind, solar and battery supply chains (all the way to raw materials) which is a challenge inherent to these industries. Feedback received from suppliers noted that some are not yet able to identify every supplier in their supply chains for every component. This limits their – and Mainstream's – ability to carry out due diligence. As such, enhancing supply chain transparency is one of Mainstream's priorities for 2023.

² An individual or group of individuals who work informally, using basic tools and techniques, to extract and process minerals. They typically work in small-scale mines that are not regulated by the government or industry, and often operate outside of formal legal frameworks.



Aker Carbon Capture

Aker Carbon Capture’s human rights impact assessment for 2022 did not identify any actual adverse impacts that the company’s own operations, suppliers or customers caused, contributed to or were linked to.

Considering Aker Carbon Capture’s operating model, the geographic location of its suppliers, combined with the limited use of migrant workers, labor intensive work and low-wage labor, Aker Carbon Capture’s assessment is that the risk of adverse human rights impacts materializing in its own operations or supply chain is limited. Further, the items procured by the company are highly technical in nature and require skilled competence, which reduces the risks of child labor specifically.

Nevertheless, the company recognizes that risks of adverse impacts on human rights cannot categorically be ignored based on the above risk-reducing factors alone, and therefore considers due diligence, regular risk assessments and continuous monitoring to be of utmost importance to prevent, detect and respond to potential adverse impacts on human rights.

For further details of Aker Carbon Capture’s human rights impact assessment, including measures taken to reduce risks of adverse impacts, see [Aker Carbon Capture’s Transparency Act report](#).



Mitigating measures and tracking progress

Although Aker Horizons did not identify any actual adverse impacts on human rights and decent working conditions in its own operations, supply chain or business partner relationships, Aker Horizons is taking concrete steps to mitigate the potential risks outlined above.

Due diligence and monitoring

Aker Horizons is consistently working to better integrate human rights due diligence into its own operations, both in connection with transactions and investments, as well as through Aker Horizons' active ownership of its portfolio companies.

Aker Horizons will ensure continued close monitoring of the construction project at Aker Narvik, including frequent on-site visits by Aker Horizons and Nordkraft personnel, and training delivered to key personnel involved in the project (including from the project partner) covering topics such as human rights in procurement and operations.

Finally, Aker Horizons will continue its ongoing monitoring of supplier and business partner relationships to identify any actual and potential adverse impacts on human rights and decent working conditions.

Training and awareness

Training and awareness raising are important tools to equip employees with the necessary skills to take responsibility for and contribute to the identification, mitigation and prevention of adverse impacts on human rights and decent working conditions in Aker Horizons' operations and supply chain.

During the reporting period, Aker Horizons provided training on human rights to all employees, comprising an online training module specifically on human rights, as well as coverage in the annual Code of Conduct training.

Reporting concerns

As noted, Aker Horizons has established a communication channel for reporting concerns which is open to third parties and available through the company's [website](#). This may serve as a mechanism for reporting grievances.

Going forward

During 2022, Aker Horizons has made significant progress to further improve its management approach and processes with regard to human rights. Through the performance of an initial human rights impact assessment on parts of the Aker Horizons group, a solid base for further work for the protection and promotion of human rights has been established. Furthermore, updates to internal procedures and processes have facilitated the Company's continued integration of human rights considerations into all activities. This is a complex area of work, and there is inevitably room for improvement. Some risks of adverse human rights impacts can be significantly reduced through the development and implementation of internal procedures and processes. Others are more profoundly challenging, particularly where such risks are inherent in the nature of current global value chains in the green transition - such as the need for metals and minerals, and the current concentration of the production of input factors in geographies that pose higher risk.

Aker Horizons' priorities for 2023

- Facilitating better engagement between Aker Horizons' Compliance and Sustainability functions and the business functions with direct exposure to project planning and execution (and, where applicable, in collaboration with the Compliance and Sustainability functions of Aker Horizons' consolidated portfolio companies) to better understand the extent to which each supplier category and industry may have a negative impact on human rights and decent working conditions.
- Selected employees of Aker Horizons (including Asset Development) will receive training to carry out human rights audits of business partners. Aker Carbon Capture and Mainstream also intend to send selected employees to attend this training.
- Following up with specific suppliers to Aker Horizons and its consolidated portfolio companies identified as higher risk to better understand (i) any potential adverse impacts that may arise through these suppliers' supply chains, and (ii) how they implement human rights due diligence in their own operations and supply chains.
- Working closely with these suppliers if weaknesses are identified that cannot immediately be remedied or which otherwise require specific attention or improvement.
- Continued ongoing monitoring of supplier and business partner relationships to identify any actual and potential adverse impacts on human rights and decent working conditions.
- Improving the human rights impact assessment methodology, including by amending the supplier spend data for it to be better suited to this type of analysis and further breaking down certain supplier categories to assess risks at a more granular scale.
- Ongoing human rights training and awareness, including coverage in the annual Code of Conduct training.
- Working closely with its portfolio companies to assist these companies in their own efforts to enhance supply chain transparency and prevent and/or mitigate any actual and potential adverse impacts on human rights and decent working conditions in their operations, supply chains and business partner relationships.

Board of Directors and Chief Executive Officer



Øyvind Eriksen
Chair



Kimberly Mathisen
Director



Lone Fønss Schrøder
Director



Trond Brandsrud
Director



Kristian Røkke
Chief Executive Officer

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