

# Arendals Fossekompani

## Sustainability Report 2020

Ripples

Arendals Fossekompani  
Developing green-tech companies

Ripples

It all started with waterfalls. Arendals Fossekompani was established in 1896 to harness the energy in running water. Our skills and competence in this area laid the foundation for things to come. Hydropower is still a part of our dna and our portfolio, but nowadays we're more recognized as an industrial investor - the owner of international energy and technology companies.

We have in fact worked with clean energy and green technology for more than one hundred years. One ripple effect from our economic success is the building of a modern portfolio of green-tech companies. Arendals Fossekompani is deeply invested in the green transition. We believe the green economy is the road to the future, and we will contribute to the journey.

Our hope and goal for the green-tech companies we develop today, is that they will create positive ripple effects in the future.

# Sustainability Report

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# Part 01

## This is AFK

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01

This is AFK

# Collaborative. Responsible. Dynamic.



## About us

Arendals Fossekompani is a green-tech investment company, the owner of energy and technology companies which enable the transition to a green economy.

Our portfolio companies have more than 2,100 employees in 26 countries.

Established in 1896 to harness the energy from an everlasting natural resource; water, Arendals Fossekompani is still a proud producer of hydropower, but also an investor in other renewables and associated value chains, including solar power and batteries.

Arendals Fossekompani has been listed on the Oslo Stock Exchange since 1913 and is headquartered in Arendal.

## Our vision

Arendals Fossekompani shall create lasting value for its stakeholders through long-term and active development of the companies we own.

We invest in and own companies that make energy from renewable sources more usable and accessible, and that contribute to a more sustainable use of resources. Based on our industrial and financial expertise, we also invest in technology and energy companies that enable the green transition.

Arendals Fossekompani's contributions and mission are summarized in this sentence: Developing green-tech companies.

## Our values

### Collaborative

We develop our companies in collaboration with the world around us and our partners.

### Long-term perspective

Based on 125 years of industrial history, we continue to develop our companies in a sustainable and long-term perspective.

### Dynamic

We show the ability, energy and motivation to carry out our ambitions.

### Responsible

We act in an ethical and responsible manner in all situations. We develop our companies in a sustainable manner.

AFK in the world

Global.  
Local.  
Vital.

Number of employees by country

NORWAY	585	POLAND	96	ISRAEL	9	JAPAN	4
GERMANY	221	FRANCE	86	MALAYSIA	8	RUSSIA	3
INDIA	193	USA	82	THAILAND	7	SOUTH KOREA	2
CHINA	183	ROMANIA	66	BRAZIL	7	TURKEY	1
CANADA	148	DENMARK	64	SINGAPORE	5	AUSTRIA	1
UNITED KINGDOM	144	SWEDEN	61	FINLAND	4		
SPAIN	100	SWITZERLAND	20	ITALY	4		

- **AFK Parent Company**
- **AFK Hydropower**
- **AFK Property**

**EMPLOYEES**  
27

**HEAD OFFICE**  
Arendal/Froland, Norway

- **Volue**

**EMPLOYEES**  
624

**HEAD OFFICE**  
Oslo, Norway

**COUNTRIES**  
Norway, Sweden, Denmark, Finland, Germany, Poland, Switzerland, Turkey.

- **Tekna**

**EMPLOYEES**  
176

**HEAD OFFICE**  
Sherbrooke, Canada

**COUNTRIES**  
Canada, France, China, South Korea

- **NSSLGlobal**

**EMPLOYEES**  
205

**HEAD OFFICE**  
Surrey, UK

**COUNTRIES**  
United Kingdom, Germany, Denmark, Norway, Poland, Israel, Singapore, USA

- **EFD Induction**

**EMPLOYEES**  
971

**HEAD OFFICE**  
Skien, Norway

**COUNTRIES**  
India, China, Norway, Germany, USA, Romania, France, United Kingdom, Poland, Sweden, Malaysia, Brazil, Thailand, Japan, Italy, Spain, Austria

- **Cogen Energia**

**EMPLOYEES**  
98

**HEAD OFFICE**  
Madrid, Spain

**COUNTRIES**  
Spain

- **Alytic**

**EMPLOYEES**  
27

**HEAD OFFICE**  
Arendal, Norway

**COUNTRIES**  
Norway, Netherlands

# Letter from our CEO

## Dear Stakeholders,

125 years ago, Arendals Fossekompagni was established to produce renewable energy. We are part of the solution to the UN Sustainable Development Goals. Also, as a member of UN Global Compact, we continue to support its ten principles for responsible business policies for human rights, labor, environment and anti-corruption.

AFK continues to be a producer of clean energy, but our contribution to the environment goes beyond the production of hydro-power. All of our portfolio companies are in some way enabling a more sustainable tomorrow. Our companies ensure more sustainable utilization of their customers' resources, and they provide technologies, systems and solutions that make energy from renewable sources increasingly accessible and usable.

By developing sustainable products and services, Arendals Fossekompagni ensures long-term value creation for customers, shareholders, employees and society.

For Arendals Fossekompagni, sustainability is not a megatrend. It is what we are, and what we do. We have a proud heritage based on the belief that natural resources also belong to future generations.

2020 was a special year for all of us. The Covid-19 pandemic changed the way we work and interact professionally and privately. I am proud of the way the situation has been handled by all our portfolio companies. Our primary concern was of course to keep people safe, but also to remain a trusted business partner. I believe we mastered both, and our results throughout this challenging year, makes me proud of the organization and the way we all contributed to developing and improving our companies.

The society is increasingly concerned with how companies work with what is referred to as ESG: Environmental - Social - Governance. With a natural and positive relationship to these issues, it is both right and important that we become better at communicating, reporting, and taking concrete measures in this field.

In a 2020 strategic sustainability project, Arendals Fossekompagni worked closely with all our portfolio companies to conduct customer and market reviews, value chain analyses and general stakeholder assessment to help identify and prioritize the most important ESG aspects within the companies. A materiality analysis will be presented in this report, together with our first climate risk analysis. In 2021, we will manage the risks and further explore the opportunities we have identified.

Arendals Fossekompagni has a long-term plan to raise our awareness and efforts, and to improve our reporting, in the area of sustainability and corporate social responsibility. The rules for reporting are changing rapidly. We will make sure to comply with the requirements from the EU and other policymakers. In 2020, we took our first steps in order to be able to report both in accordance with GRI (Global Reporting Initiative) and TCFD (Task Force on Climate-related Financial Disclosures).

Our sustainability ambitions and targets for 2021 are found in this report. We will continue to have a close and open dialogue with customers, partners, shareholders, financial institutions, employees and other stakeholders, to ensure alignment with their key concerns regarding sustainability. In 2021 we will further develop our sustainability report, our targets and efforts, and we will assist our portfolio companies in doing the same.



Ørjan Svanevik  
CEO

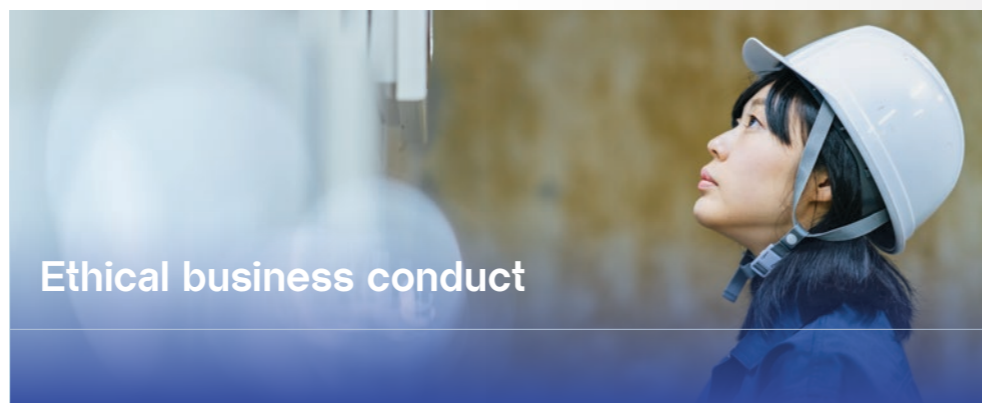
"For Arendals Fossekompagni, sustainability is not a megatrend, it is what we are and what we do."

Ørjan Svanevik  
CEO

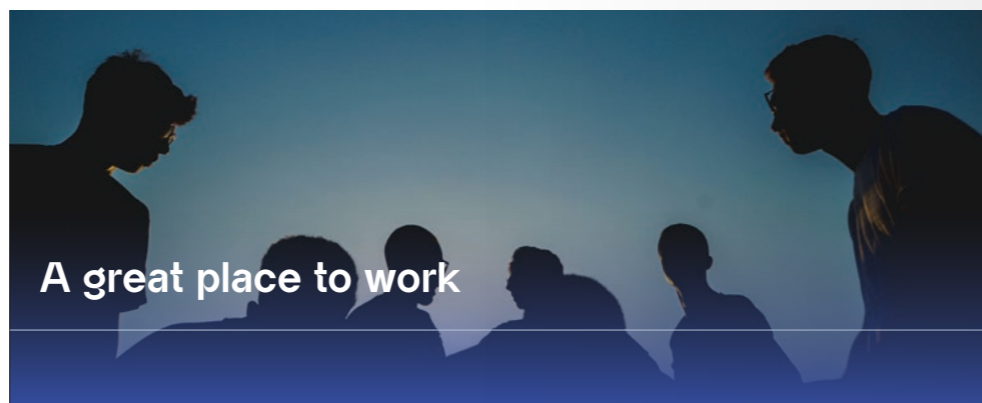
Highlights in 2020

# Transparent. Trusted. Partner.

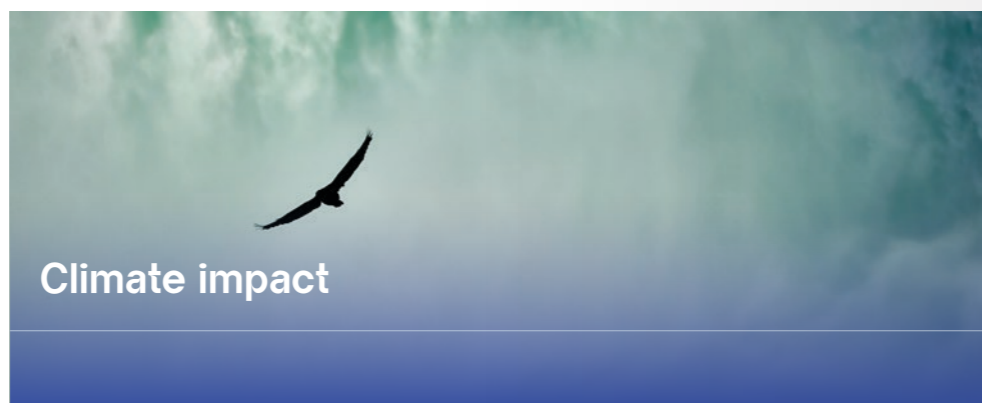
Our long term goal is to integrate sustainability in our daily work processes. This requires continuous improvements in many areas in years to come. Going forward we are committed to measuring our impact, and improving the way we work. This applies in particular to the areas listed below, which were identified as focus areas in a materiality analysis.



- **Review of portfolio companies' code of conduct**  
Establishing a standard code of conduct.
- **Review of AFK Code of Conduct**  
Alignment with the OECD principles for multinational enterprises.
- **Requirements for suppliers**  
Establishing supplier code of conduct.
- **Being transparent**  
Publishing important compliance documents.



- **No serious injuries**  
High focus on HSSE: Health, Safety, Security and Environment.
- **Managing the pandemic**  
The safety of our employees was our primary concern in 2020.
- **Targeting equality**  
Establishing baseline and targets of share of women on our boards, in C-suite positions and overall.
- **Focus on turnover**  
Measuring the turnover rate in all portfolio companies.



- **Performing climate risk assessment**  
Understanding the risk and opportunities in our portfolio.
- **Aligning our investment strategy with the EU Taxonomy**  
All future investments shall be aligned with EU's six environmental objectives.
- **Completing materiality analyses**  
All portfolio companies have completed a materiality analysis according to best practice.
- **Joining UN Global Compact**  
Being a part of the world's largest corporate sustainability initiative.



ESG impacts

# People. Planet. Profit.

**Environmental, social and governance (ESG) impacts**

In January 1896, Arendals Fossekompani was established to harness the energy from an everlasting natural resource; water. 125 years later, we remain a proud producer of hydropower. Acting in accordance with nature, is part of our DNA. For us, sustainability is not a megatrend, it is what we are and what we do. We honor a proud heritage based on the belief that natural resources also belong to future generations.

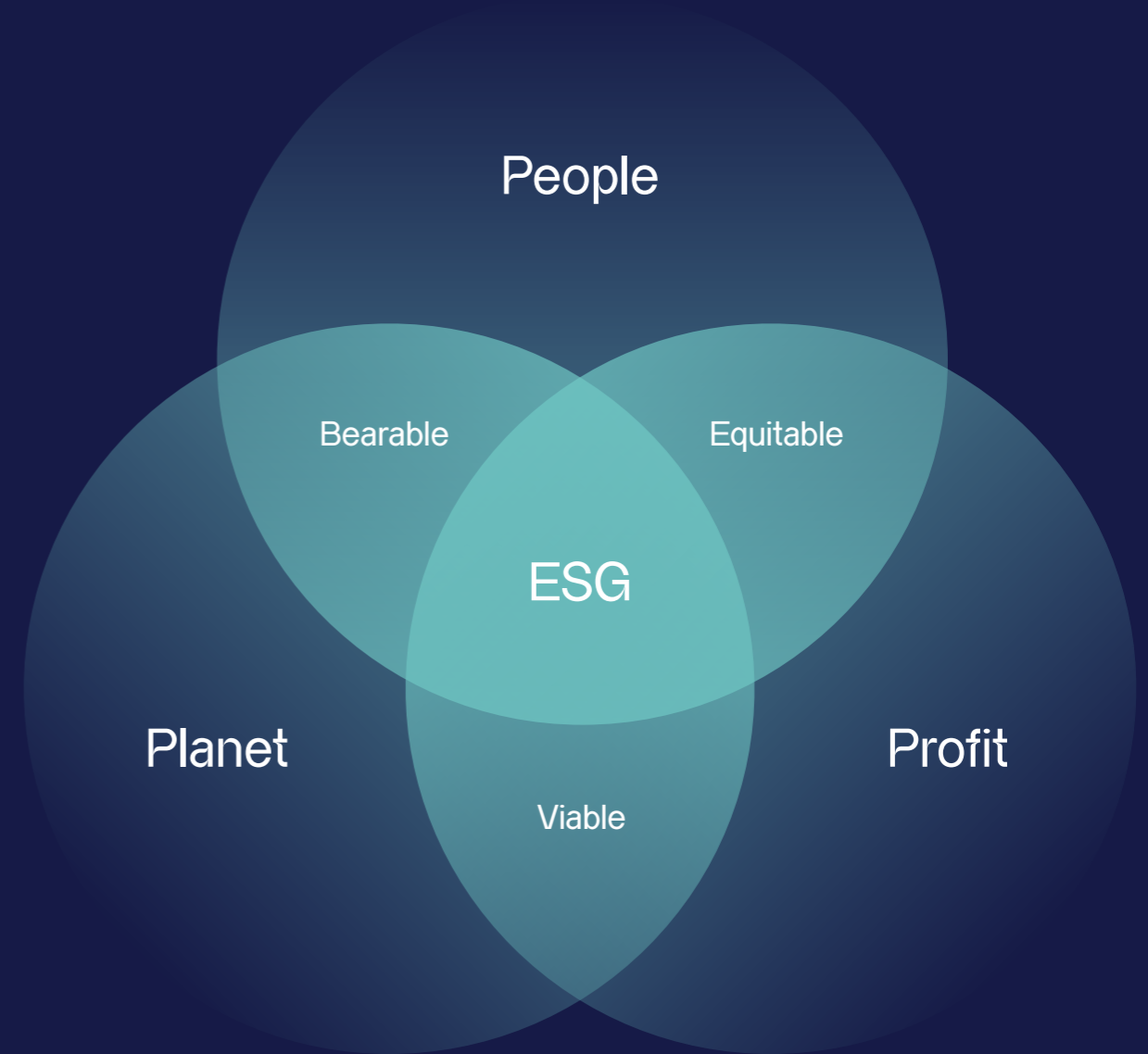
But Arendals Fossekompani is more than a producer of hydropower. We are a green-tech investment company – the owner of energy and technology companies which enable the transition to a green economy. We seek a sustainable market to support a sustainable world.

At Arendals Fossekompani we value our employees. Our goal is to be a preferred employer with a motivated workforce. We believe that being part of a bigger purpose, working for a more sustainable world, brings more value and motivation to our employees.

ESG is also about turning a profit. By developing sustainable products and services, we ensure long-term value creation for shareholders, employees and society. Our portfolio companies help their customers utilize their resources in a more sustainable way, and provide technology, systems and solutions that make energy from renewable sources increasingly accessible and usable.

**Contact**

We appreciate feedback from our stakeholders and always work for continuous improvement. For information about this report and its content, please contact ESG Director, Ingunn Ettestøl.



**People**  
A motivated work force. Better recruitments.

**Planet**  
A sustainable world calls for a sustainable market.

**Profit**  
Higher valuation and improved terms for financing.

# Part 02

## About the report

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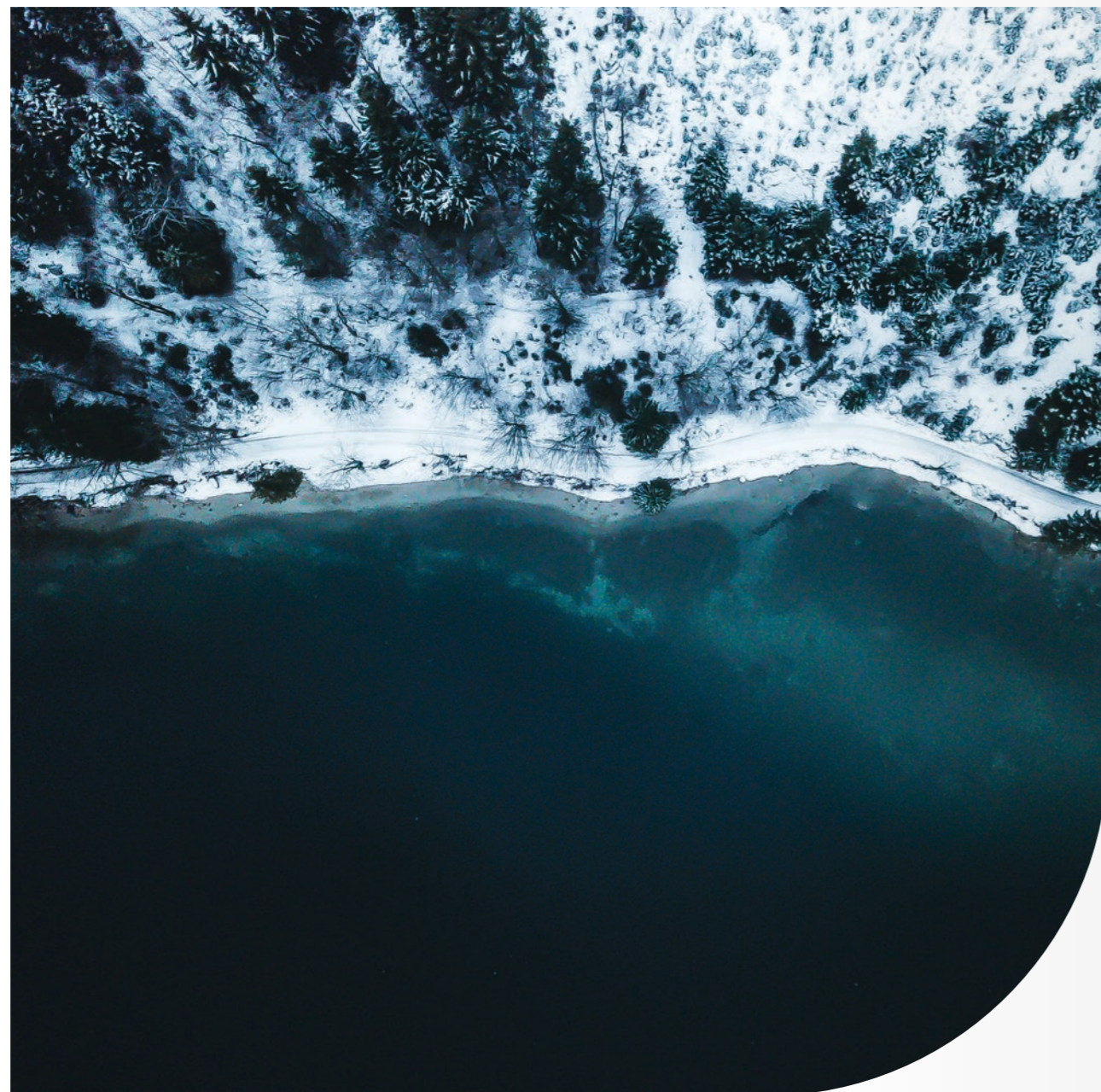
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About the Report

GRI.  
TCFD.  
SASB.



Arendals Fossekompani published its first Sustainability Report last year, as the starting point of a 4-year journey to integrate sustainability in our work processes. By 2023, one goal is for AFK to have extensive, ongoing reporting in accordance with Global Reporting Initiative (GRI) or another relevant reporting regime for companies listed on the Oslo Stock Exchange.

This second sustainability report, as was the case with the first report, is inspired by the guidelines of GRI. Sustainability Accounting Standards Board (SASB) was also used in order to establish industry-specific disclosure standards across ESG topics.

The method used to define the ESG strategies for our portfolio companies is explained under “ESG in portfolio companies”. Having conducted the analysis for each ESG strategy, a climate-risk analysis was completed inspired by Task-force on Climate-related Financial Disclosures (TCFD) on an aggregate level for AFK and a as specific analysis for Volue.



**GRI**  
Global Reporting Initiative

GRI’s mission is to enable organisations to be transparent and take responsibility for their impacts, enabled through the world’s most widely used standards for sustainability reporting - the GRI Standards.

Source: [www.globalreporting.org](http://www.globalreporting.org)



**TCFD**  
Task force on Climate-related Financial Disclosures

TCFD is a global initiative defining best practice for how to manage and report climate risks and opportunities.

Source: [www.fsb-tcfd.org](http://www.fsb-tcfd.org)



**SASB**  
Sustainability Accounting Standards Board

SASB’s stated mission is to establish industry-specific disclosure standards across ESG topics that facilitate communication between companies and investors about financial matters, and communicate their impacts on issues such as climate change, human rights and corruption.

Source: [www.sasb.org](http://www.sasb.org)

ESG in portfolio companies

# Relevance. Competence. Performance.

An internal ESG team, supported by EY, worked together with the portfolio companies to outline their ESG strategies and define relevant KPIs.

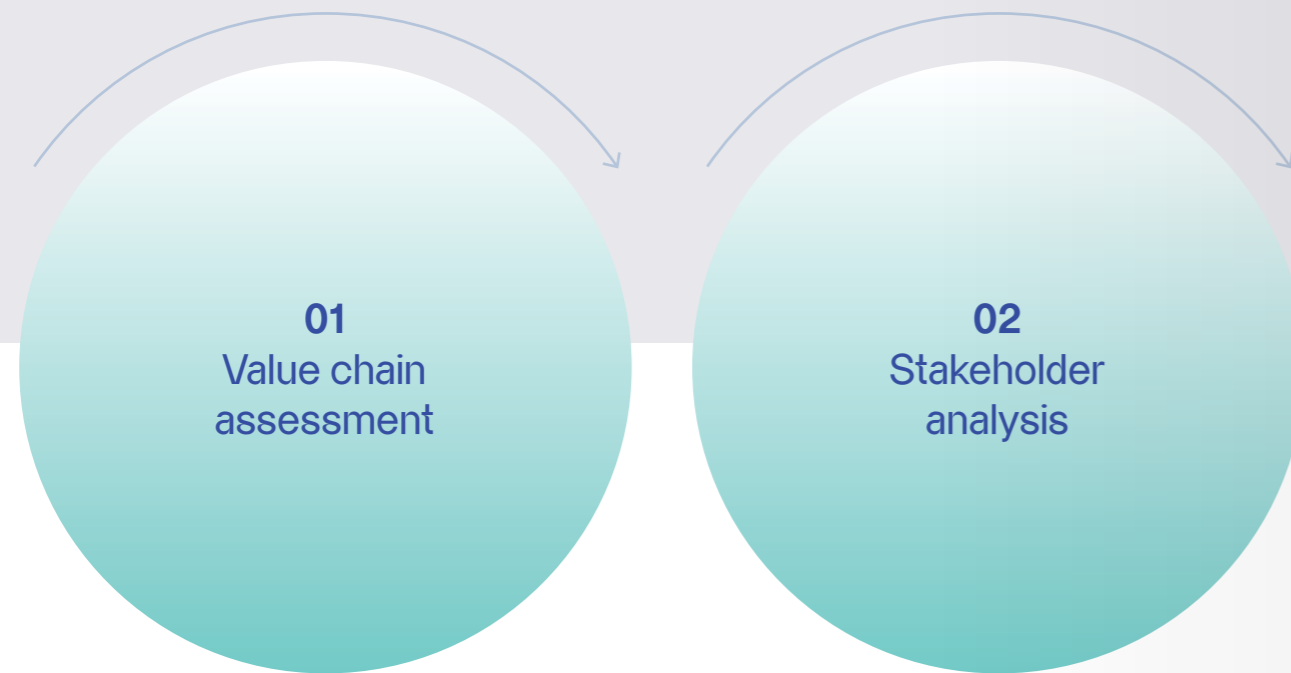
The value chain assessment and stakeholder analysis were done from an external point-of-view and the findings were summarized in a workshop with the respective portfolio companies. The CEO or representatives from the Board of each company took part in the workshops.

## Process



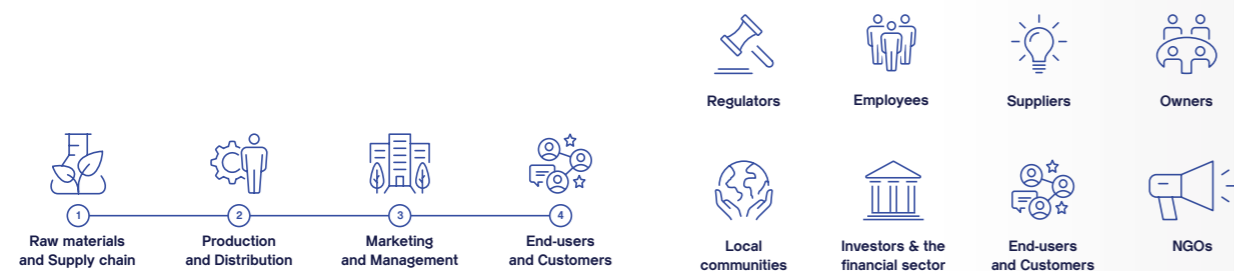
Model for  
ESG reporting

# Environmental. Social. Governance.



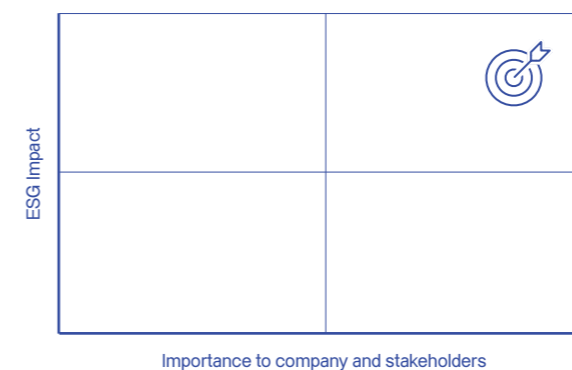
A value chain assessment was conducted to map where in the value chain we have our ESG impact associated with our business model in a life-cycle perspective. The value chain for our ESG impact can reveal critical risks and opportunities for the company, and create awareness of our operations.

A stakeholder analysis was conducted to establish which identified ESG impacts are important to each of our stakeholders.



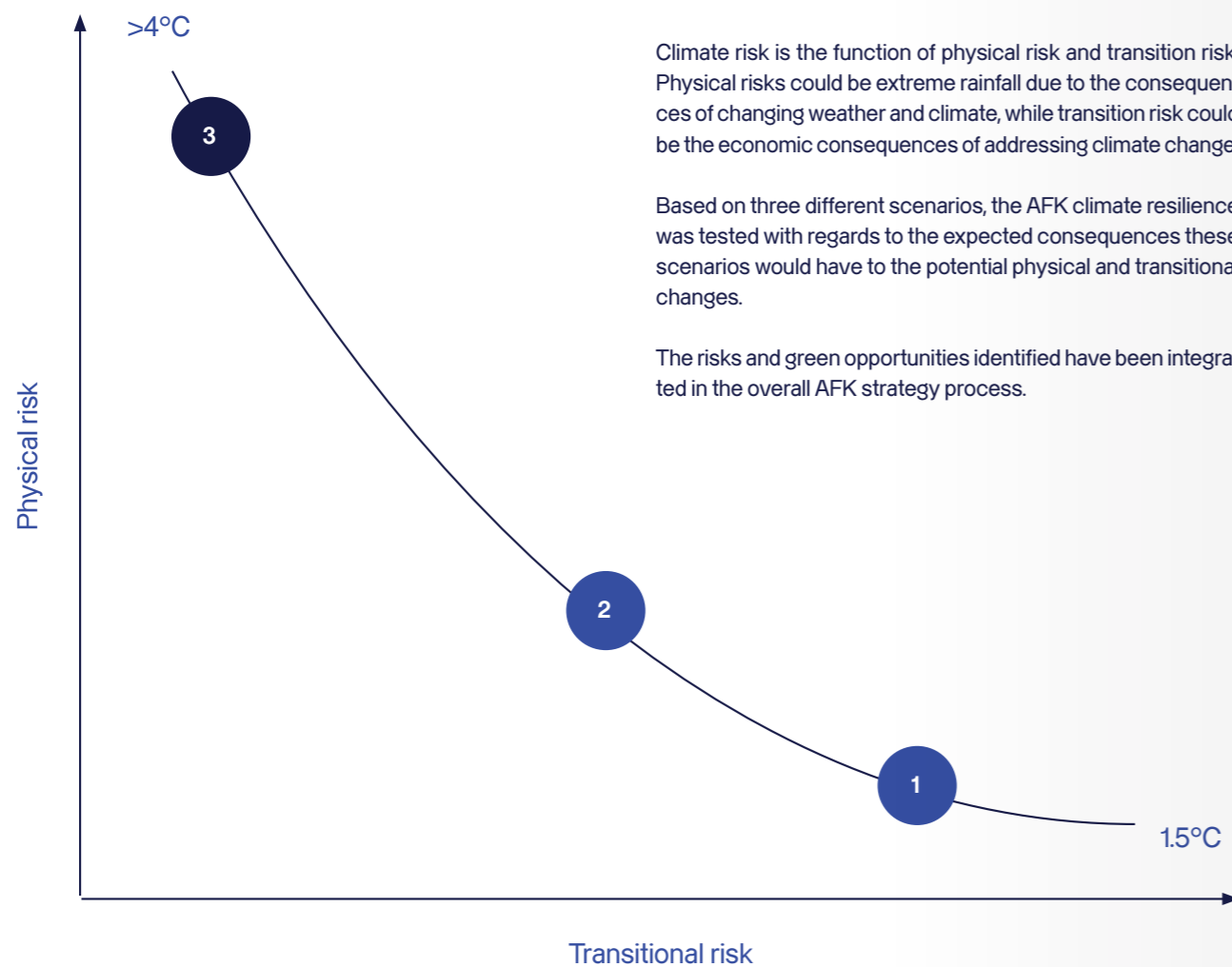
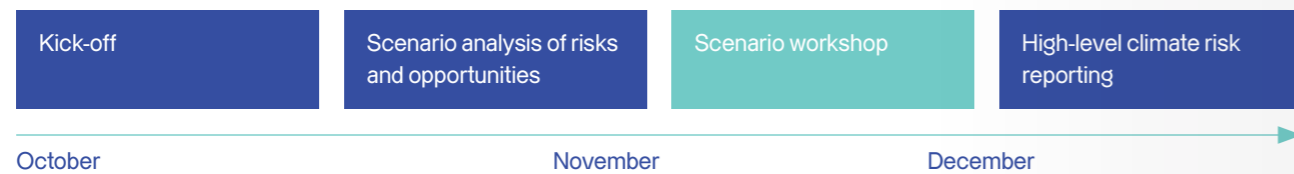
Material ESG impacts are prioritized based on importance to company and stakeholders and degree of impact. Crucial to report on are issues with high impact, which are also found to be important for the company and its stakeholders.

Based on the results from the materiality analysis, 4-5 focus areas are defined for each company. Within each focus area, ambitions and KPIs are defined.



Climate risk and opportunities in AFK

# Crisis. Transition. Revolution.



The AFK portfolio has been assessed to better understand climate risk and opportunities. An analysis of climate risk and opportunities for AFK, inspired by the guidelines for a TCFD analysis, was performed at an aggregate level for AFK.

## Step 1 Scenario analysis of risks and opportunities

In our climate risk analysis, we used three scenarios to identify risks and opportunities related to climate. The scenarios used for assessing risks are:

- Green revolution (below 1.5°C)
- Delayed transition (2-2.5°C)
- Climate crisis: (More than 3°C)

Each of the three climate scenarios are evaluated in accordance with physical and transition risk on a short- and long-term basis. For each of the scenarios the following risks were assessed: Physical risk (Acute, chronic) and transition risk (market, legal, technology and reputational).

Climate scenarios	Green revolution Below 1.5°C global warming	Delayed transition 2-2.5°C global warming	Climate crisis More than 3°C global warming
	IEA WEO Net Zero Emissions 2050	IEA WEO Delayed Recovery	IEA WEO Stated Policies
	IPCC RCP 1.9 <sup>1</sup>	IPCC RCP 4.5	IPCC RCP 6.0

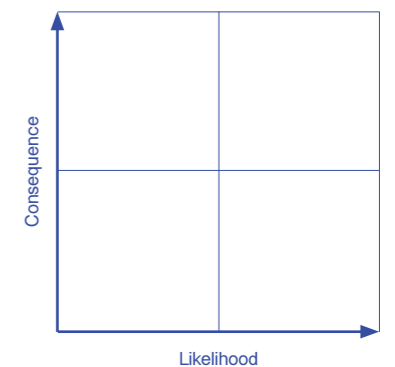
## Step 2 Sector analysis

AFK's portfolio is categorized into four sectors. Climate risks and opportunities were evaluated for each of these sectors with regards to the scenario analysis in Step 1.



## Step 3 Scenario workshop

A workshop evaluated which risks and opportunities could materialize within each sector. For identified climate risks, the probability and consequence for each climate risk were evaluated using a likelihood vs. consequence matrix.




1. International Energy Agency (IEA), World Economic Outlook (WEO), Intergovernmental Panel on Climate Change (IPCC) and Representative Concentration Pathways (RCP)

2. A large part of Volue's customers are electric utilities. As a company, Volue fits the category Software and communication services.

UN SDGs &  
UN Global Compact


# Renewable. Sustainable. Viable.

How we work to reduce negative impact on society




**SDG 7**  
Affordable and clean energy

Clean energy is closely linked to AFK's historical role and the companies we invest in. Access to reliable, sustainable and modern energy at an affordable price for everyone, is a goal that is close to our heart. We contribute by producing clean energy, and by helping other energy producers making the most out of their resources.



**SDG 9**  
Industry, innovation and infrastructure

The AFK story is also about industry, innovation and infrastructure. We built infrastructure for power production and distribution more than 100 years ago. And we have played an important role in an early process that triggered the building of Norwegian industries. Today, we are a global supplier of technology, systems and solution for electrical infrastructure and the construction sector.




**SDG 12**  
Responsible consumption and production

AFK businesses deliver technology, systems and solutions that make renewable energy increasingly usable and accessible, which in turn enables our customers to achieve a more efficient and sustainable use of their resources. We contribute by directly reducing our own and our clients' greenhouse gas emissions, and contribute to a circular economy through reduction, re-use and recycling.


Arendals Fossekompani is in the process of making our sustainability and social responsibility efforts more transparent and known. Based on several generations of renewable energy production and sustainable solutions, we are committed to disclosing our contribution to the UN Sustainable Development Goals (SDG). We have chosen to focus on a few SDGs that are particularly relevant to the majority of our companies, and where we have the opportunity to make a difference.

How we work to improve our portfolio



**SDG 5**  
Gender equality

AFK supports equal opportunities, equal rights and equal treatment for all employees regardless of gender.



**SDG 8**  
Decent work and economic growth

AFK supports and contributes efforts to ensure that our employees and subcontractors have decent work, equal opportunities, fair treatment and a safe work environment.



**SDG 13**  
Climate action

AFK is committed to taking urgent action to combat climate change and its impacts. We focus on making an active, determined contribution to a sustainable, low-carbon future to combat climate change. Our businesses shall be in industries where the offered products and services play a significant role in helping customers reduce their environmental footprint.



In November 2020, AFK joined UN Global Compact to become part of the most important global network for a more sustainable future. Launched in 2000, UN Global Compact is a non-binding United Nations pact to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. We are looking forward to contributing to this network and to draw on the expertise and experiences from the first 20 years of its existence. UN Global Compact lists ten principles for responsible business policies for human rights, labor, environment and anti-corruption. AFK reports on these principles.

AFK and the EU Taxonomy

# Change. Mitigation. Adaption.

As an industrial investment company, AFK is constantly looking for new investments and M&A opportunities. AFK invests in technology related companies in which we can significantly impact long-term value creation. Our investment scope for new investments and M&A candidates is shown below. Potential M&A candidates will also need to comply with AFK's green investment scope and screening process.

**Alignment with the EU Taxonomy**

A) All investments must meet the AFK Investment Criteria. AFK investments should contribute to the six environmental objectives defined by the EU Taxonomy:




1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

B) The investment should do no significant harm to the other five objectives, and;

C) The investment should meet minimum safeguards (e.g. OECD Guidelines on Multinational Enterprises).

Arendals Fossekompni has started to implement the EU Taxonomy in our business strategy. In 2020 we screened our portfolio companies to see if they could be defined as a green activity. In 2021 our ambition is to establish a strategic project to disclose our portfolio, related to the first two environmental targets in the EU Taxonomy: Climate change mitigation and climate change adaptation. We will also assess our portfolio related to the next four EU Taxonomy targets.

**Investment Scope**

Inherent abilities				
	Strong ESG potential	Regionally strong performers in the Nordic region		
Relevant industries				
	IoT, monitoring and sensor technology	Digitalization & big data	Materials technology	Energy and Energy efficiency





## Governance & compliance

# Risk. Governance. Compliance.

Sustainability is embedded in the company culture of Arendals Fossekompni.

### Governance

Arendals Fossekompni established its own sustainability team in 2020. The team is cross-functional with four members, all of whom work together on strategic improvement projects related to sustainability. The team is headed by the ESG Director, who forms part of the Executive Management Team reporting directly to the Board of Directors of AFK.

When relevant, both the Executive Management Team and the Board of Directors review specific sustainability topics, including HSSE, anti-corruption, ICT security and environmental impact and governance.

The ESG Director also reports to the AFK Audit Committee. One of the Audit Committee's purposes is to guide AFK's work within governance, risk and compliance. The Audit Committee generally supports the Board of Directors. Topics related to governance and compliance is on the agenda of the Audit Committee in most meetings.

Following the materiality analysis, climate risk analysis, and improved governance and reporting structures, all conducted in 2020, several improvements have been achieved. However, the overall target is to integrate ESG in our daily operating model, both for AFK and our portfolio companies.

### Compliance

The work we do on compliance and improvement of policies and guidelines, is according to the OECD Guidelines for Multinational Enterprises. The OECD Guidelines are also supported by the investment strategy in M&A processes and AFK's Green Bond Framework.

"AFK has a long-term horizon for all investments. Good governance and evaluation of risk and opportunities are essential to being a successful industrial investment company."

Jon Hindar  
Chairman, AFK



### OECD Guidelines for Multinational Enterprises

The OECD Guidelines for Multinational Enterprises are recommendations from governments to multinational enterprises on responsible business conduct. The OECD Guidelines set standards for responsible business conduct across a range of issues, such as human rights, labor rights and the environment.

Source: [www.oecd.org](http://www.oecd.org)

Green Bond

# Green bond with dark green rating

AFK's Green Bond Framework is aligned with the Green Bond Principles published by the International Capital Market Association (ICMA). It defines investments eligible for financing by green bonds issued by AFK. In addition, this Green Bond Framework outlines the process used to identify, select and report on eligible projects.

Arendals Fossekompagni aims to be a leading Norwegian industrial investment company that promotes renewable energy and sustainable utilization of resources. Issuing bonds under the Green Bond Framework is part of AFK's broader commitment to making significant contributions to a low-carbon and environmentally sustainable society.

AFK has worked with Pareto Securities to develop the Green Bond Framework. CICERO Shades of Green has provided a second party opinion with a green dark rating, which is publicly available on our website. AFK will assign an external auditor to annually provide a limited assurance of the management of proceeds. Use of proceeds for the green bond is related to two categories:

1. Renewable energy and;
2. Eco-efficient and/or circular economy adapted products, production technologies and processes.

Process of evaluating eligible projects



Key results in 2020

# Strategy. Results. KPIs.

The AFK Sustainability Report 2019 had four strategic ambitions for 2020. As a result of the ESG strategy improvement projects in 2020, AFK has defined strategic KPIs for the period 2020-2023.

## Evaluation of strategic ambitions

Strategic ambitions for 2020	Evaluation	How did it go?
<b>ESG Network</b> Establish a network of people working with ESG topics in AFK portfolio companies. Establish ESG as a part of the daily work processes in our portfolio companies.		<ul style="list-style-type: none"> <li>Network established with key personnel from our portfolio companies.</li> <li>Value chain, stakeholder assessment and materiality analysis conducted together with all our portfolio companies and EY.</li> </ul>
<b>Annual reporting</b> Report regularly (annually) on ESG KPIs in AFK. Establish routines to consolidate the results on an AFK level.		<ul style="list-style-type: none"> <li>The overall strategic pillars for AFK decided based on the materiality analysis of the portfolio companies.</li> <li>Strategic KPIs selected for the strategic pillars: Ethical business conduct, A great place to work and Climate impact.</li> <li>Routines established to consolidate results.</li> </ul>
<b>Portfolio companies</b> ESG as a part of the strategic agenda and the improvements in the portfolio companies.		<ul style="list-style-type: none"> <li>Strategic ESG project conducted together with portfolio companies.</li> <li>Joint workshop and several one-to-one meetings and discussions with key personnel.</li> <li>Climate risk analysis conducted for AFK portfolio and one portfolio company.</li> </ul>
<b>Website</b> Establish landing page for sustainability on AFK website.		<ul style="list-style-type: none"> <li>Completed. Landing page established.</li> </ul>

## Key performance indicators (KPI) to be rolled out

Ethical business conduct	A great place to work	Climate impact
<b>Corruption and bribery</b> <ul style="list-style-type: none"> <li>⊖ % Workforce signed latest version of code of conduct</li> <li>⊕ % Workforce trained in code of conduct</li> <li>⊖ Portfolio companies with anti-corruption and bribery guidelines</li> <li>⊖ % Workforce with whistle-blower policy</li> <li>⊕ % Workforce trained in whistle-blower policy</li> <li>⊖ Incidents</li> </ul> <b>Responsible supply chain</b> <ul style="list-style-type: none"> <li>⊕ Portfolio companies has distributed a supplier code of conduct</li> </ul>	<b>Fundamental human and labour rights</b> <ul style="list-style-type: none"> <li>⊖ Incidents</li> </ul> <b>Health and safety</b> <ul style="list-style-type: none"> <li>⊖ Lost time injuries</li> <li>⊖ Absentee rate</li> </ul> <b>Gender equality</b> <ul style="list-style-type: none"> <li>⊖ % Woman in workforce</li> <li>⊖ % Woman in C-suite positions</li> <li>⊖ % Woman on Board of Directors</li> </ul> <b>Work-life-balance</b> <ul style="list-style-type: none"> <li>⊖ Turnover rate</li> </ul>	<b>Greenhouse gas emissions</b> <ul style="list-style-type: none"> <li>⊕ Direct emissions: Scope 1</li> <li>⊕ Indirect emissions, energy use: Scope 2</li> <li>⊖ Indirect emissions, purchased goods and services: Scope 3</li> </ul> <b>Energy consumption</b> <ul style="list-style-type: none"> <li>⊕ Energy source renewable vs. non-renewable</li> </ul> <b>Circular activities</b> <ul style="list-style-type: none"> <li>⊖ KPI related to UN SDG 12</li> </ul>
<b>KPIs rolled out in:</b> ⊖ 2020 ⊕ 2021 ⊖ TBC/rolled out at later stage		

# Key results in 2020



## Ethical business conduct

Ethical business conduct is at the core of being a trusted business partner. In 2020 AFK updated and reviewed our code of conduct and supplier code of conduct. We have established an annual plan for governance, risk and compliance. Training will be given to a share of the employees in 2021.

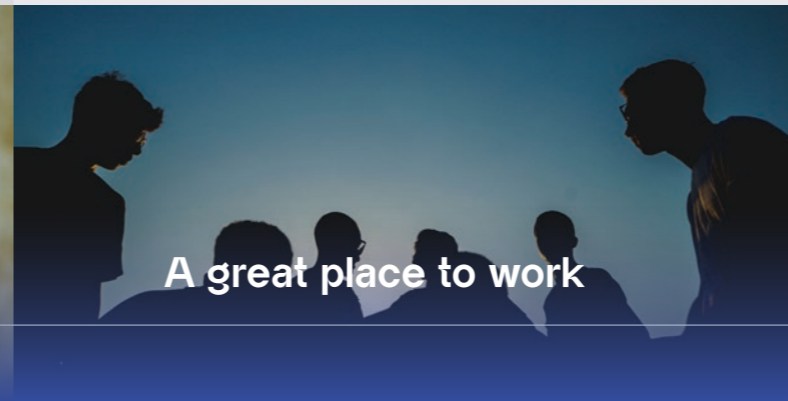
### Key results in 2020

Our whistleblower policy was updated during 2020 and made public in the first quarter of 2021. In 2020 we had zero reported incidents.

In November 2020, AFK joined UN Global Compact to become part of the most important global network for a more sustainable future. Launched in 2000, UN Global Compact is a non-binding United Nations pact to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. AFK looks forward to contributing to this network and to draw on the expertise and experiences from the first 20 years of its existence.

# 87.4 %

Employees signed code of conduct



## A great place to work

In a year dominated by a raging pandemic, has there ever been a more important time to be a great employer? AFK and portfolio companies strive to be great places to work, by being at the forefront of how we treat our employees, and by being the preferred place to work for the best and most qualified candidates.

### Key results in 2020

Human rights are important for AFK. We strive to work in compliance with the UN Guiding Principles for human rights.

Arendals Fossekompni strongly believes that equality is good for value creation. Reporting on equality is limited to reporting on the percentage of women on three different levels of our organization. We would like to see this percentage increase in years to come. In 2020, AFK decided to start the qualification process for Likestilling arbeidsliv (Equal working life), one of several long-term measures that could help improve the percentage of women working for AFK. AFK has also established long-term targets for the share of women working in AFK in 2023.

# 2.94 %

Absentee rate

# 4.54 %

Turnover rate

# 13.1 %

Women on Board of Directors



## Climate impact

The global community faces numerous challenges related to the environment. At present, climate change is one of the most serious global challenges. Climate change mitigation is an important part of the solution to which AFK and portfolio companies contribute. All of AFK's portfolio companies have activities and business areas that will enable the green transition and contribute to climate change mitigation.

### Key results in 2020

Climate impact is one of AFK's three ESG pillars. In 2020, AFK introduced limited disclosure for 50-60%, depending on scope, of our portfolio companies regarding GHG emissions for scope 1, 2 and 3. In 2021 our ambition is to present GHG emission measurements and estimations, complete disclosure for scope 1 and 2, and limited disclosure for scope 3.

In 2020, we identified climate-related risks and opportunities in the short, medium, and long term. This will impact strategy and financial planning. We also established a process for identifying and assessing climate risk. This will be integrated in the AFK overall risk management process. During the year, AFK aligned its M&A strategy and investment strategy with the EU Taxonomy.

# 137,661

Tonnes of CO<sub>2</sub> emissions (Scope 1, estimated) <sup>1)</sup>

# 237

Tonnes of CO<sub>2</sub> emissions (Scope 2, estimated) <sup>1)</sup>

# 175

Tonnes of CO<sub>2</sub> emissions (Scope 3, estimated) <sup>1)</sup>

<sup>1)</sup> The estimated CO<sub>2</sub> emissions from Scope 1, 2 and 3 are only limited disclosure for the 2020 report. The estimated numbers are only available for a part of the portfolio companies. A complete baseline will be included in the 2021 report.

# Ambitions and targets for 2021

AFK is committed to improving how we work and further reduce the impact we have on our planet. In 2021 we will focus on measuring and improving the three most material areas for the whole group.



## Ethical business conduct

Our main target for 2021 is to secure that AFK governance is performed according to the OECD principles for multinational corporations.

### KPIs and targets in 2021

AFK is a transparent and trustworthy business partner. In 2021 we will improve our way of working with governance, risk and compliance. We will measure and disclose what percentage of our workforce has undergone training in their code of conduct and in the whistleblower policy. The overall target for 2021 is that 30% of the workforce in AFK will be trained in their code of conduct and the whistleblower policy.

# 30 %

of employees will receive training in code of conduct and whistleblower policy.

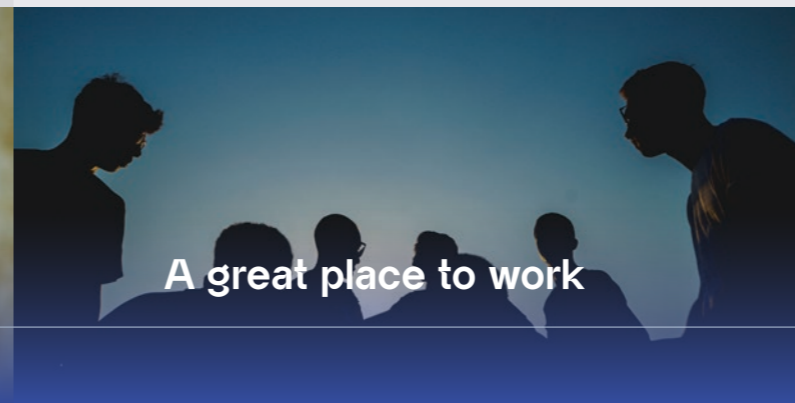
### Improvement activities 2021

The main improvement activities for 2021 will be to be more transparent: Code of conduct, whistleblower policy, supplier code of conduct and other important policy documents will be published.

Assisted by a third party, we will evaluate if our governance is in accordance with the OECD principles for multinational companies, and make any improvements necessary.

We will establish a system for training our employees in policies and policy documentation.

We will implement a common risk-based system for evaluation of suppliers and a standard supplier code of conduct for all our portfolio companies.



## A great place to work

Work in 2020 has been greatly influenced by the Covid-19 pandemic. Spilling into 2021, our focus is to ensure a safe work environment during the pandemic. All our portfolio companies have measures in place to ensure that this will be the case.

Supporting SDG 8, our main goal is to protect labor rights and promote safe and secure work environments for all our workers. Supporting SDG 5, we will put our emphasis on being an employer that supports gender equality.

### KPIs and targets in 2021

KPIs for health and safety are set to be injuries and absentee rate. Our goal for 2021 is to keep the same low level as in 2020. This is also our long-time ambition.

For gender equality our KPIs will be to measure the percentage of women in various part of the organization. We currently have 13% women on our Board of Directors. Our long-term (three years) ambition is to increase this number to 40%. The same long-term targets applies to women in C-suite positions and in our total work force.

Regarding work-life balance we will measure the turnover rate. Our target for 2021 will be to keep the same level of turnover as in 2020.

# 33%

Women on Board of Directors in 2021

### Improvement activities in 2021

- "Likestillt arbeidsliv" (Equal working life) certification.
- Maintain a safe working environment for all employees during the pandemic.



## Climate impact

How services and products of our portfolio companies are enabling the transition to a low carbon society, dominates the climate impact of AFK. We will of course also measure our own carbon impact, expanding our GHG-emissions reporting of a smaller part of our portfolio in 2020, to a more complete estimate and measurement of our GHG footprint in 2021.

### KPIs and targets in 2021

In 2021, we will estimate and measure scope 1, 2 and 3 emissions for the whole portfolio.

We will also start measuring our complete energy use, including source of energy.

Measurements of GHG and energy use in 2021, will provide information that will be used to establish a baseline for targeted improvements and to establish our long-term ambitions for reducing our GHG-emissions, in order to contribute to a low carbon future.

### Improvement activities in 2021

In 2021, we will establish a common system and methodology in AFK for calculating GHG emissions. We will establish a baseline and targets for GHG-emissions.

We will further study the EU Taxonomy and prepare for disclosure of our portfolio, according to the methodology suggested by EU.

### Other activities

- Report according to the Green Bond Framework for AFK.
- Complete and improve the climate risk analysis.
- Improve and update the materiality analysis.
- Report in compliance with UN Global Compact and CDP.

The AFK  
Sustainability Team

# Honey. Ferries. Vegetables.



From left: Ingunn Ettestøl, Magnus Johansen and Kirsti Homstøl. Photo: Arne Roger Janse

The AFK Sustainability Team was established in 2020. Sporting a group of enthusiastic and ambitious people, the team is committed to improving the way AFK addresses environmental, social and governance issues. The team cooperates with a network of highly skilled people in the AFK portfolio companies.

**Kirsti Homstøl**  
Trainee,  
MSc Renewable Energy

A trainee and soon-to-become employee of Arendals Fossekompani, Kirsti is the heir to a bee farm and our in-house supplier of honey.

**Magnus Johansen**  
Business Developer,  
MSc Industrial Economics

Magnus is the IT and systems expert of the team. He loves taking the local boat to and from Hisøya where he lives.

**Arne Roger Janse**  
Communications Advisor,  
MBA Strategic Management

Arne Roger usually rides a bus to Arendal from Kristiansand where he lives. He pushes the team to communicate better.

**Ingunn Ettestøl**  
ESG Director,  
PhD Electrical Engineering

An eager grower of vegetables, Ingunn found last harvest of kale and potatoes particularly good. She says she is delighted to have such a great team at her disposal.

# Part 03

## Portfolio companies

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A large, white, sans-serif '03' is centered on the right side of the page. The background behind the text consists of a series of overlapping, curved, wavy lines in various shades of blue and teal, creating a dynamic, layered effect.

## Portfolio companies

# Common. Focus. Together.

Based on the materiality analysis, AFK identified three focus areas: Ethical business conduct, A great place to work, and Climate impact. These three focus areas also apply to our portfolio companies. However, Climate impact, will not be reported fully by all companies until 2021.

Our ambition is to identify and implement joint focus areas as this provides us with a tool for measuring and reporting the entire portfolio based on common KPIs.

#### **Ethical business conduct**

For Ethical business conduct we will focus on reporting on code of conduct, where the common KPI will be the number of employees who have signed the code of conduct. A joint ambition is to have all employees sign the code of conduct, and also receive training in the code of conduct.

#### **A great place to work**

For A great place to work, a KPI for AFK and our portfolio companies is the total number of women employed and how many of them hold C-suite positions. A joint ambition for portfolio companies will be to increase the number of women in their respective companies.

#### **Climate impact**

Focus areas related to Climate impact will show how AFK's portfolio has a direct impact on the climate. An ambition for all portfolio companies is to measure GHG-emissions for Scope 1, 2 and 3. Going forward, a joint system for measuring GHG-emissions will be used by our portfolio companies.

In the following we will present the portfolio companies with their common and unique focus areas.





# AFK Hydropower

## Portfolio company

HEADQUARTER  
FROLAND, NORWAY

CHAIRMAN  
JON HINDAR

CEO  
ØRJAN SVANEVIK

OWNERSHIP AFK  
100%

EMPLOYEES  
13

COUNTRIES  
1



Production of renewable energy is at the core of AFK Hydropower. To maintain a sustainable production of energy, the value of ESG for AFK Hydropower, is to ensure that the production of energy will be even more sustainable in all steps.

MORTEN HENRIKSEN, EVP AT AFK



AFK owns and operates hydropower plants in the Arendal watercourse. For more than 100 years, AFK Hydropower has delivered electric power to Norwegian industry and households. Annual output from our hydropower plants is approximately 500 GWh.

3

FISH SPECIES  
IN THE RIVER

15

TOTAL TONS OF  
CO<sub>2</sub> EMISSIONS

173.28

ELECTRICITY  
CONSUMPTION (MWH)

### UN Sustainable Development Goals

**SDG 7: Affordable and clean energy, in particular 7.1 and 7.2**

The production of renewable energy from hydropower will increase the share of renewable energy in the global energy mix. Electricity produced from hydropower is affordable and reliable.

**SDG 9: Industry, innovation and infrastructure, in particular 9.4**

AFK Hydropower will have a direct impact on the industry and infrastructure as the production of renewable electricity from hydropower requires more transmission lines.

**SDG 12: Responsible consumption and production, in particular 12.2**

AFK Hydropower values natural resources and will strive to maintain sustainable use of resources. AFK will follow restrictions and regulations for the Arendal watercourse to secure a responsible production of electricity.

**SDG 15: Life on land, in particular 15.1**

By following all restrictions and regulations for our dams and hydropower plants, we will ensure conservation and sustainable use of freshwater systems.

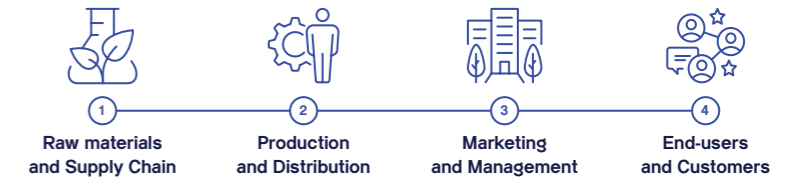
KPIs	2020	2019
Number of environmental accidents in the eco system <sup>1)</sup>	0	0
Number of fish species in the river <sup>2)</sup>	3	3
Gross direct (Scope 1) GHG emissions in metric tons of CO <sub>2</sub> equivalent.	11.89	19.50
Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO <sub>2</sub> equivalent. <sup>3)</sup>	2.95	3.40
If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO <sub>2</sub> equivalent. <sup>4)</sup>	0	0
Gross other indirect (Scope 3) GHG emissions in metric tons of CO <sub>2</sub> equivalent. <sup>5)</sup>	0.16	n/a

1) There were no major environmental accidents reported for the eco system surrounding the hydropower stations. 2) None of the species are red-listed or in danger 3) The Nordic energy mix is included in the gross location-based GHG-emissions. 17 g/kWh 4) Guarantee of origin. 5) Business travels by airplane.

# Focus areas AFK Hydropower

## Value chain

The value chain used to assess where companies have an impact.



## Ethical business conduct

Value chain **3**

Ethical business conduct is the basis of being a professional organisation. The values in AFK represents the AFK-way of ethical business conduct: Collaborative, long-term, dynamic and responsible.

### Performance and KPIs

The employees sign the company-wide code of conduct at the beginning of employment.

# 100%

have signed the code of conduct

### Work and activities today

AFK Hydropower follows the company-wide code of conduct for AFK. The code of conduct is signed at the beginning of the employment for each employee.

### Targets and ambitions

Make sure everyone have read and signed the newest/updated version of AFK's CoC.  
Implement updated supplier code of conduct, SCoC.  
Introduce training in AFK's code of conduct.



## A great place to work

Value chain **2 3**

The employees are of course essential for the operation of the hydropower plants. Their health and well-being are therefore the main interest of AFK Hydropower.

### Performance and KPIs

A risk and vulnerability analysis was conducted in 2020 with regards to the main tasks involved in the operation of hydropower plants. As a result, instructions and procedures were updated and a new register for chemical substances was established.

# 100%

Employees have completed courses in HSSE & FSE

### Work and activities today

Operating personnel is exposed to potential risks related to maintenance of heavy machinery, high voltage systems and seasonal floods. To maintain health and safety for our employees, AFK Hydropower conducts risk and vulnerability analyses to map possible hazards and increase awareness. Employees will each year complete courses in HSSE and FSE (safety regulations when working in and operating electrical installations). Any accidents are recorded.

### Targets and ambitions

Make sure all the employees in need of HSSE & FSE have completed the courses.

A new and more efficient method for analyzing and reviewing risks and vulnerabilities is to be implemented.



## Climate impact

Value chain **2 4**

The core of AFK Hydropower is production of renewable power. This has a positive climate impact and increases the renewable energy share in the global energy mix.

### Performance and KPIs

In 2020 AFK Hydropower started to estimate Scope 1 CO<sub>2</sub>-emissions for their facilities. This estimate includes estimates of CO<sub>2</sub>-emissions from the cars owned by AFK Hydropower and establishing accounting standards for SF<sub>6</sub>-emissions from high voltage switches.

# 11.89

Tons of CO<sub>2</sub> from operation (Scope 1)

### Work and activities today

The hydropower plants owned by AFK are relatively old, and they need lubrication to function properly. Fossil fueled cars are used to drive between the various locations of the dams and plants. The electricity for the administration building is purchased with guarantee of origin. SF<sub>6</sub> is used in the switches for high voltage.

### Targets and ambitions

Improve the system for measuring the amount of greenhouse gas emissions scope 1, 2 and 3. Improve the accounting standard for SF<sub>6</sub> emissions.

### Green opportunities

Future purchases of cars is an opportunity to phase out fossile fuel cars and phase in electric vehicles.



## Environmental footprint of operations

Value chain **1 2**

Protection of the environment surrounding of the hydropower production is important for AFK Hydropower. A strategy to minimize the environmental footprint of our own operations is essential.

### Performance and KPIs

# 0

Environmental accidents in 2020

### Work and activities today

Species of fish affected by our hydropower stations have been subject of an external audit. Environmental reviews and audits are conducted annually. Any accidents are reported.

AFK Hydropower recycles both hazardous and non-hazardous waste. AFK Hydropower owns and operates a treatment plant for fresh water on site. By following the restrictions and regulations for the Arendal watercourse, AFK Hydropower contributes to sustainable conservation of freshwater ecosystems.

### Targets and ambitions

Establish a more efficient system for tracking audits, reviews and environmental accidents.

# Volue

## Portfolio company

**HEADQUARTER**  
OSLO, NORWAY

**CHAIRMAN**  
ØRJAN SVANEVIK

**CEO**  
TROND STRAUME

**OWNERSHIP AFK**  
75.7%

**EMPLOYEES**  
624

**COUNTRIES**  
8



The green transition and sustainability management is vital for future prosperity of all societies. We at Volue believe great people, delivering comprehensive software and technology services, hold the key to a cleaner, better future. Therefore, sustainability is not just an add-on of our corporate strategy. It is the core of our very existence.

TROND STRAUME, CEO



Volue is a leading supplier of technology and an enabler of the green transition. Serving more than 2000 customers in 40+ countries, the company is built on 50 years of green technology expertise. Volue offers software, systems and insight that optimise production, trading, distribution and consumption of energy, as well as infrastructure and construction projects. Headquartered in Norway but acting globally, Volue provides services critical for societies and leads the market's transition to a clean, flexible and reliable tomorrow.

# 22%

FEMALE EMPLOYEES

# 2.0%

ABSENTEE RATE

### UN Sustainable Development Goals

**SDG 7: Affordable and clean energy, in particular 7.2 & 7.A**

Volue's expertise within energy analysis, production, optimisation, trading and distribution allows energy companies to get the most out of their resources, and aspire to play an important role in enabling an energy future with a greener, yet more volatile energy mix and increased electrification of society.

**SDG 11: Sustainable cities and communities, in particular 11.B**

Volue invests in solutions and takes part in international partnerships enabling smart communities and enhanced use of local renewable resources which fuels electrification and renewable energy consumption and reduce the need for new grid investments.

**SDG 6: Clean water and sanitation, in particular 6.4**

Volue offers system documentation of water infrastructure, detection of leakages and renewal planning. Combined with competences within instrumentation and automation, Volue helps ensure that water and wastewater are transported safely and prevents flooding and waste.

KPI's	2020	2019
Male employees <sup>1)</sup>	78.00%	n/a
Female employees <sup>1)</sup>	22.00%	n/a
Injury rate (IR) <sup>2)</sup>	0	n/a
Absentee rate (AR) <sup>3)</sup>	2.00%	n/a
Work-related fatalities <sup>4)</sup>	0	n/a
Total number of new hires <sup>5)</sup>	98	n/a
Total turnover <sup>6)</sup>	52	n/a
Turnover rate <sup>7)</sup>	10%	n/a

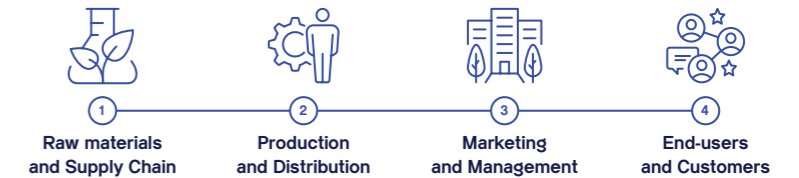
1) Defined as permanently hired employees 2) LTI = ([Number of lost time injuries in the reporting period] x 1,000,000) / (Total hours worked in the reporting period). 3) Absentee rate as defined by national authorities. AR = Number of absence days during year / number of available work days during year 4) All companies to report this for 2020, but numbers will not necessarily be published. 5) Male; 90 Female; 27 6) Total number employees 31. Dec - Total number of employees 01. jan 7) Total number of employees 31. Dec - Total number of employees 01. jan / Average number employees

# Focus areas Volue

Volue enables its customers to deliver value to society by offering technology to protect communities and enable a green transition. At Volue, we promote togetherness to create positive change. Being a trustworthy partner to all stakeholders, from suppliers through the company's employees to new and future customers, is seen as essential for business operations and growth. Read more about our four focus areas identified in the Volue materiality assessment conducted in September 2020.

## Value chain

The value chain used to assess where companies have an impact.



## Ethical business conduct

Value chain 1 2 3 4

**Ethical business conduct and good corporate governance is part of the company's license to operate. As a global company operating in 40+ countries, ensuring legal compliance in all countries and markets it operates in is critical for the company's future success.**

### Performance and KPIs

All parts of the Volue Group had their own code of conduct in place prior to establishing Volue. The CoC was signed at the beginning of the employment for each employee.

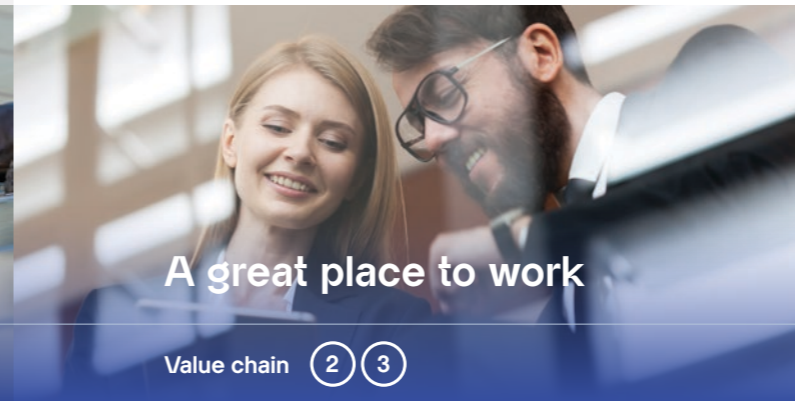
### Work and activities today

- 1) The Volue code of conduct will contain a whistleblower policy for reporting breach of CoC including a description of the process of how such reporting is handled.
- 2) The Volue code of conduct will describe and exemplify what corruption is and what is forbidden for employees to give or accept.

Volue suppliers must sign a Supplier Declaration in which they confirm compliance with the principles set forth in the Volue CoC, including anti-corruption and anti-bribery rules. Volue will always align its conduct with the Ten Principles of the UN Global Compact and the UN Declaration of Human Rights, and with other international laws and codes of conduct where such are applicable.

### Targets and ambitions

A key priority for the work on ethical business conduct in 2021 is to implement a shared code of conduct including a whistleblower policy across Volue, in addition to defining shared company values and enhancing the compliance with these. A screening checklist for suppliers and a process description for Volue will also be implemented across the Group. All employees have to read and confirm that they have read and understood Volue's code of conduct.



## A great place to work

Value chain 2 3

**Volue creates value through combining deep domain knowledge with state-of-the-art technology. The people of Volue – with their knowledge and capabilities are the company's greatest asset. Recruiting and retaining top talent and ensuring a diverse workforce is a prerequisite for future value creation.**

### Performance and KPIs

Diversity in terms of gender balance and share of non-Nordic employees, absentee rate and turn-over are identified as strategic KPIs to the company.

### Work and activities today

To remain an attractive employer to diverse and talented profiles, Volue is developing and reviewing internal policies, HR-related processes and terms & conditions for all employees across the Group. The company is regularly conducting talks and employee surveys and has appointed HSE and employee representatives. Employees can report concerns regarding the working environment to HR, nearest line manager or working environment committees. Special measures to enhance working conditions during the Covid-19 pandemic have been implemented.

### Targets and ambitions

Volue will cultivate a company culture characterised by respect, inclusion, equality and diversity. Volue will promote equality and diversity in all recruitments and monitor and follow up the share of women and non-Nordic employees in order to retain top talent with the necessary skills and knowledge. Also, the company will work to keep low absentee rates and ensure a high degree of well-being and open dialogue with employees.

An Employee Satisfaction Index with follow-up will be implemented in Q2 2021, and company-wide vision, mission and value statements will be refined and implemented during the coming year.



## Reliable products and services

Value chain 4

**Society is dependent on critical infrastructure to which Volue delivers products and services, and the company must therefore continuously strive to maintain high security and quality in products and operations.**

### Performance and KPIs

Security and quality have been key focus areas for the companies in the Volue Group, and will continue to be so. New procedures and measurements will be established across the Group in 2021.

### Work and activities today

Volue focuses on fulfilling customer needs when it comes to managing their responsibilities to deliver services critical to society through their products. But we also work to streamline and monitor efforts across the company ensuring high product up-time and security.

### Targets and ambitions

A common quality system and a security KPI will be established across the Group in 2021. The measurements will cover the entire organisation and will be categorised according to the company's ability to govern and measure security related work, and to detect and mitigate any security incidents or threats. Further, renewing the ISO 9001:2015 and ISO 27001:2013 for the already certified part of Volue will be a priority in 2021.

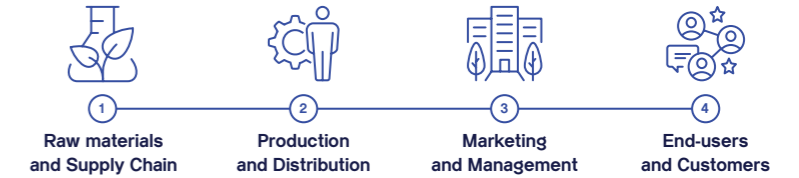
### Green opportunities

To Volue, being able to show reliability in terms of product up-time and security is a prerequisite for being in business over time. Also, understanding and fulfilling customer requirements when it comes to building resilience to operational challenges, will be important to build a strong position within sectors expected to ensure security of supply at all times.

# Focus areas Volue

## Value chain

The value chain used to assess where companies have an impact.



## Environment

Value chain 1 2 3 4

Through delivering software, insight and services Volue enables their customers to enhance their efforts on resource efficiency and increased share of renewable energy. As a global company Volue is directly and indirectly impacted by the environment and its business operation has a direct and indirect impact on the environment.

As a company with potential and ambitions regarding sustainability, Volue must ensure that its operations live up to high environmental standards. This means that Volue must produce products in an environmentally sustainable way, as well as provide products and services that enable customers to limit their environmental footprint.

Volue's work internally with regards to minimizing the environmental impact is not only important to Volue who believes it is a responsibility, but also to gain trust from customers and to recruit and retain environmentally conscious employees.

### Green opportunities

Delivering products and services that address sustainability challenges will be a key driver for growth in new and existing markets.

Not only is it Volue's duty to society to act in a sustainable manner, but delivering products which are considered environmentally friendly will give a competitive advantage and position Volue both as a leader in the field and as an attractive employer for forward-thinking and environmentally conscious employees. Moreover, limiting emissions and reducing energy consumption will be more cost-efficient.

### Performance and KPIs

#### SUSTAINABLE PRODUCT DEVELOPMENT

Quantifying the impact of Volue's products and services at an aggregated level, would yield inaccurate results. However, Volue has started a process for identifying and calculating concrete, quantifiable examples on the impact of the Volue portfolio when used by customers.

#### EMISSIONS

Continue gathering the required data and align on targets to reduce energy consumption and emissions from our operations.

97.04

Tons of estimated CO<sub>2</sub> indirect emissions (Scope 2)<sup>1)</sup>

112

Tons of estimated CO<sub>2</sub> indirect emissions (Scope 3)

<sup>1)</sup> The data is based on energy consumption and includes the main offices of the company, where about 66% of the total number of employees work. The energy consumption accounted for does not include minor locations with less than 20 employees.

### Work and activities today

#### SUSTAINABLE PRODUCT DEVELOPMENT

Continue to deliver products and services enabling increased share of renewable energy, and enhanced resource efficiency within water management and infrastructure building.

Increase use of on-premise virtualization and cloud services to reduce the amount of physical servers and energy use.

#### RECYCLING

Volue's business locations have a waste management system to facilitate recycling according to local regulations. Electronic and other hazardous waste is handled separately and disposed of safely by a recognised waste collector. Employees shall actively contribute to reduce paper consumption.

#### EMISSIONS

Volue is working to gather the required data and align on targets to reduce energy consumption and emissions from its operations, focusing on office energy consumption and travelling.

### Targets and ambitions

#### SUSTAINABLE PRODUCT DEVELOPMENT

Implement sustainability as an essential part of our strategy and brand. Volue will identify case examples showing Volue's impact on environmental indicators for our customers.

- Use sustainability as a driver and evaluation criteria when identifying, initiating and evaluating innovation efforts and new investments.
- Establish procedures for evaluating the ESG impact of Volue's strategy and investments.
- Review technical screening criteria for the IT and software industry once completed and report according to the EU taxonomy as soon as this is put into force.

#### RECYCLING

Seek to sustainably source the materials that are used for Volue's products and maintain and improve routines for proper recycling. Long-term, Volue will seek to make a greater contribution to the circular economy.

#### EMISSIONS

Review and make a plan for how to reduce emissions and energy consumption from our operations. A baseline will be identified. Enhance sustainability in Volue's operating practices, by developing company-wide environmental and travelling policies and mapping current procurement routines (hardware, other equipment, request supplier environmental declaration).

Volue

Built on decades of experience, enabling a greener future.



By delivering software, insight and services for energy production, trading and distribution, Volue is enabling the green transition across Europe.

The main driver for power producers is to maximise the value of their resources. Hydro, thermal, wind, photovoltaic and batteries generate power to always-on markets - 24/7. Efficient planning is crucial to achieving maximum value and minimum costs for each power plant – and complex portfolios of available assets.

Using Volue's solutions for optimal planning, energy producers can document increased value but also reduced emissions. In Europe, producers plan to operate a total of more than 150 TWh annual power with Volue products. The largest European utilities such as Fortum, Enel and Uniper are using Volue's technology. They confirm that the solutions are an essential brick in their strategy to realise the energy transition.

Volue can document more than 5% gained value in the market from hydropower generation when using our products. Most large power producers in Europe have a diverse energy system portfolio with hydropower and thermal plants. However, our optimised production plans contribute substantially to reducing emissions due to hydro plants' increased efficiency, leading to lower power generation from thermal plants. Also, energy storage in the form of a reservoir or a small scale battery is essential to portfolio assets. Planning becomes more complicated – and Volue will add additional "green" value. Overall, Volue's products increase the value of clean energy assets and reduce emissions from mixed-asset portfolios, hence realising the green shift for all societies.

# EFD Induction

## Portfolio company

**HEADQUARTER**  
SKIEN, NORWAY

**CHAIRMAN**  
ØRJAN SVANEVIK

**CEO**  
BJØRN E. PETERSEN

**OWNERSHIP AFK**  
98.7%

**EMPLOYEES**  
971

**COUNTRIES**  
17



In essence, adhering to an ESG framework means that you are future proofing your business. Companies that have made this a priority have the tools to deal with the dramatic challenges that are thrown at us all from time to time.

BJØRN E. PETERSEN, CEO



EFD Induction is one of the world’s largest industrial induction equipment makers. Induction heating is accurate, repeatable, safe, controllable, and requires a minimum of energy. EFD Induction’s best-in-class heating solutions can be profitably used in virtually any industrial application that requires heat, providing benefits such as improved throughput, better and consistent quality, and reduced costs.

### UN Sustainable Development Goals

EFD Induction is committed to integrating our environmental, social and corporate governance responsibilities into our business decisions and operation. The 17 UN sustainable development goals address the global challenges the world is facing. Whilst they are all interconnected, EFD Induction has chosen to focus on four that are most relevant to the company and the industry we operate in.

#### SDG 8: Decent work and economic growth

EFD Induction ensures equal rights and opportunities for all the employees. EFD Induction bans all forms of discrimination on grounds of ethnicity, gender, sexual orientation, ethnicity, religion or disability.

#### SDG 9: Industry, innovation and infrastructure

EFD Induction is always at the forefront of technological development and has unrivalled expertise and experience with induction heating. EFD Induction is constantly working on innovative application development.

#### SDG 12: Responsible consumption and production

The technology is eco-friendly, and the products contribute to high energy efficiency, minimal pollution and rational production for the customers.

#### SDG 13: Climate action

The technology replaces polluting heating methods such as gas flames or furnaces with an eco-friendly alternative. EFD Induction brings the benefits of induction technology to manufacturing and service companies all over the world.

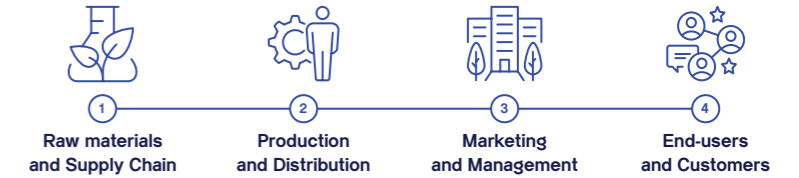
KPIs	2020	2019
Male employees <sup>1)</sup>	84.50%	85.00%
Female employees <sup>1)</sup>	15.50%	15.00%
Injury rate (IR) <sup>2)</sup>	1.80	3.40
Absentee rate (AR) <sup>3)</sup>	2.62%	2.21%
Work-related fatalities <sup>4)</sup>	0	0
Total number of Workforce that has signed the latest version of Code of Conduct	969	1068
% Workforce that has signed the latest version of Code of Conduct	100%	100%
Total number and percentage of governance body members that the organization’s anti-corruption policies and procedures have been communicated to, broken down by region.	100%	100%

1) Defined as Full-time Employees (FTE) 2) LTI = ((Number of lost time injuries in the reporting period] x 1,000,000) / (Total hours worked in the reporting period). 3) Absentee rate as defined by national authorities. AR = Number of absence days during year / number of available work days during year 4) All companies to report this for 2020, but numbers will not necessarily be published.

# Focus areas EFD Induction

## Value chain

The value chain used to assess where companies have an impact.



## Ethical business conduct

Value chain 1 3 4

All employees base their daily work and behaviour on the company values – respectful, reliable, cooperative and passionate – in order to follow the law, act honourably and provide products and services to the customers at reasonable prices, without compromising on quality or reliability, as well as to serve customers in the best possible way wherever they are located.

### Performance and KPIs

100% of all EFD Induction employees have signed the company code of conduct and it is routine for all new employees to sign the most recent version.

# 100%

of employees have signed the company's code of conduct

### Work and activities today

A company code of conduct is implemented and translated to all main languages. No employee shall be discriminated or retaliated against for reporting in good faith a violation of the EFD Induction CoC.

Before EFD Induction enters into cooperation agreements, joint ventures or targets to acquire a company, due diligence procedures are mandatory to reveal any deviation from their non-tolerance guideline regarding corruption. There are regular in-house financial audits.

To minimise the risk of corruption and fraud, the four-eyes principle is applied to all transactions.

### Targets and ambitions

In 2021, EFD Induction will establish a system for annual training of at least 20% of the workforce in the code of conduct.

# 20%

of employees will receive training in code of conduct



## A great place to work

Value chain 2 4

As a global company, EFD Induction sees daily evidence of the benefits of diversity and cooperation across borders, cultures and skill sets, and is a strong believer in equal rights and opportunities for all. EFD Induction brings their dedication to safe working conditions one step further, as their induction heating solutions contribute to a safer and better working environment – not just for their own employees but for those of their customers as well.

### Performance and KPIs

At the end year there were 971 employees, of which 85% are men and 15% are women. The companies in the group are largely connected to electrical / mechanical production and engineering, which is traditionally a male-dominated arena. However, EFD Induction is pleased to report that two women have taken positions as Managing Directors for the operations in Romania and Norway.

The LTI ( H-value = number of injures with absence per million working hours ) went down from 3.4 in 2019 to 1.8 in 2020.

The number of work-related accidents resulting in absence went from 8 in 2019 to 3 in 2020 and took place in USA and Germany, respectively. The total days of absence from these accidents went from 74 in 2019 to 20.5 days in 2020. The injuries were of a non-permanent nature.

# 3.4

Long-term injuries 2019

# 1.8

Long-term injuries 2020

### Work and activities today

EFD Induction ensures equal rights and opportunities for all employees and bans all forms of discrimination on grounds of ethnicity, gender, sexual orientation, ethnicity, religion or disability.

EFD Induction subsidiaries measure and continuously work to improve health and safety at production sites, hiring practices, work-life-balance and efforts made to ensure employee satisfaction.

Throughout the years, EFD induction has consistently had low rates of sickness absence and accidents at work. Low turnover and an exceptionally loyal workforce are testaments to the high job satisfaction and feeling of achievement amongst the employees.

### Targets and ambitions

EFD has an ambition to increase the number of women in the workforce by 33% - from 15% to 20% of the total workforce - over the next five years.

In 2021, EFD Induction plans to implement a net promoter score of 1 – 10 to assess how likely is it that EFD Induction employees will recommend their workplace to other people.

# 33%

Increase in number of women in the workforce



# Focus areas

## EFD Induction

### Sustainable products

Value chain 1 2 4

EFD Induction is dedicated to protecting the environment and fighting against climate change. Through its expertise and technology, the company aims to be a partner who can assist and advise its customers on how to make the manufacturing and maintenance of metal products a clean and green process.

#### Performance and KPIs

EFD Induction has established a global work group to define KPIs that will enable the company to further improve their constant effort for more efficient and eco-friendly products.

#### Work and activities today

EFD Induction is a leader in the development of energy efficient induction heating solutions. The new digital control system, prepared for Industry 4.0, delivers predictive data and insights, enabling the customers to maximize their supply chain and asset performance.

The launch of the new Compact Weldac tube welder resulted in considerable environmental improvements and significantly reduced running costs with raised efficiency, improved output power and less cooling water requirements.

Induction technology is eco-friendly and EFD Induction's efficient products ensure rational production and minimal pollution. Reducing the use of energy and GHG emissions while cutting operation costs allow for a sustainable and profitable production.

#### Targets and ambitions

EFD induction will develop a historical graph to demonstrate their sustainability commitment.

Given the acceptance from key customers to collect and analyse relevant data, EFD Induction will conduct a customer survey to learn how the company may help customers improve their sustainability performance.

Long-term ambition: Life Cycle Assessment (LCA) and/or Environmental Product Declaration (EPD) for the products.

#### Green opportunities

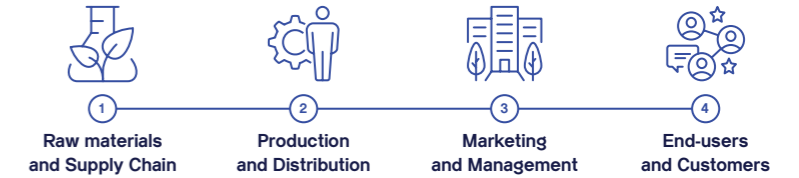
More energy efficient products and reduced material usage. Predictive and remote servicing does not only lead to a longer lifetime for the machines, it also reduces the need for travelling.

Cost efficient machines with small footprint save resources and space.

High efficiency, durable machines ensure lower energy consumption as well as lower GHG emissions.

#### Value chain

The value chain used for the assessment to see where the companies have their impacts.



### A responsible and robust supply chain

Value chain 1 2 4

EFD Induction complies with regulatory requirements regarding prohibition and restriction of hazardous substances and will avoid using conflict materials, i.e. materials that originate from conflict areas and contribute to fund governments and movements which violate fundamental human rights.

#### Performance and KPIs

EFD Induction will implement these KPIs in 2021:

- Percentage of suppliers have signed the supplier code of conduct
- Percentage of prioritized suppliers have completed self-assessment questionnaire

#### Work and activities today

EFD Induction is part of a major global industry and operates in a premium segment of the market, with many of the world's largest and most prestigious production companies as customers. In this market, there is a strong demand to demonstrate a sustainable supply chain – most particularly so in the automotive industry.

EFD Induction subsidiaries have local procedures for internal approval of all new suppliers.

In 2020, EFD Induction established a global work group to implement common global routines and KPIs. In cooperation with BHR and AFK, the internal approval form was refined and a new supplier code of conduct, a supplier self-assessment form and a supplier due diligence policy was worked out. A new environmental policy that involves own production as well as that of the suppliers, was also established.

#### Targets and ambitions

EFD Induction will establish routines to make sure A and B rated suppliers receive and sign supplier code of conduct and self-assessment form.

EFD Induction aims to receive confirmation from at least three quarters of the materially categorized suppliers.

#### Green opportunities

As EFD Induction puts an ever stronger demand on its suppliers, this will contribute to an eco-friendlier production chain. These efforts will help reduce GHG emissions, water consumption, the use conflict minerals and more.

## Focus areas

### EFD Induction

#### Resource efficient production

Value chain ① ② ④

EFD Induction supports the shift towards sustainable growth via a resource-efficient, low-carbon economy. The energy transition will continue to increase in importance as investors prioritize environmental, social and governance factors, and customers should feel secure that EFD Induction products are manufactured and distributed in a sustainable and responsible way.

#### Performance and KPIs

##### Greenhouse gas emission

- Scope 1 - direct emissions
- Scope 2 - indirect emissions from electricity purchased
- Scope 3 - other indirect emissions
- Energy source (renewable vs. non-renewable)
- Waste by type and/or disposal method (e.g. recycle rate)

#### Work and activities today

EFD Induction always claims to put the smarter heat to smarter use. The company is also smart about how to utilise resources – be it raw materials, energy or water.

There is a strong link between energy efficiency and resource efficiency, and the compact, robust and highly efficient products from EFD Induction contribute to less waste, less pollution and less use of both energy and resources.

EFD Induction is also a strong proponent of renewable energy. In fact, induction and renewable power form a 'virtuous circle' where clean electricity powers induction heating systems that make turbines that generate clean electricity. It's a beautiful partnership!

#### Targets and ambitions

EFD Induction is working to establish common measurement routines and get an overview of measurements being conducted in their subsidiaries.

There are local measurement systems and initiatives for waste handling and GHG emissions in place at the company's production sites.

EFD Induction will begin the ISO 14001 certification of generator production at its production facility in Norway. The company also have a long-term goal of ISO 14001 certification for all production units.

#### Green opportunities

More resource and energy efficiency and less GHG emissions from transportation and at production sites.

Longevity of the products means less waste, including E-waste.

## Efforts for better working conditions bear fruit

When EFD Induction opened its new state-of-the-art factory building in Bengaluru, India, the company planted mango trees in the garden for all to enjoy.

EFD Induction's new building in Bengaluru, India, has been specifically designed to be functional and encourage productivity as well as to be sustainable and energy saving – both during the building process and in use. The philosophy is summed up in four words: simplicity, rationality, transparency and energy efficiency.

The interior aims to generate a purposeful ambience that stimulates productive potential and employee comfort, with the assembly bay at the centre, ensuring a smooth productive process and communication for all. One wall is covered by green plants, forming a sort of vertical indoor garden.

Outside, the sleek modern facade is juxtaposed by a lovely orchard where the trees not only serve as decoration and give much-appreciated shade, this year, for the first time, they will also provide tasty treats.



**ORCHARD** The lovely garden is a perfect spot to take a break under the shade of a mango tree. Soon the fruits will be ripe.



**LIVING WALL** A vertical garden creates a great atmosphere in the lobby.

EFD Induction

## Red-hot heat going green



In 2020, EFD Induction established itself as the world's leading supplier of heating solutions for the renewable energy sector.

Despite the Covid-recession, EFD Induction saw a record order intake in the final quarter of 2020. With several very large contracts, the company now dominates the market for hardening machines used in the production of wind turbines.

Whilst traditional power generation struggled during last year's crisis, green energy was booming. Wind power is now one of the fastest growing energy sources in the world, providing a sustainable alternative to fossil fuels and at the same time opening up an expanding market for equipment to harden the large bearings that are needed for the enormous rotors to turn.

Induction is the best available technology for hardening metal, delivering much faster, more accurate and higher quality results. With its unique expertise in this field, EFD Induction is the ideal partner to assist and advice companies operating in the renewable-energy sector. Its induction technology helps make the manufacture and maintenance of turbines and other tools of the energy industry a clean and green process.

EFD Induction has always offered the most sustainable heating solutions. Extremely fast and energy-efficient, induction is an inherently clean process that eliminates the hazards of naked flames, reduces the need for fuel transport, and promotes safer, healthier workplaces.

Although it is operating in a large number of global markets, EFD Induction has previously been dependent on the automotive industry, and thereby vulnerable to global fluctuations in the production of, for example, engines and gearboxes. It has therefore long been a goal to expand into new markets, and last year's success in the green energy sector is the culmination of a dedicated effort. At the same time, we see a change in the automotive industry with a transition to electric cars and EFD Induction has also received several large orders as the industry invests in new production lines.

# Tekna

## Portfolio company

**HEADQUARTER**  
SHERBROOKE, CANADA

**CHAIRMAN**  
MORTEN HENRIKSEN

**CEO**  
LUC DIONNE

**OWNERSHIP AFK**  
100%

**EMPLOYEES**  
176

**COUNTRIES**  
4



As Tekna continues to develop and grow, it is further integrating ESG focus into its global business activities. This is important for Tekna’s current and future customers, its employees, its owners and society at large. By embracing a culture of sound ESG practices, Tekna is investing in its future and that of human kind.

LUC DIONNE, CEO

Tekna is among the world leading producers of high value-added metallic powders, mainly used in additive manufacturing and electronic products. The proprietary technology used by Tekna to produce powder is perfectly adapted for these fast-growing markets. Plasma systems are using patent-protected technology and are designed and manufactured in-house. Its systems are designed to perform with the utmost precision for many applications developed internally with the company’s R&D and engineering teams. Tekna is a global player recognized for its quality products and its commitment to a multinational client base, who are leaders in their respective markets.

## 7.3

HAZARDOUS WASTE RECYCLED (TONNES)

## 2.4%

ABSENTEE RATE

### UN Sustainable Development Goals

**SDG 7: Clean and affordable energy, in particular 7.B**

Ensure access to affordable, reliable, sustainable and modern energy. Tekna developed a cost-efficient process to produce silicon nano powders for increased battery capacity and resource efficiency.

**SDG 9: Industry, innovation and infrastructure, in particular 9.2, 9.4 and 9.5**

Build resilient infrastructure, promote sustainable industrialization and foster innovation. Tekna contributes to SDG 9 through circular and resource efficient products through additive manufacturing.

**SDG 12: Responsible consumption and production, in particular 12.2, 12.4, 12.5 and 12.6**

Ensure sustainable consumption and production patterns. Tekna contributes to SDG 12 by developing resource efficient production processes with low carbon emission.

KPIs	2020	2019
Water used per kg product produced <sup>1)</sup>	0.078 m3	0.054 m3
Total water consumption in TPS facility Canada <sup>2)</sup>	8,247	19,472
Energy use per kg product produced (Ti64) <sup>3)</sup>	17.70	20.50
Energy use per kg product produced (AlSiMg) <sup>4)</sup>	7.25	8.15
Total of hazardous waste (tonnes) <sup>5)</sup>	22.00	39.50
Total amount of hazardous waste recycled (tonnes) <sup>6)</sup>	7.30	5.70
Estimated materials saved by customers in industry when using Tekna’s solutions and products <sup>7)</sup>	100-650 tonnes	80 -500 tonnes

1) Canada - TAM Increase due to R&D activities in the same facility; As of yet Tekna cannot separate water used for production and for R&D. 2) Canada - TPS By redesigning and revamping R&D laboratory and water cooling systems the team at Tekna facility management generated an annual saving of 10 000 cubic meter of fresh water in the TPS facility (average consumption TPS 2015-2019 23000m3). 3) Canada - TAM Improvement due to wire feedrate increase 4) Canada - TAM Improvement due to wire feedrate increase. 5) Canada - TAM In 2019 and 2020, powder from R&D has been disposed. This is included in the figures and not a waste of the normal production process powder and systems. 6) Canada - TAM Material recycled at a site close to the production facility. 7) Rough estimation based on overall Tekna powder sales and an estimation of 60%-90% potential material saving depending on industry.

# Tekna

## Focus areas



### Ethical business conduct

Value chain 1 3

**Tekna believes only businesses with fair, clean and transparent business practices can succeed in the long-term.**

#### Performance and KPIs

The 2020 Corporate Social Responsibility (CSR) policy, was confirmed by all but a few new employees.

In 2021 the implementation of a new ERP system will further improve the segregation of duties.

The policy "Supplier Social Responsibility" was deployed to Tekna's raw material suppliers.

#### Work and activities today

The Tekna whistleblower policy has not reported any incidents in 2020.

Business guidelines are part of the CSR policy, which is compulsory reading for all employees.

Separation of duties has been implemented in finance and procurement

The CFO is signing all important contracts and governing all payments.

#### Targets and ambitions

##### EMPLOYEES BY 2021

- 1) 100% employees to sign most recent version of company code of conduct and internal audit process to be put in place.
- 2) 100% employees to complete annual training in company code of conduct.

# 100%

Of employees to sign most recent version of company code of conduct

##### SUPPLIERS WITH >150K CAD SPEND BY 2021

- 1) 75% to sign updated CSR policy.
- 2) 50% to complete the self-assessment questionnaire
- 3) A governance assessment and action plan is to be developed with particular focus on transactions in countries ranking lower on the Corruption Perceptions Index

# 75%

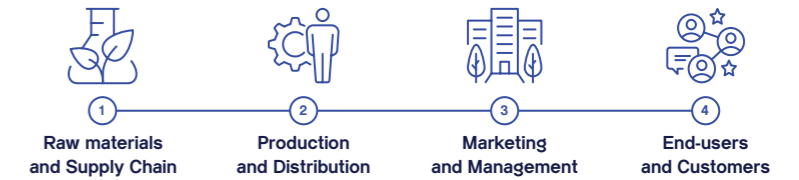
Of suppliers to sign updated CSR policy

# 50%

Of suppliers to complete the self-assessment questionnaire

#### Value chain

The value chain used to assess where companies have their impacts.



### A great place to work

Value chain 1 2

**Tekna believes in the strength of diversity. As a hightech company it is driven to keep and attract exceptional talent to drive innovations. Continued focus on the health, safety and well-being of its people is considered critical to its ongoing operations.**

#### Performance and KPIs

Tekna is happy to confirm it has increased diversity in its leadership by recruiting a woman to its team of executives.

The teleworking policy was deployed and relevant infrastructure put in place.

The 2020 ambition for monthly meetings with random employees became part of a larger initiative which will be rolled out in 2021.

#### Work and activities today

Tekna has created a work environment promoting diversity and free of any discrimination or harassment. The company is supporting, respecting, and protecting internationally recognized human rights. Managers are expected to ensure everyone respects these rights. The policy and guidelines supporting human rights are included in the company's Corporate Social Responsibility's document.

Employees health, safety and well-being are a priority at Tekna and management is actively involved. In the last 24 months no lost time injury occurred. Top management is sponsoring strategic projects to pursue cultural OHS improvement.

Prior to the Covid-19 pandemic, Tekna allowed sporadic teleworking for professional staff to accommodate work-life balance. Higher scale teleworking was deployed to mitigate pandemic risks.

#### Targets and ambitions

##### DIVERSITY BY 2021

- 1) Provided a position becomes vacant, Tekna endeavours to continue to increase diversity at upper management and executive level.
- 2) Perform baseline measurement of employee NPS.

##### OHS BY 2021

- 1) Zero accidents (LTI)
- 2) Improve the OHS cultural maturity level from dependent to independent (using employee assessment; levels refer to the Bradley curve).
- 3) Increase % completion of internal safety audits by management and supervisors focussing on 4 critical hazards to 90%.

##### HRM

- 1) Develop and deploy a master plan to activate effective retention levers and increase the well-being of employees (Staff retention interview, Employee satisfaction survey, Recognition program, etc.)

# 90%

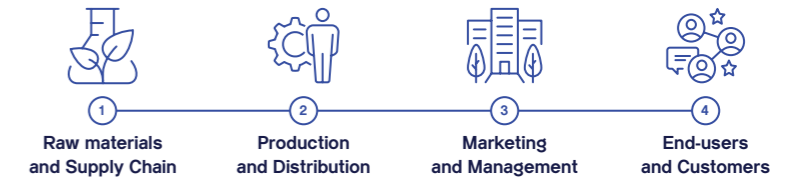
Increase in completed internal safety audits

# Tekna

## Focus areas

### Value chain

The value chain used to assess where companies have their impacts.



## Circular and resource efficient products

Value chain 4

Tekna aspires to actively contribute to the implementation of solutions with its customers supporting the circular and resource efficient concepts. This will reduce the environmental impact of the value chains it operates in.

### Performance and KPIs

Tekna this year added the work stream of "Circular and resource-efficient products" to its ESG strategy. The aim is to support customers in improving their footprint. The KPI we are looking to develop should give insights into the raw material saving achieved by using additive manufacturing (AM) as this quantifies the benefit of resource efficient AM vs traditional subtractive manufacturing.

### Work and activities today

Aerospace industry is a targeted market for powders in additive manufacturing. This fast growing market is seen as a greener solution to produce parts as it consumes less raw materials, yields relatively lighter parts which turns into lighter airplanes thus improving fuel economy.

Tekna developed a cost-efficient process to produce silicon nano powders for manufacturing of Lithium-ion batteries (LiB). The use of silicon nano powders opens the possibility to increase the LiB energy storage capability by up to 60% according to theoretical models.

### Direct benefits:

- 1) Increases clean energy storage capability (windmills, solar cells, etc.)
- 2) Reduces the volume of raw materials in manufacturing LiB thus the cost.
- 3) Increases clean energy performance as a substitute to coal and fossil-fuels.
- 4) Reduces global consumption of fossil fuels.

## Resource efficient production

Value chain 2

Tekna's focus on resource efficient production allows it to reduce its production cost and contributes to securing and improving its market positions.

### Performance and KPIs

Tekna conducted an internal assessment to uncover further improvement potential towards the goal of more resource efficient operations. The priority was set estimating the impact and time needed for the measure.

### Work and activities today

The manufacturing processes developed by Tekna have the following characteristics:

- 1) Low carbon emission (scope 1 and 2)
- 2) 95% of the gases involved in the manufacturing of its products are reused in the processed.
- 3) 100% of the power used to run the facility and the processes are sourced from clean energy hydro power plants (Canada).
- 4) The heat generated by the plasma systems is recuperated and recirculated to heat the facilities.
- 5) Gases stocks are maximized with gas trailers and silos containers avoiding non eco-friendly weekly replacement of bulk packs.

### Targets and ambitions

#### OPERATIONS

- 1) Improve productivity of Tekna operated plasma system (feedrate and torch design) to achieve greater energy conservation.
- 2) Eliminate, reduce, recycle helium & other process gases
- 3) Quantify the actual recycling rate and define improvement target and action plan.

#### FACILITY

- 4) Improve water usage at the Tekna Plasma Systems plant with a structural building change.

## Minimizing climate impact

Value chain 1

Apart from an innate Canadian belief to preserve the environment, Tekna also firmly believes climate change will damage economies, devastate populations, increase resource scarcity and dramatically impact the cost of doing business.

### Performance and KPIs

The environment committee was instated, and it is working towards the goal to achieve the first level of a local recycle program "Ici on recycle+", a provincial recognition for non-hazardous waste management.

### Work and activities today

100% of the electricity used to run the Canadian facilities and the processes are sourced from clean-energy hydropower plants.

Empowered by the pandemic, teleworking infrastructure, policies and culture have been vastly adopted. By adding technical solutions like Hololens, virtual productivity has further improved.

By redesigning and revamping R&D laboratory and water cooling systems Tekna facility management generated an annual saving of 10,000 cubic meter of fresh water.

### Targets and ambitions

#### GHG EMISSIONS

- 1) (Audited) quantification of the GHG emissions at production sites in Canada (Systems and powder sites),
- 2) Develop an action plan to further reduce overall GHG emissions (all scopes).
- 3) Continue virtual collaboration (also after pandemic) reducing employee travel - 2 days per week where possible. No travel for internal meetings (without 3rd party)

Tekna

From the tiniest of particles comes an entire universe of possibilities.

Tekna's micro and nano powder products increase productivity, with less waste, more efficiency and the promise of a greener future.

Additive manufacturing, aka 3D printing, equals environmental efficiency. Tekna provides a series of metal powders for a global market in which additive manufacturing is on track to outperform traditional machining.

The 3D printing process involves building objects layer by layer using various materials in powder form, in contrast to traditional production where objects are produced by removing parts of a larger piece of material. The advantages of 3D printing are a faster production time, lower costs and less waste, as well as the opportunity to design completely new structures and produce smaller batches close to where the part is needed.

More and more industries are starting to use 3D printing – including the automotive industry, driven particularly by new electric car models. As a global leader in the industrial use of plasma technology, used to pulverize various materials, Tekna is positioned to take a share of this market and to contribute to more efficient use of materials as we head towards a more circular economy.

In the batteries segment Tekna has developed a very pure silicon nano powder with advantageous properties for admixtures in, and eventually replacement of, graphite anodes that are found in standard lithium-ion batteries. Full replacement of graphite with silicon could multiply the energy capacity of batteries many times over – thereby revolutionizing electric vehicle batteries, for example, to provide extreme range and accelerate consumer adoption.

# NSSLGlobal

## Portfolio company

HEADQUARTER  
SURREY, UK

CHAIRMAN  
ARILD NYSÆTHER

CEO  
SALLY-ANNE RAY

OWNERSHIP AFK  
80%

EMPLOYEES  
205

COUNTRIES  
8



NSSLGlobal is a member of the UN Global Compact and is committed to ensuring that sustainable development and environmental management are at the core of all activities undertaken by the company. NSSLGlobal also seeks to be a fair employer and prides itself on being a customer and supplier of integrity.

SALLY-ANNE RAY, CEO



During 2020 NSSLGlobal supported European governments on a number of critical medical and peacekeeping missions as well as providing its maritime customers with subsidised crew welfare bandwidth upgrades and free crew calling cards during the Covid-19 pandemic. Due to strict restrictions at ports, crew have been unable to leave their vessels for extended periods of time and therefore the ability to stay in touch with their friends and family has been a lifeline.

### UN Sustainable Development Goals

#### SDG 7: Affordable and clean energy & 13: Climate action

NSSLGlobal contributes to SDG 7 and 13 by ensuring that sustainable development and environmental management are at the core of all activities undertaken by the company. NSSLGlobal is ISO 14001 certified which will contribute to improved energy efficiency, reducing their consumption and waste.

#### SDG 9: Industry, innovation and infrastructure

NSSLGlobal's technology Ocean dynamics helps their maritime and offshore customers to ensure their vessels are running at optimal performance, including energy efficiency as well as protecting of the environments in which they operate (i.e collision management for crew transfer vessels for offshore wind farms and turbines).

#### SDG 8: Decent work and economic growth & 10: Reduced inequalities

NSSLGlobal seeks to be a fair employer and prides itself on being a customer and supplier of integrity. NSSLGlobal acknowledges the part its business has to play in upholding human rights, whether in the workplace or through their suppliers or customers, including NSSLGlobal's legal obligations as regards the Modern Slavery Act 2015.

#### SDG 16: Peace, justice and strong institutions

Has been selected on the basis of the work NSSLGlobal does in support of Defence and Security Governmental customers including peacekeeping activities, deployments, protection of sovereign assets and building stability overseas, delivery of humanitarian and disaster or conflict relief (including supporting the remote communication needs of NGOs such as United Nations, Greenpeace, and Red Cross).

KPIs	2020	2019
Percentage of stock held that is refurbished <sup>1)</sup>	4.00%	5.00%
Total stock held	7,737,817	6,103,498
Number of stock refurbished	1,558	1,663
Number of dead-on-arrival equipment received per month	4.92	5.17
Percentage hours downtime outside of routine maintenance	0.15%	0.40%
Total hours outside of routine maintenance	9	8,5
Total hours downtime outside of routine maintenance	4	27
Hours downtime of VSAT network <sup>2)</sup>	0.04%	0.03%
Total hours of VSAT network	8,784	8,760
Total hours of VSAT network downtime <sup>3)</sup>	3.51	2.63
Average length of service for all employees	7.65	8.41
Number of top 100 suppliers that have completed the self-assessment questionnaire <sup>4)</sup>	56	33

1) From leasing or take-back schemes 2) Excludes planned outages 3) Excludes planned outages 4) NSSLGlobal does not have 100 suppliers of material value



# Focus areas NSSLGlobal



## Ethical business conduct

Value chain **2** **4**

NSSLGlobal seeks to be a fair employer and prides itself on being a customer and supplier of integrity. NSSLGlobal has been in business for more than 50 years and intends to be in business for the next 50 years. As such it is vital that it builds long term trusting relationships with customers and suppliers.

### Performance and KPIs

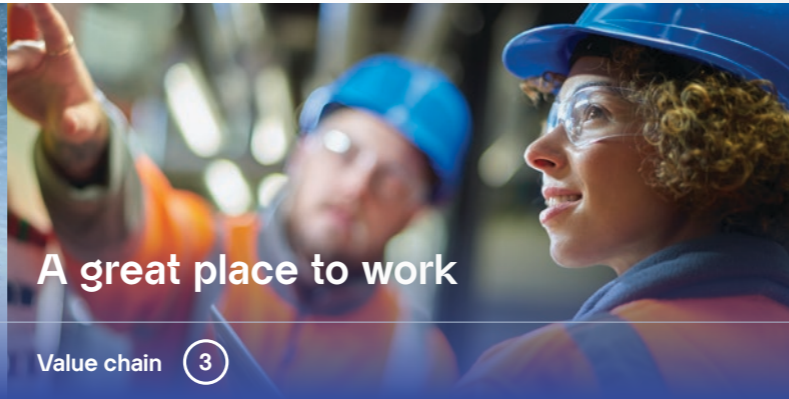
NSSLGlobal has a top-down commitment to corruption avoidance. In 2020 it set up a Business Integrity Steering Committee which meets quarterly to discuss code of conduct priorities, new legal developments, case studies of interest, risks and training and development requirements. The topic of business ethics is now an agenda item for consideration and is reported both at board and management team level.

### Work and activities today

NSSLGlobal has a business integrity, bribery and corruption code of conduct which ALL employees have been trained in and have signed. The same code of conduct applies to commercial relationships with customers and suppliers. Supplier questionnaires ensure this topic is a central theme in key supplier relationships as well as with those that NSSLGlobal partner with on larger contract and bid opportunities. Reseller contracts include provisions on anti-bribery and corruption and all resellers or agents are vetted.

### Targets and ambitions

2021 will see a bi-annual roll-out of refresher training across the organisation and a review and update of its vendor questionnaire. NSSLGlobal will be undergoing ISO44001:2017 (Collaborative Business Relationship Management System) certification in H1 2021. This standard has at its focus trust and integrity and ensuring systems and process to support positive collaborative relationships, of which anti-corruption avoidance is one part.



## A great place to work

Value chain **3**

Keeping employees safe, happy, motivated and involved is vital to the NSSLGlobal business.

### Performance and KPIs

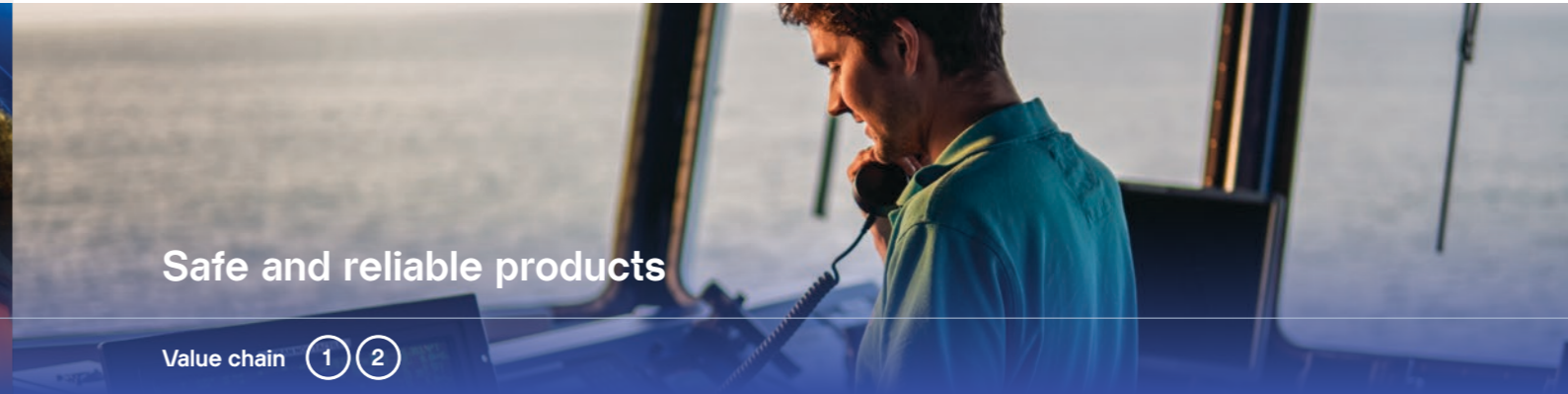
In 2020 NSSLGlobal achieved ISO45001 which served to drive additional safety improvements and visibility of health and safety. In 2020 most activity has been geared around the pandemic and supporting the health of employees with various initiatives designed to improve their physical and mental health during this period. For example in 2019 NSSLGlobal trained one of its employees to be a mental health champion to support staff. This has proved to be particularly important during the 2020 pandemic in supporting staff who have had their working patterns changed and now work from home in insolation.

### Work and activities today

NSSLGlobal has in place policies on the following, Health and Safety in the Workplace, Anti-Bribery, Business Integrity and Corruption, Bullying and Harassment at Work, Religious Belief, Equality and Diversity, Modern Slavery Act Statement. NSSLGlobal also seeks to be a fair and ethical employer. During the Pandemic and with most staff working from home regular newsletters and Group activities have been undertaken. Articles on mental health awareness and coping with stress have been included by the Company Mental Wellness Champion. Bespoke Yoga and Wellness Zoom sessions have been programmed several times a week to help staff with physical and emotional challenges during the pandemic.

### Targets and ambitions

Post Covid, NSSLGlobal's target is to monitor and where applicable improve the following: % of women in the workforce, staff turnover and absenteeism, average length of service, lost time incidents and near miss reports.



## Safe and reliable products

Value chain **1** **2**

It is vital that NSSLGlobal's products are safe, reliable and secure if customers are to continue to purchase from NSSLGlobal.

### Performance and KPIs

NSSLGlobal successfully passed its ISO45001 certification. It also achieved Cyber Essentials Plus certification on its networks. However, the goal is to go one step further and much of 2020 was spent in implementing additional security tools and procedures to ensure the company's and customer managed networks, products and policies are following ISO27001 best practice.

# 0.15%

Downtime products/services

# 4.92

Number of dead-on-arrival equipment per month

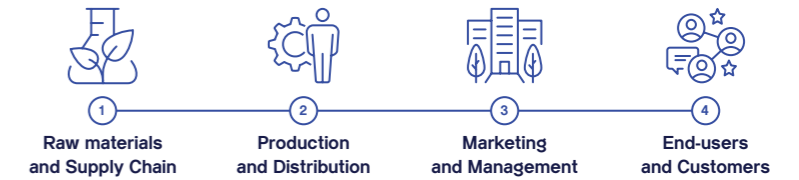
### Work and activities today

The company seeks to supply and develop reliable high quality products. It monitors the number of dead on arrival equipment received as well as product failure trends. NSSLGlobal also follows industry best practice and are certified in ISO9001 (across the Group) and in 2020, passed ISO45001 (UK HQ).

Additionally, the company seeks to protect customers' data by ensuring that staff follow GDPR procedures and that networks have the appropriate physical and data security measures in place.

### Value chain

The value chain used to assess where the companies have their impacts.



# Focus areas NSSLGlobal

## Low impact product and services

Value chain **1** **2** **4**

NSSLGlobal has long term customers, and its contracts are often between 3 and 5 years duration and include extended warranty and global onsite/onboard support. In order to reduce its carbon footprint as well as its support cost, the company seeks to supply and increasingly develop reliable high quality products to remotely support customers wherever possible. Furthermore wherever possible, items are recycled and refurbished.

### Performance and KPIs

Despite the Covid pandemic delaying some of the goals, NSSLGlobal did succeed in many of its goals in this area including the development of its latest Smart@Sea Platform which was launched in March 2021.

### Work and activities today

NSSLGlobal engineers travel globally to support its customers in the field. By increasing the reliability of its products and developing remote diagnostics and remote fix, GHG emissions can be reduced accordingly. Products are developed to last and to be upgradeable via remote software upgrades without having to replace the hardware. There is also an active take-back programme in place for equipment that customers no longer need which are then refurbished for resale, rental or for support stock.

The Smart@Sea product portfolio also allows NSSLGlobal real-time remote monitoring for customers' on board IT systems along with remote diagnostic and preventative maintenance. This in turn reduces the amount of on site/on vessel global field service intervention that are needed to make, therefore reducing NSSLGlobal's carbon footprint.

### Targets and ambitions

NSSLGlobal will participate in the ESOS and SECR programme for measuring carbon emissions and energy usage, using the output of the report to seek to drive down consumption.

### Green opportunities

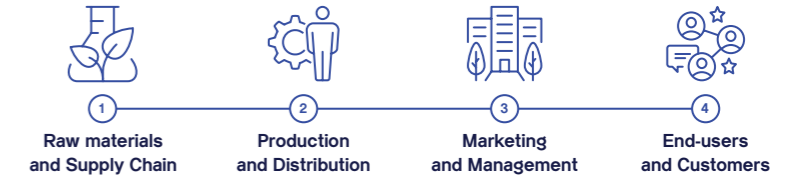
The new Smart@Sea Operating platform utilizes existing on board equipment. This will provide NSSLGlobal VSAT maritime customers with real-time monitoring of their on board systems along with remote diagnostic and preventative maintenance which in turn reduces the amount of on site/on vessel global field service intervention needed thereby reducing their carbon footprint.

### Value chain

This benefits the entire value chain, including customers (availability increases, support costs reduce), the company (costs are reduced) and society at large (some of the products no longer needed such as older laptops are refurbished and given to local schools).

### Value chain

The value chain used to assess where companies have their impacts.



## Keeping people connected

Value chain **4**

Keeping people connected globally is at the core of NSSLGlobal's business activity. It provides secure satellite communications to maritime and governmental customers globally.

### Performance and KPIs

NSSLGlobal's customers depend on its services globally. It is vital that NSSLGlobal provides the highest availability in the industry alongside secure and fast communications to ensure customer satisfaction. NSSLGlobal actively encourages customer feedback and monitors this customer satisfaction feedback in its monthly management meeting.

### Work and activities today

NSSLGlobal provides secure satellite communications and IT solutions to defence and security governmental customers for peacekeeping activities, deployments, protection of sovereign assets and building stability overseas, delivery of humanitarian aid and disaster or conflict relief (including supporting the remote communication needs of NGOs such as United Nations, Greenpeace, Red Cross and Oxfam).

During 2020, there were increased activities for these customers with new contracts and projects in support of various peacekeeping and medical missions across the globe. Lastly the company saw an increase in services to our maritime customers for both operational and crew welfare communications.

### Targets and ambitions

To monitor and ensure the highest network availability and performance which includes a contractual commitment with its customers of 99.5% network availability and a goal to exceed 99.7%. In 2020 NSSLGlobal achieved 99.96% VSAT network availability.

# 99.5%

Network availability contractual commitment

# 99.96%

VSAT network availability in 2020

### Green opportunities

To continue to develop new products and services which improve speed, reliability and accessibility of communications.

### Value chain

All its customers

# Cogen Energia

## Portfolio company

**HEADQUARTER**  
MADRID, SPAIN

**CHAIRMAN**  
MORTEN BERGESEN

**CEO**  
ANTONIO QUILEZ

**OWNERSHIP AFK**  
100%

**EMPLOYEES**  
98

**COUNTRIES**  
1



At Cogen Energia we are dedicated to delivering solutions that will benefit both the environment and our customers. Based on decades of experience, we are able to produce heat and electricity in a highly efficient way, contributing to both lower emissions and higher profitability. We are also committed to reducing our own environmental impact and continuously improve operations.

ANTONIO QUILEZ, CEO



Cogen Energia is a cogeneration expert, producing heat and power for the industry sector in Spain. Combined heat and power (CHP) is one of the most efficient technologies applied in industrial processes that simultaneously demand heat and electricity. Cogen Energia develops and operates CHP projects enabling the industry to reduce energy costs and improve energy security and quality for industrial processes.

**22.42%**  
PRIMARY ENERGY SAVINGS

### UN Sustainable Development Goals

**SDG 7: Affordable and clean energy**

Cogen contributes to the United Nations SDG 7, in particular 7.1 and 7.2, by increasing the industry’s competitiveness, promoting energy savings and reducing CO2 emissions. Cogen invests in increased energy efficiency in its plants, and ensures that efficient, renewable and non-polluting business model strategies are an important part of the Spanish industry.

**137,005**  
DIRECT CO<sub>2</sub> EMISSIONS (TONNES)

**SDG 9: Industry, innovation and infrastructure**

Cogen will have an impact on UNs SDG 9, in particular 9.4, as it owns and operates decentralized cogeneration plants, which contribute to efficient distribution of energy to local industrial companies, and adjustable power in the Spanish power market.

**2.81%**  
ABSENTEE RATE

KPIs	2020	2019
Electricity efficiency per plant (Including recovered heat waste) <sup>1)</sup>	58.15%	60.60%
Primary energy savings by supplying heat and electricity to system/customer <sup>2)</sup>	22.42%	24.90%
Estimated CO <sub>2</sub> -emissions avoided by the customer <sup>3)</sup>	23,782	42,202
Total number of industrial customers	10	11
Percentage service downtime hours <sup>4)</sup>	41.50%	15.30%
Total service hours <sup>5)</sup>	5,125	7,420
Total service downtime hours <sup>6)</sup>	3,635	1,340

1) Electricity efficiency weighted average 2) PES weighted average 3) Tons CO<sub>2</sub> 4) Total downtime % weighted average 5) Total operational hours (h/y) weighted average 6) Total downtime (h/y) weighted average

# Focus areas Cogen Energia

## Ethical business conduct

Value chain 1 2

Ethical business conduct is the basis for being a professional organization. The values in Cogen represent the Cogen-way of ethical business conduct: Solidity, experience, transparency and professionalism.

### Performance and KPIs

Cogen is committed to conducting its business honestly and in accordance with the ethical principles included in our code of conduct which all employees must know and comply with. 100% of employees have the company's code of conduct, which they signed during the onboarding process. The clients are committed to conducting their business in accordance with the standards of their ethical codes and expressly undertake to ensure that their employees comply with them in their dealings with Cogen. 100% of our commercial contracts contain a commitment to respect the code of conduct clause.

In order to guarantee transparency and rigor in our payments and economic transactions, 100% of our payments follow the procedure.

100%

of employees have signed the company code of conduct

100%

of commercial contracts contain a commitment to respect the code of conduct clause

### Work and activities today

Cogen has its own code of conduct. The commercial contracts contain a clause in which both Cogen and the client commit to respect the code of conduct in their practices.

All economic transactions are supervised and authorized by more than one worker.

### Targets and ambitions

All employees have received and sign the code of conduct. The aim for this year is to train 100% of the workers in ethical business conduct and data protection.

Elaborate on the suppliers code of conduct. This document will be distributed and signed by the suppliers.

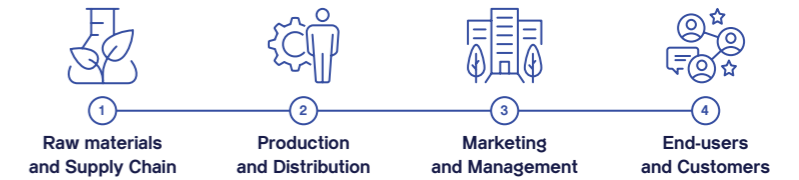
Annual meetings to update the code of conduct and CSR policy.

100%

of employees will receive training in ethical business conduct and data protection

### Value chain

The value chain used to assess where companies have their impacts.



## A great place to work

Value chain 1 2

The employees are essential and important for the operation of the cogeneration plants. Their health and well-being is our main concern.

### Performance and KPIs

100% of workers in Cogen's plants have indefinite contracts. In external plants where they provide services, workers have temporary contracts but the new legislation of December 2020 establishes that these contracts will now be considered as indefinite contracts.

Cogen avoids discriminatory practices or those that undermine the dignity of persons through the non-discrimination by reason of age.

### Cogen demographics show:

- Baby boomers (56-74 years old): 13.6%
- Generation X (41-55 years old): 40%
- Millennials (26-40 years old): 39.1%
- Generation Z (Below 25 years old): 7.3%

A royal decree on equal pay for men and women, came into effect in April 2021. Cogen has conducted a pay audit with a complex diagnostic system to ensure compliance.

100%

Workers in the plants with indefinite contracts

### Work and activities today

Hiring people signing definite contracts.  
Hiring people with wide age differences.  
Equal salary for both genders

### Targets and ambitions

Convert all the temporary employment contracts in order to have 100% of employees with definite contracts.

Reduce the turnover rate to less than 15%.

Improve the annual training plan for employees. Every year all workers in our industrial plants receive the OHS (occupational health and safety) training needed to work in this industry. In 2020, almost 50% of the administrative staff received training in areas not related to OHS. The goal for 2021 is to provide company training to at least 75% of the administration workers.

Reduce the accident rate to less than 7%

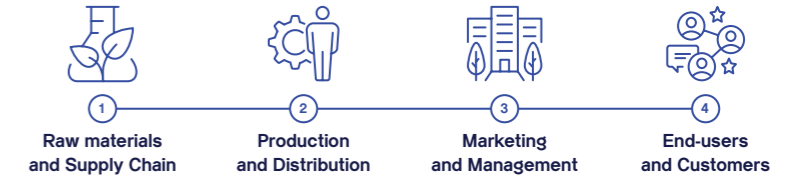
15%

Turnover rate

# Focus areas Cogen Energia

## Value chain

The value chain used to assess where companies have their impacts.



## Environmental footprint of own operations

Value chain 1 2

One of Cogen’s main objectives is to reduce the energy and environmental footprint of the industry while achieving maximum efficiency.

### Performance and KPIs

Equivalent electrical efficiency of each plant. For a period, it is  $EEE = \frac{\text{Electricity}}{\text{gas consumption} - (\text{heat recovery}) / 0.9}$

Complying with regulations on waste and water management.

Renewal of ISO certifications.

# 58.15%

Electrical efficiency of each plant

### Work and activities today

Annual certification of CHP plants efficiency.

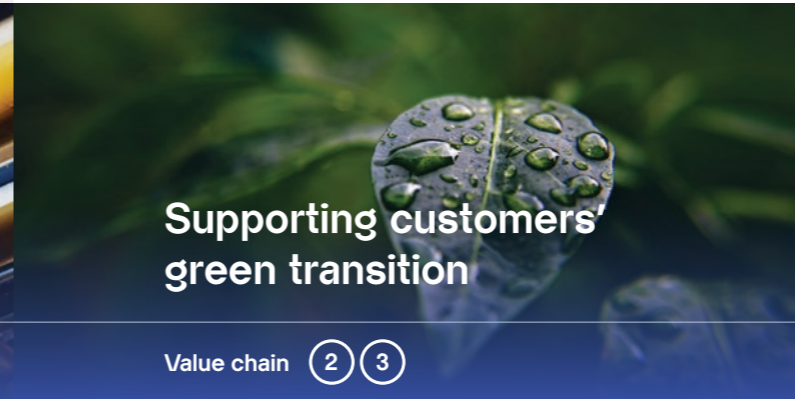
Compliance with all regulations for waste and water management.

Cogen has ISO 9001, ISO 14001 and OSHAS 18001 Standards.

### Targets and ambitions

Obtain ISO 45001. The goal of ISO 45001 is the reduction of occupational injuries and diseases, including promoting and protecting physical and mental health.

Development of bio project for the production of thermal or electrical energy, and reduction of CO<sub>2</sub> emissions.



## Supporting customers green transition

Value chain 2 3

Europe is committed to a reduction of greenhouse gases for another decade. Our vocation is to help our clients meet this objective.

### Performance and KPIs

Global efficiency. Heat and electricity divided by gas consumption.

Reduced CO<sub>2</sub> emissions.

The primary energy savings is the ratio of energy saved by CHP system in comparison with an equivalent SP system divided by the original energy consumed in the SP system.

# 23,783

Tonnes of CO<sub>2</sub> emissions avoided for customers

### Work and activities today

Global efficiency of CHP plants is higher than independent heat and electricity generation.

Cogen assists and invests in improving the efficiency of our clients.

### Targets and ambitions

Analysis of possible emission reductions and alternative renewable fuels. Green and grey hydrogen and biomethane.

Obtain guarantees of origin of the electricity generated in the high-efficiency cogeneration plants.



## Stable operations and service reliability

Value chain 4

Efficient use of gas as an energy source for electricity generation, also through the decentralized supply of energy to the customers.

### Performance and KPIs

# 5,125

Total service hours

# 3,635

Total service downtime hours

### Work and activities today

CHP provides stability to the national power grid.

Cogen CHP plants operate during hours with positive contribution margin to give stability to the system.

### Targets and ambitions

Improve the gas supply costs to lower the break-even price and operate more hours, with more contribution to the system and customers.

# Alytic

## Portfolio company

HEADQUARTER  
ARENDAL, NORWAY

CHAIRMAN  
MORTEN HENRIKSEN

CEO  
ESPEN ZACHARIASSEN

OWNERSHIP AFK  
100%

EMPLOYEES  
27

COUNTRIES  
2



For Alytic ESG is both an integrated part of the how we work with our portfolio companies and how Alytic evaluates and decides where to invest. But it is also an investment opportunity. Regulatory requirements within the ESG areas, call for solutions not only to address to challenge in itself, but also for software solutions for how to monitor and report in an efficient way.

ESPEN ZACHARIASSEN, CEO



In late 2020, Arendals Fossekompani established a new company. Alytic is initially fully owned by AFK. Alytic will transform a wide range of data-driven companies that offer key support to their respective industries. Alytic will take positions in companies with strong domain knowledge, which need technology and capital to develop. Together with the employees in the companies, Alytic will increase the companies' understanding of technology and add resources to unleash an international potential. The short-term goal for Alytic is to establish a portfolio of 4-5 companies in areas such as aquaculture, agriculture, value chains and ESG. Kontali is the first company in the Alytic portfolio.

### Investment strategy

Alytic is continuously identifying companies with products and services relevant to global markets in targeted segments and industries. Alytic looks to invest in companies with strong domain knowledge and expertise in different industries. What the companies must have in common is a clear potential for growth. Alytic will be an active owner with resources, competence and a roadmap for digital transformation, scale and recurring revenues. Alytic will only invest in companies to which we can contribute with substantial value and work closely with a dedicated management team.

Harnessing the energy that lies in domain expertise and access to unique market data, Alytic powers the digital transformation required to scale product offerings, reach new markets, and ensure recurring revenues from a profitable customer base. Examples of products offering include consultants and analysts with unique domain insight, market data for commodities, news portals, market trading portals, market analysis, predictive analysis and more.

For the ESG strategy, the ambition for Alytic is a more complete value chain and stakeholder analysis to define the key ESG topics for Alytic. Since Kontali is for now the only company in Alytic's portfolio, a value chain assessment and a stakeholder analysis were done for Kontali as the beginning of the ESG strategy for Alytic and Kontali.

# Focus areas

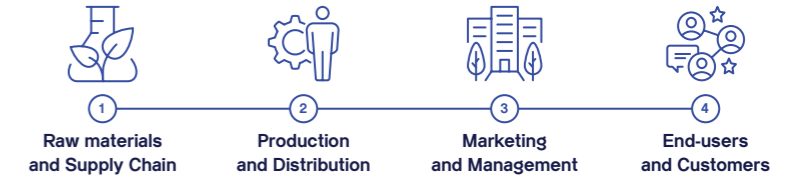
## Alytic – Kontali

### Going forward

Kontali will work to minimize its environmental impact. The impact will be reduced by minimizing travels and by being aware of the environmental impact of purchases. Targets and ambitions include Kontali's GHG emissions for Scope 1, 2 and 3.

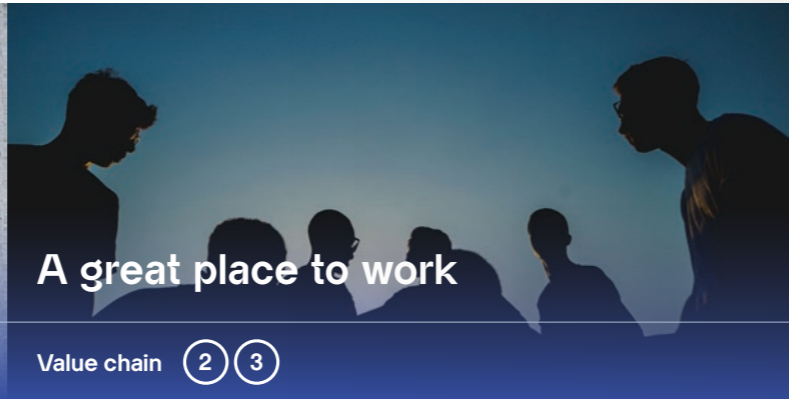
### Value chain

The value chain used to assess where companies have their impacts.



## Ethical business conduct

Value chain 1 2 3 4



## A great place to work

Value chain 2 3



## Supporting a sustainable seafood industry

Value chain 1 2 3



## Business integrity and independent advice

Value chain 1 2 3 4

An ethical business conduct has to be in place for the customers to see Kontali as an independent advisor with high integrity.

### Performance and KPIs

100% of the workforce is familiar with Kontali's business ethics and values.

Kontali's current practice on ethical business conduct has been sufficient, but has to be formalised with the growing number of employees.

### Work and activities today

Kontali has an unwritten code of conduct (business practice).

### Targets and ambitions

Establish a company code of conduct.

# 100%

Of employees will sign the code of conduct

Humans are Kontali's primary asset. To succeed Kontali is dependent on motivated employees and low turnover.

### Performance and KPIs

1. Women in workforce: 40%
2. Absentee rate 1.3%
3. Turnover rate: 20%
4. NPS score (or similiar score): To be rolled out in 2021

Kontali has a good gender balance and a low absence rate. Turnover has historically been high, making this a focus area going forward.

# 20%

Women on Board of Directors

### Work and activities today

Kontali is working on improving four focus areas: 1) Empowerment, 2) flexibility, 3) steeper learning curves and 4) an including and fun place to work. Kontali has already changed its employee working terms and completed a clarification on responsibilities for a majority of our employees. Actions planned for 2021 are expected to have a more significant effect.

### Targets and ambitions

1. Build a new organisation with clearer definition of responsibilities and recruit candidates who contribute to making Kontali a better place to work.
2. Establish a newcomer's learning program.

Alert to customers' demand, Kontali strives to stay one step ahead. Sustainability is a vital competitive advantage and a regulatory focus, making this an important focus area for Kontali.

### Performance and KPIs (To be measured in 2021)

Number of projects related to sustainability (direct effect)  
 1. Number of reports/publications published, which brings insight to market players and have an effect on our sustainability focus (indirect effect)

Kontali has the potential to be a major contributor to a stronger focus on sustainability and to providing concrete results. Sustainability may be a platform for growth.

### Work and activities today

Market players are able to improve their operations based on independent insight for transparency and benchmarking. Every year Kontali is either the participant or owner of 2-3 projects directly related to sustainability. In 2020 Kontali was participating in projects on residual raw materials, food waste and a project for the Norwegian Environment Agency related to fuel consumption for service vessels.

### Targets and ambitions

1. Consider taking an active role as sustainable advisors within the seafood industry.
2. Build competence on sustainability by participating in projects with sustainability as main focus.

Being an independent player is a competitive advantage for Kontali and a central part of the company's strategy. Kontali has to be transparent when it comes to ownership, business partnerships and analysis input.

### Performance and KPIs (To be measured in 2021)

1. Professional integrity as part of the company's strategy
2. Market share within each segment of the value chain (number of players as customers of Kontali)
3. Score from customer survey

### Work and activities today

Kontali has to be transparent when it comes to ownership, business partnerships, analysis input and even methods (without revealing business secrets). In 2020 Kontali completed internal revisions on the price benchmarking process, which confirmed our strong integrity in these processes.

### Targets and ambitions

1. Define company approach for independency (dos and don'ts as part of the company's strategy)
2. Company values will be redefined with employees
3. Description of approach to ensure professional integrity.

# Bryggebyen

## AFK Property

**HEADQUARTER**  
ARENDAL, NORWAY

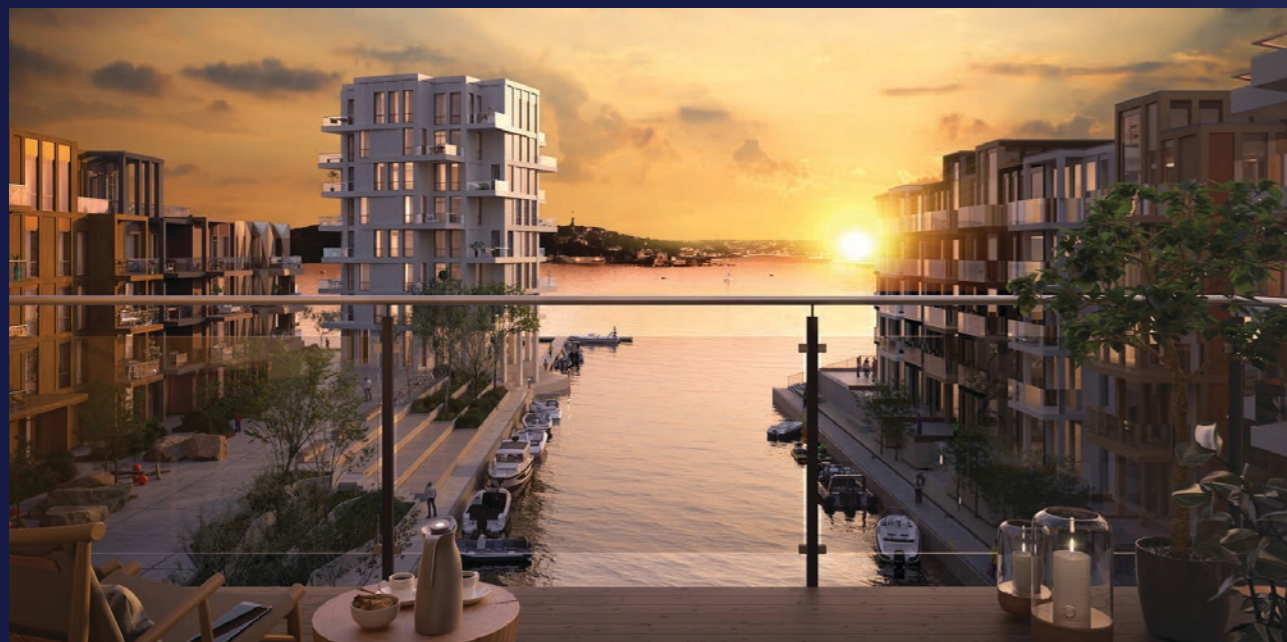
**CHAIRMAN**  
TORKIL MOGSTAD

**CEO**  
TOM K. PEDERSEN

**OWNERSHIP AFK**  
100%

**EMPLOYEES**  
2

**COUNTRIES**  
1



The focus on ESG is part of our backbone. Future inhabitants will demand solutions characterized by high energy efficiency and the use of environmentally friendly materials and building processes. In addition to meeting these demands, Vindholmen Eiendom's goal is to secure a strong quality of living by offering extra height inside apartments, excellent light conditions through floor-to-ceiling windows, and balconies for all apartments.

TOM K. PEDERSEN, CEO

AFK Property is transforming an old industrial area into a new urban city, Bryggebyen, just outside of Arendal. The plan includes 700 apartments and commercial facilities.

# 127

RECYCLED MATERIALS  
(TONNES)

# 5.57%

ABSENTEE RATE

# 72%

OF WASTE RECYCLED

## UN Sustainable Development Goals

### SDG 9: Industry, innovation and infrastructure

Bryggebyen contributes to SDG 9.4 by transforming an old industrial area to a green city area, with focus on recycling and re-use.

### SDG 11: Sustainable cities and communities

Bryggebyen contribute to SDG 11, in particular 11.1, 11.3 and 11.a, by transforming an old industrial site to a sustainable urbanization for the green city area.

### SDG 12: Responsible consumption and production

By recycling and re-using what is possible, Bryggebyen will have a direct impact on SDG 12, in particular 12.2 and 12.5.

### SDG 14: Life below water

Bryggebyen contributes directly to SDG 14, in particular 14.1, by cleaning up the ocean around recreational island Løkholmen and by removing undesirable materials from the ground.

KPIs	2020	2019
Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable (tonnes)	176.40	22.60
Recycling (tonnes)	127.00	16.98
Number of environmental accidents in ocean (oil spills, etc.)	0	n/a
Number of environmental accidents on land <sup>1)</sup>	4	n/a

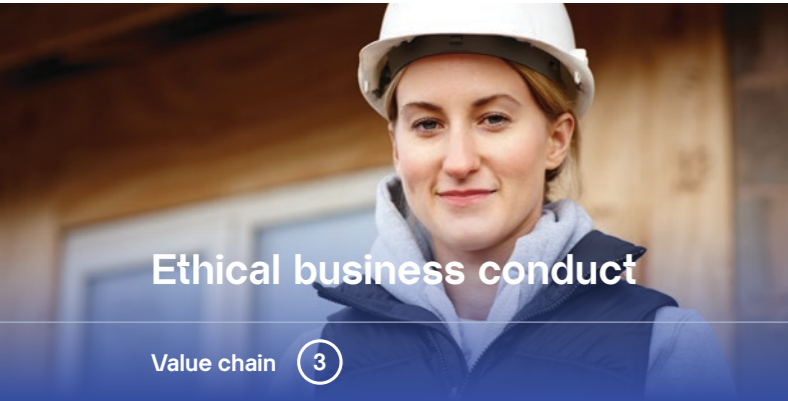
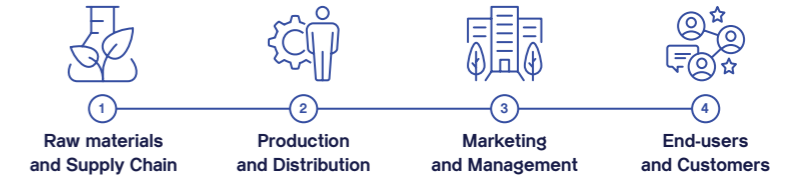
<sup>1)</sup> All environmental deviations are related to waste management (lack of recycling, overloaded containers, containers not properly marked, lack of space to dispose the waste).



# Focus areas Bryggebyen

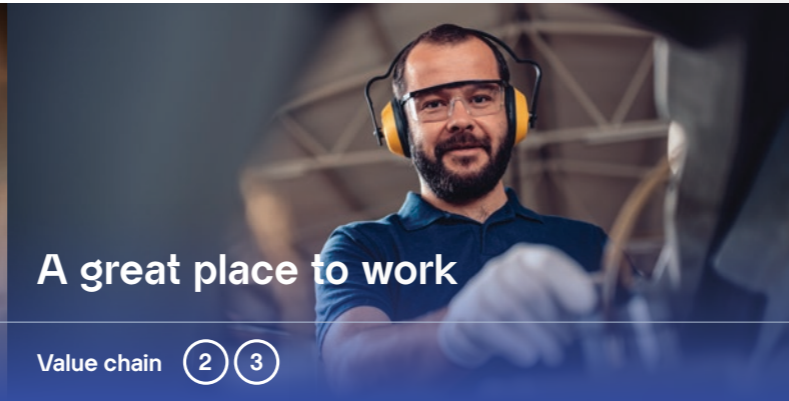
## Value chain

The value chain used to assess where companies have an impact.



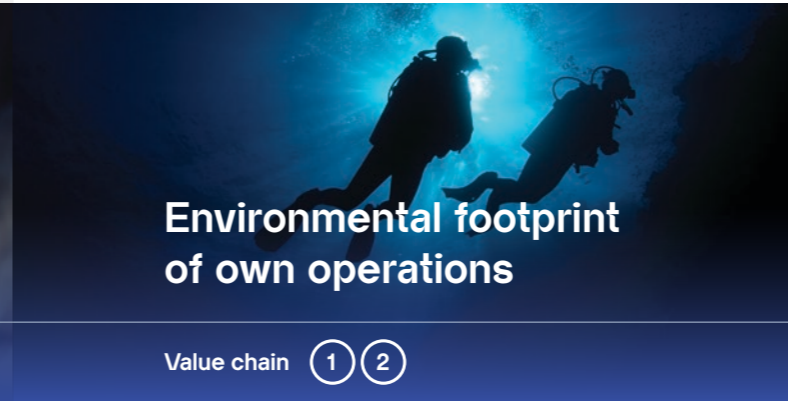
## Ethical business conduct

Value chain **3**



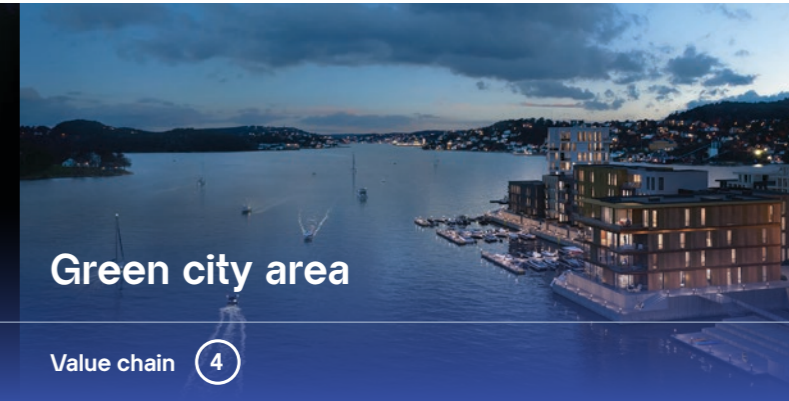
## A great place to work

Value chain **2 3**



## Environmental footprint of own operations

Value chain **1 2**



## Green city area

Value chain **4**

Ethical business conduct is the basis of being a professional organisation. The values in AFK represent the AFK-way of ethical business conduct: Collaborative, long-term, dynamic and responsible.

### Performance and KPIs

The employees sign the company-wide code of conduct at the beginning of employment.

**100%**

have signed the code of conduct

### Work and activities today

AFK Property and Bryggebyen follow the company-wide code of conduct for AFK. The code of conduct is signed at the beginning of the employment for each employee.

### Targets and ambitions

For the employees of AFK Property, the target and ambition is to assure that 100 % of the employees have signed the updated version of the code of conduct.

The employees are essential and important for the operation and construction of Bryggebyen. Their health and well-being are therefore in AFK Property's and Bryggebyen's main interests.

### Performance and KPIs

Construction workers employed by our contractor, Kruse Smith, are included due to their exposure to potential hazards.

**0**

Injuries in 2020

### Work and activities today

At Bryggebyen, construction workers are exposed to potential hazards. They work with industrial machines, heavy transport and heights. The contractors keep a record for accidents involving their construction workers, and make sure that HSSE standards are fulfilled. Accidents and incidents are reported to Bryggebyen. Employees will complete the necessary HSSE courses.

### Targets and ambitions

The target and ambition for this focus area is to continue to care for the employees and contractors in the best possible way.

Our vision and mission is to create a new, green city area where we evaluate the environmental footprint throughout the construction process.

### Performance and KPIs

Waste is handled by an external company. For 2020 the waste statistics were:

**176.4**

Total waste (tonnes) <sup>1)</sup>

**127.0**

Recycled waste (tonnes)

### Work and activities today

Bryggebyen has made the old industrial area on Vindholmen cleaner, both at sea and on land. Bryggebyen's suppliers, contractors and subcontractors are local. During construction, they focus on energy use, and recycle all waste. The materials used to build Bryggebyen are of high quality and durable.

### Targets and ambitions

Bryggebyen's goal is to create an urban city with sustainable living conditions and also to secure the investments of the house/apartment buyers.

### Green opportunities

Increase the use of shared facilities. Reduce waste production and improve re-use of waste and building materials.

<sup>1)</sup> Total waste and recycled waste are from the construction facilities.

A green city area is at the core of Bryggebyen's vision. Good living conditions for future residents is our highest priority.

### Performance and KPIs

**75**

Total apartments sold

### Work and activities today

Bryggebyen's size and location fits well with the sustainability goals of the city of Arendal. Focus is on environmentally friendly solutions with a long life-span. Bryggebyen fulfills the ten points defined by the Norwegian Green Building Council.

### Targets and ambitions

Our goal is to create attractive, secure and user-friendly areas both inside and outside, to design attractive meeting points across generations, and to build an eco-system for bicycling including service and cleaning areas.

### Green opportunities

Use furniture, materials and playground equipment of high quality and with long life-span. Transform remnants of the old industrial site into creative playground and exercise installations, instead of buying new ones.

# Gullknapp

## AFK Property

**HEADQUARTER**  
FROLAND, NORWAY

**CHAIRMAN**  
TORKIL MOGSTAD

**CEO**  
JAN MORTEN MYKLEBUST

**OWNERSHIP AFK**  
91%

**EMPLOYEES**  
4

**COUNTRIES**  
1



The future is electric, and Gullknapp supports this by aiming to be a test and competence center for drones and a hub for electric aircraft, thereby reducing GHG emissions.

TORKIL MOGSTAD, CHAIRMAN OF THE BOARD



AFK is the major shareholder of Arendal Airport Gullknapp and Gullknapp Aerial Center, a test and competence center for drones, and educational hotspot for future pilots.

### UN Sustainable Development Goals

#### SDG 9: Industry, innovation and infrastructure

Both Arendal Airport Gullknapp and Gullknapp Aerial Center have a direct impact on goal 9.1 due to their transborder infrastructure and facilitation for aircraft movements.

Gullknapp contributes to SDG 9.4 by promoting and testing electric aircrafts, which will replace fuel-driven drones and planes.

### Green opportunities

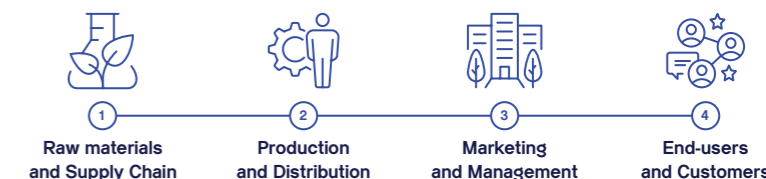
A green opportunity for Gullknapp is to become a European hub for electric aircrafts. To reduce the environmental footprint of Gullknapp, a green opportunity is to use planes fueled with zero emission electricity instead of fossil fuels.

Based on the supply of renewable energy to electric aircrafts, the future of Gullknapp is green. The vision is to develop Gullknapp into a future-oriented industrial technology park.

# Focus areas Gullknapp

## Value chain

The value chain used to assess where companies have an impact.



## Environmental footprint

Value chain 1 2

Arendal Airport Gullknapp values the environment surrounding Gullknapp, and each year Gullknapp conducts an environmental audit to evaluate how the activities affect the surrounding environment.

### Performance and KPIs

The results for 2020 have yet to be evaluated. The main findings in the 2019 is that the demand for chemical oxygen from de-icing chemicals is well below the limit of 10 tonnes. The phosphorus content is evaluated to be very good. The results from the noise analysis show that the 7 households around Gullknapp will be in the yellow noise-level and well below red noise-level.

# 4.7 tonnes

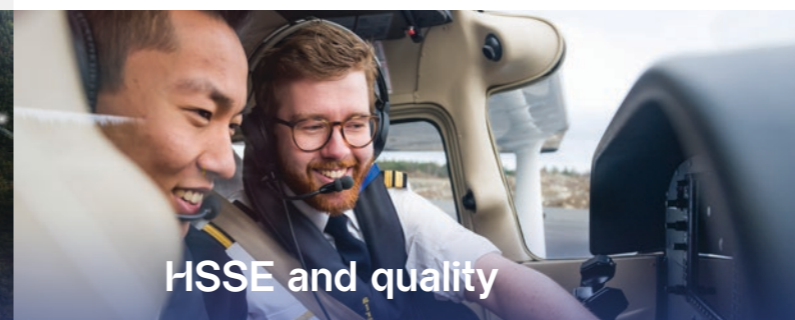
Chemical oxygen demand for 2019

### Work and activities today

Consulting firm Asplan Viak conducts an environmental audit at the end of every year. The report is evaluated by the county governor at the beginning of the following year. The report evaluates how the surrounding lakes are affected by de-icing chemicals, phosphor and more. In May 2020, a noise analysis for Gullknapp was conducted by SINTEF in accordance with the Norwegian Environment Agency's regulations.

### Targets and ambitions

The ambitions and targets for the environmental footprint of Gullknapp is to continue environmental monitoring with annual reviews. The suggested parameters from Asplan Viak to continue monitoring will be measured on a yearly basis.



## HSSE and quality

Value chain 2 3

Policies for HSSE and quality provides a foundation for all operations at Arendal Airport Gullknapp and Gullknapp Aerial Center.

### Performance and KPIs

All new employees receive the Quality & HSSE Policy. HSSE performance is evaluated in an all-staff meeting each month.

### Work and activities today

Arendal Airport Gullknapp has a Quality and HSSE Policy which all new employees receive. The Quality Policy provides guidelines for the employees for what is expected of them. Each month, HSSE routines are evaluated.

### Targets and ambitions

For employees at Arendal Airport Lufthavn and Gullknapp Aerial Center, the target and ambition is to assure that 100% of the employees have signed the updated version of the code of conduct for AFK in addition to our own Quality Policy.

# 100%

of employees will sign the company-wide code of conduct



## Sustainable skies

Value chain 4

The ambition for Gullknapp Aerial Center is to enable the future of aviation and sustainable skies.

### Performance and KPIs

# 70

Students at OSM Aviation Academy in 2020

# 12,994

Number of aircraft movements in 2020

### Work and activities today

Today, Gullknapp Aerial Center includes an international test and competence center for drones. There are multiple companies using Gullknapp to test and find applications for new technology related to unmanned aviation. Gullknapp is a unique venue for testing and learning in a safe setting. In 2018, OSM Aviation Academy opened a pilot school at Gullknapp with a capacity of 100 students. OSM has an order for 60 electric planes, of which several will be located at Gullknapp.

### Targets and ambitions

The ambition for Gullknapp and OSM Aviation Academy is to enroll 100 students. Electric aeroplanes are expected to be in service in service by the end of 2022. Gullknapp will seek to continue to be a preferred location for drone and unmanned aviation testing. Gullknapp has applied for a license for 35,000 aircraft movements.

## Other Investments

# Solar. Batteries. Technology.



AFK is also a shareholder and part-owner of other energy and technology companies. AFK supports and builds the companies by taking an active role in the Companies' Board of Directors.

## Beyonder

AFK was among the investors in a share issue of NOK 125 million in the Norwegian battery technology company Beyonder.

Beyonder has developed the next generation sustainable high-power batteries, which are safer and more cost-effective than other batteries. The technology has been developed using a patented process in which sawdust is used to produce activated carbon, resulting in the world's first sustainable battery cell technology.

Beyonder can offer significantly more environmentally friendly and sustainable batteries compared to conventional methods by using silicon and wood chips, as well as producing the batteries with clean hydropower.

**AFK Board Member:** Morten Henriksen  
**AFK ownership:** 3.9%

## NorSun

Norsun is a Norwegian solar energy company that manufactures and markets high performance mono-crystalline silicon ingots and wafers for the global solar energy industry. Dedicated to high efficiency n-type wafers, the company is an established supplier to tier-one cell manufacturers.

NorSun operates a state-of-the-art production facility located in Ardal in western Norway. Pursuing a detailed and aggressive technology development and cost road map which ensures a competitive price model, NorSun's ingot, block and wafer slicing capacity is currently at 450 MW.

In June 2019, the company closed a NOK 230 million equity round to increase the production capacity to 1000 MW, introduce new technologies, and significantly reduce unit costs.

NorSun was established in 2005 by Alf Bjørseth, the well-known founder of REC. A year later, Arendals Fossekompani took an active position in NorSun.

**AFK Board Member:** Lars Peder Fensli  
**AFK ownership:** 15.7%

# Part 04

## Appendix

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GRI TABLE

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LIST OF ABBREVIATIONS

120



04

## GRI 305-1

### Direct (Scope 1) GHG emissions

GRI 305-1		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Voie	AFK Hydropower	AFK Property
a.	Gross direct (Scope 1) GHG emissions in metric tonnes of CO <sub>2</sub> equivalent. <sup>1)</sup>	Estimated to 0 in 2020. Subject to change following the implementation of an analysis tool for calculating GHG emissions.	137,005	n/a	167.4	474	Estimated to 0 in 2020. Subject to change following the implementation of an analysis tool for calculating GHG emissions.	11.89	2.95
b.	Gases included in the calculation; CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all.		CO <sub>2</sub>		CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O	0	CO <sub>2</sub>	CO <sub>2</sub>	
c.	Biogenic CO <sub>2</sub> emissions in metric tons of CO <sub>2</sub> equivalent.				0	0		0	
d.	Base year for calculation, if applicable.				2020	n/a		2019	
d. i)	Rationale for choosing base year				First year of reporting	n/a		2020 is the first year of reporting, but numbers are available for 2019.	
d. ii)	Emissions in base year				167.4	n/a		19,501	
d. iii)	The context for any significant changes in emissions that triggered recalculations of base year emissions.				n/a			n/a	
e.	Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.				Conversion factors 2020 published by the UK Government	n/a		Conversion factors used by the Norwegian Environment Agency	
f.	Consolidation approach for emissions; Equity share, financial control, or operational control.				Operational control	n/a		Operational control	
g.	Standards, methodologies, assumptions, and/or calculation tools used.				SECR mandatory reporting requirements for fuels used in heating and transport and electricity consumption based on the financial reporting year 2020 using a full 12 months of data.			Based on fuel consumption by cars necessary to do operational work at the hydropower stations.	

<sup>1)</sup> Emissions valid for Scope 1 are limited. Scope 1 is calculated from the companies that have estimated numbers for their GHG emissions from production. For 2020 these numbers are estimations and the disclosure is not complete. A complete baseline is to be made for 2021.

## GRI 305-2 Energy indirect (Scope 2) GHG emissions

GRI 305-2		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property
a.	Gross location-based energy indirect (Scope 2) GHG emissions in metric tonnes of CO <sub>2</sub> equivalent. <sup>1)</sup>	0.56	n/a	n/a	134	2.9	97.04	2.95	n/a
b.	If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tonnes of CO <sub>2</sub> equivalent.	0			134	n/a		0	
c.	If available, the gases included in the calculation; CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all.	CO <sub>2</sub>			CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O			CO <sub>2</sub>	
d.	Base year for the calculation, if applicable				2020			2019	
d. i)	The rationale for choosing base year	2020 are the first year of reporting, but numbers are available for 2019.			First year of reporting			2020 is the first year of reporting, but numbers are available for 2019.	
d. ii)	Emissions in base year				134			3.43	
d. iii)	The context for any significant changes in emissions that triggered recalculations of base year emissions.				n/a			n/a	
e.	Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.	Conversion factors used by NVE			Conversion factors 2020 published by the UK Government		AIB (aib-net.org)	Conversion factors used by NVE	
f.	Consolidation approach for emissions; Equity share, financial control, or operational control.	Operational control			Operational control			Operational control	
g.	Standards, methodologies, assumptions, and/or calculation tools used.	The energy consumption for the administration building and associated buildings is used for calculating the gross location-based GHG emission with the nordic energy mix of 17 g CO <sub>2</sub> /kWh.			SECR mandatory reporting requirements for fuels used in heating and transport and electricity consumption based on the financial reporting year 2020 using a full 12 months of data.		The data is based on energy consumption, including main offices in which 66% of the total number of employees work. The consumption does not include minor locations with less than 20 employees.	The energy consumption for the administration building and associated buildings is used for calculating the gross location-based GHG emission with the Nordic energy mix of 17 g CO <sub>2</sub> /kWh.	

1) Emissions valid for Scope 2 are limited. Scope2 is calculated from the companies that have estimated numbers for their GHG emissions from energy consumption in their offices. For 2020 these numbers are estimations and the disclosure is not complete. A complete baseline is to be made for 2021.

## GRI 305-3 Other indirect (Scope 3) GHG emissions

GRI 305-3		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property
a.	Gross other indirect (Scope 3) GHG emissions in metric tonnes of CO <sub>2</sub> equivalent. <sup>1)</sup>	22,105	n/a	n/a	41.1	n/a	112	0.16	n/a
b.	If available, the gases included in the calculation; CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , or all.	CO <sub>2</sub>			CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O				
c.	Biogenic CO <sub>2</sub> emissions in metric tonnes of CO <sub>2</sub> equivalent.	0			0				
d.	Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.	Only business travels by airplane are included in the calculation.			Transport using personal vehicles or rental cars		Only business travels by airplane are included in the calculation.		
e.	Base year for the calculation, if applicable	2019			2020			2020	
e. i)	The rationale for choosing base year	The first year of reporting is 2020. but numbers are available for 2019.			first year of reporting			First year of reporting and available numbers.	
e. ii)	Emissions in base year;	51.58			41.1				
e. iii)	The context for any significant changes in emissions that triggered recalculations of base year emissions.				n/a				
f.	Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.	n/a			Conversion factors 2020 published by the UK Government		AIB (aib-net.org)		
g.	Standards, methodologies, assumptions, and/or calculation tools used.	The business travel agent calculate the GHG emission for AFK.			SECR mandatory reporting requirements for fuels used in heating and transport and electricity consumption based on the financial reporting year 2020 using a full 12 months of data.			The business travel agent calculates the GHG emission for AFK.	

1) Emissions valid for Scope 3 are limited. Scope 3 is calculated from the companies that have estimated numbers for their GHG emissions from business travels by plane or cars only. For 2020, these numbers are estimations and the disclosure is not complete. A complete baseline is to be made for 2021.



## GRI 302-1

## Energy consumption within the organization

GRI 302-1	AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property
a.	Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.	n/a	n/a	1,067,816 kWh from natural gas, petrol and diesel	9,675 GJ		201.8 GJ diesel for cars	n/a
b.	Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.			0	20,873 GJ			
c.	In joules, watt-hours or multiples, the total:			1,644,013 kWh				
c.i)	electricity consumption	32936,7 kWh		576,196	20,873 GJ	1,651,798 kWh	173,279.6 kWh	
c.ii)	heating consumption	included in electricity consumption		842,277	9,675 GJ		included in electricity consumption	
c.iii)	cooling consumption	included in electricity consumption		included in heating	n/a		included in electricity consumption	
c.iv)	steam consumption			0	None			
d.	In joules, watt-hours or multiples, the total:			0				
d.i)	electricity sold			0	None		482 GWh	
d.ii)	heating sold			0	None			
d.iii)	cooling sold			0	None			
d.iv)	steam sold			0	None			
e.	Total energy consumption within the organization, in joules or multiples			1,644,013 kWh	30,548 GJ			
f.	Standards, methodologies, assumptions, and/or calculation tools used.			SECR mandatory reporting requirements for fuels used in heating and transport and electricity consumption based on the financial reporting year 2020 using a full 12 months of data.		The data on energy consumption includes the main offices, in which 66% of the total number of employees work. The consumption does not include minor locations with less than 20 employees.		
g.	Source of the conversion factors used			Conversion factors 2020 published by the UK Government				

Notes goes here

## GRI 403-2 (2016) Occupational health and safety

GRI 403-2 (2016)		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property Bryggebyen	AFK Property Gullknapp
a.	Types of injury, injury rate (IR), occupational disease rate (ODR), lost day rate (LDR), absentee rate (AR), and work-related fatalities, for all employees, with a breakdown by:									
AFK	Types of injury		Chemical exposure	Cut injuries	There were no accidents in 2020	Hand cuts and scratches	0	Cut injuries	Cut injuries	
AFK	Injury rate (IR) - AFK uses Lost Time Injury Rate (LTI)	0	11.46	1.8	0	0	0	0	0	0
AFK	Absentee rate (AR)	0	2.81%	2.62%	1.00%	2.40%	2.00%	7.90%	5.57%	2.17%
AFK	Work-related fatalities	0	0	0	0	0	0	0	0	0
c.	The system of rules applied in recording and reporting accident statistics	AFK uses RHU schemes to report all accidents.	1. The injured person reports incident/accident to the responsible person. 2. The responsible person reports the incident/accident to the Prevention Department. 3. The Prevention Department sends the medical assistance. 4. The Prevention Department investigates the incident/accident. 5. The incident/accident report is sent to an external prevention service. 6. The accident is reported to the labour authority. 7. The Prevention Department sends the report to the workers involved. They sign upon delivery. 8.- The report is sent to the rest of the workers for learning purposes.	Monthly reporting	NSSLGlobal has adopted the procedure laid down in the OH&SMS. All accidents are documented on the Accident Report Form and recorded in the accident/incident register which is maintained by the OH&S Manager. All reported accidents, incidents and dangerous occurrences are investigated to determine the root cause and all recommendations and corrective actions resulting from incident investigations are identified and implemented within the specified timeframes (SMART objectives are used). RIDDOR 2013 regulations for reportable accidents are followed in the UK for example. Records are kept for a minimum of 7 years and held by HR. GDPR is complied with.	Tekna follows their accident, incident and first aid report instruction (INSST-13). There is a process of communication and actions to be taken for each of the following : - Accident - Incident - First aid In the MOR (monthly operation report), Tekna follows those indicators: - LTI - Workplace injury - H&S implementation of Risk reduction actions - H&S non-conformities (late at the end of month) - H&S audits - H&S standard follow up (standards not respected)"		AFK Hydropower uses RHU forms to report all accidents.	The contractor Kruse-Smith uses website avvik.com to register all injuries. Personal injuries are divided into injury categories Minor injury (no medical treatment required), Minor serious injuries (requires treatment from medical personnel), Serious injury (injuries that require extensive medical treatment) , Very serious injury (injuries with permanent reduced function / disability) and Death.	

## GRI 405-1

## Diversity of governance bodies and employees

GRI 405-1		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property Bryggebyen	AFK Property Gullknapp
a.	Percentage of individuals within the organization's governance bodies in each of the following diversity categories:									
a. i)	Gender:									
	Male (Board of Directors)	57.10%	100%	100%	50%	100%	88%	*See AFK	100%	100%
	Female (Board of Directors)	42.90%	0%	0%	50%	0%	12%		0%	0%
	Male (C-suite positions)	80%	60%	100%	60%	80%	88.9%	100%	100%	100%
	Female (C-suite positions)	20%	40%	0%	40%	20%	11.1%	0%	0%	0%
b.	Percentage of employees per employee category in each of the following diversity categories: <sup>1)</sup>									
b. i)	Gender:									
	Male employees	71.4%	84.8 %	84.5 %	76%	81%	78%	92%	100%	100%
	Female employees	28.6%	15.2 %	15.5 %	24%	19%	22%	8%	0%	0%

1) Defined as Full-time Employees (FTE)

## GRI 401-1

## New employee hires and employee turnover

GRI 401-1		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property Bryggebyen	AFK Property Gullknapp
a.	Total number and rate of new employee hires during the reporting period, by age group, gender and region.									
AFK	Total number of new hires	3	23	40	42	17	98	1	0	0
b.	Total number and rate of employee turnover during the reporting period, by age group, gender and region.									
AFK	Total turnover <sup>1)</sup>	0	2	99	28	11	52	0	0	0
AFK	Turnover rate <sup>2)</sup>	0%	2.1%	9.8%	13%	6%	10%	0%	0%	0%

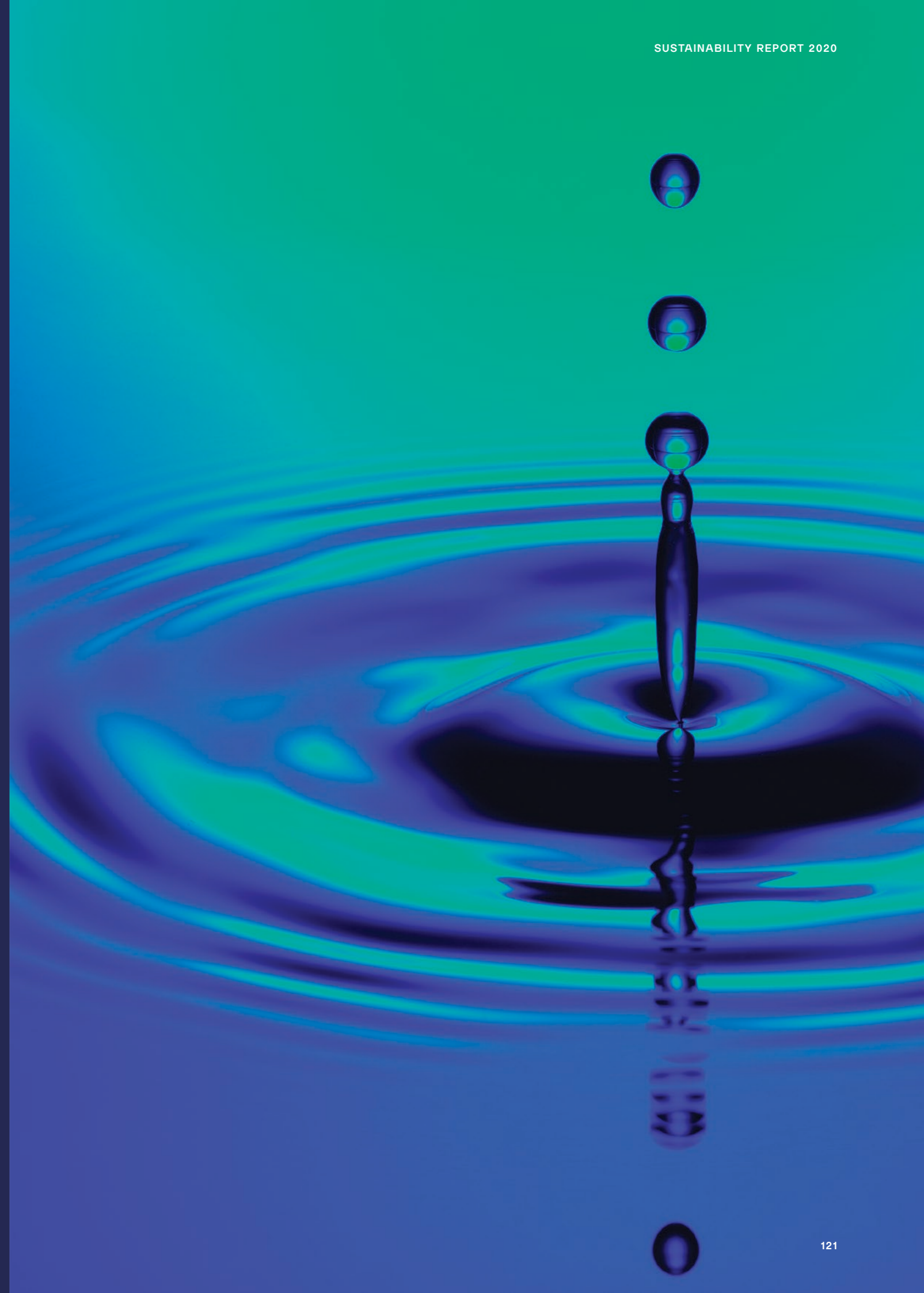
1) (Total number employees 31. Dec - Total number of employees 01. jan). 2) (Total number employees 31. Dec - Total number of employees 01. jan)/Average number employees

**GRI 205-2****Communication and training in anti-corruption policies and procedures**

GRI 205-2		AFK Parent Company	Cogen Energia	EFD Induction	NSSLGlobal	Tekna	Volue	AFK Hydropower	AFK Property Bryggebyen	AFK Property Gullknapp
AFK	% Workforce that has signed the latest version of Code of Conduct									
AFK	Total number	14	97	969	205	173	New CoC approved by BoD, to be published in Q1 2021	13	2	0
AFK	Percentage	100%	100%	100%	100%	99%		100%	100%	0%

## List of abbreviations

AFK	Arendals Fossekompani
AM	Additive Manufacturing
AR	Absentee Rate
CDP	Climate Disclosure Project
CHP	Combined Heat and Power
CoC	Code of Conduct
CSR	Corporate Social Responsibility
EEE	Equivalent Electrical Efficiency
EPD	Environmental Product Declaration
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
ESOS	Energy Savings Opportunity Scheme
EY	Ernst & Young
FSE	Safety regulations when working with electrical installations
FTE	Full-time Employees
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HSSE	Health, Safety, Security and Environment
HR	Human Resources
ICMA	International Capital Market Association
ICT	Information and Communication Technology
IEA	International Energy Agency
IoT	Internet of Things
IMO	International Maritime Organisation
IPCC	Intergovernmental Panel on Climate Change
IR	Injury Rate
ISO	International Organisation for Standardisation
IT	Information Technology
KPI	Key Performance Indicator
LCA	Life Cycle Assessment
LTI	Lost Time Injury Rate
M&A	Mergers and Acquisitions
NGO	Non-Governmental Organisations
NPS	Net Promoter Score
NVE	The Norwegian Water Resources and Energy Directorate
OECD	The Organisation for Economic Co-operation and Development
OHS	Operational Health and Safety
PES	Primary Energy Savings
RCP	Representative Concentration Pathway
R&D	Research & Development
SASB	Sustainability Accounting Standards Boards
SCoC	Supplier Conduct of Conduct
SDG	Sustainable Development Goals
SECR	Streamlined Energy and Carbon Reporting (SECR)
TCFD	Task Force on Climate-related Financial Disclosures
UN	United Nations
VSAT	Very-small-aperture Terminal
WEO	World Economic Outlook



Arendals Fossekompani  
Developing green-tech companies

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Mission AS

