



Communication on Progress 2011

UN Global Compact

Aker Solutions

Letter from the Executive Chairman

Being a responsible citizen is of key importance towards realising our vision: To be the preferred partner for solutions in the oil and gas industry. This vision applies to our employees, customers and the society at large. We failed significantly when we in 2011 lost three young men working for us. This is a strong reminder of the immense responsibility we have for the safety of our people.

Growth on the basis of our core values

To reach our growth ambitions and double the size of the company from 2010 to 2015 we will build a strong performance culture based on our core values, emphasizing the focus on people and teams, and our HSE-mind-set. When we strengthened our team with 6 000 new colleagues in 2011, we aimed to find those who share our company's values and who want to work with other people – and in a company – that care. We invest in training on health, safety and environment, business ethics and corporate responsibility, and encourage competence and leadership development programmes. In late 2011 we introduced mandatory classroom training on business ethics for office-based employees, and by the summer of 2012 more than 6 000 employees and hired-ins had completed the training, out of a total of 13 000.

Closer to markets and customers

Aker Solutions is in the process of implementing a new regional model. We believe this will significantly increase our footprint in the countries we operate in. As an extension of our corporate headquarters in Oslo the regional organisations will concentrate more on local needs. This will help us meet the demands of local government, society as a whole and customers in the areas we operate. Two of our defined regions, namely Brazil and North-America, are already operational while the rest – Norway, the Middle East & North Africa, Asia Pacific and Europe & Africa – are work in progress.

Developing sustainable solutions

We consider it part of our corporate responsibility to continually invest in technology and operational improvements in order to deliver more sustainable products and solutions. Our recent completion of the Statfjord Late Life project is a good example. With almost five million working hours the field was transformed from an oilfield with associated gas, to a gas field with associated oil, prolonging its lifetime to 2020. Our solutions are also being developed with increased focus on energy efficiency and environmental impact. Subsea Compression technology ensures higher reservoir depletion and at the same time requires less material usage, fewer chemicals and has lower energy consumption than a corresponding topside installation would have had.

Expansion and challenges

Our recent move to Tromsø and the Arctic has been welcomed by both the local community and our customers. However, while this creates a financial and societal ripple effect in the region, it also creates environmental challenges. We are now in the process of establishing global partnerships with universities and research institutions all over the world to help us develop our products, services and technologies. This will be important for the way forward not only in the Arctic but elsewhere to reduce environmental risk and harm to people, wildlife and nature.

Strengthening our corporate responsibility

The United Nations Global Compact (UNGC) has constituted a strong framework for the development of Aker Solutions' corporate responsibility strategies, and we continue our commitment to the initiative and the implementation of its ten principles in our operations. We realize that our commitment to corporate responsibility requires constant focus on our management systems and business culture. Over the past year, we have among other initiatives, improved and formalized the assessments of human rights, environmental impact and corruption risk for new projects in high risk countries. We have also strengthened the focus on corporate responsibility in our supply chain, and we encourage our suppliers, sub-contractors and other third parties to align their conduct with the UN Global Compact's ten principles. We also see that our classroom training on business ethics creates further awareness among our managers and employees. I appreciate and welcome the discussions and questions that the training generates.

Our commitment to the environment and society remains, and will become crucial as we grow and expand our business.

Øyvind Eriksen

Executive Chairman

Introduction

This report contains Aker Solutions' "Communication on Progress 2011" to the UN Global Compact, submitted September 2012. At the date of the submission, Aker Solutions consists of nine business areas, located in 34 countries and represented in approximately 80 locations.

The information in this report is collected from Aker Solutions' web pages in September 2012, and presents activities from all the Aker Solutions Group and its parent company Aker Solutions ASA. Information is included from discontinued operations until the date of their separation. To ensure comparability with numbers in the annual report and other publications, the reported numbers and activities are from the year 2011. The reports at times bring up relevant activities from 2012 to illustrate how certain issues have been followed up. In such cases, it is always stated clearly that the activity originates from 2012. Our goal is to align our future Communications of Progress with the timing of the annual report.

Caring about people

As a technology-based company, we depend on smart minds and a working environment with room for creativity and considerable cooperation. Our people are our main asset.

A competent and motivated workforce driving toward the same goals is vital to our success. With thousands of employees around the world, representing many cultures, religions and ethnic groups, our focus is to help each individual employee realise his or her potential and look after his or her own health and safety.

Our People Policy and our Code of Conduct outline the key rights and responsibilities of our employees. It is the responsibility of all line managers to ensure that the policies are implemented. Human Resource (HR) managers at each location are responsible for the relevant training and monitoring, while Corporate HR is responsible for implementing strategies and monitoring efficiency of the policies.

Competence and performance

Aker Solutions' deliveries are the sum of the expertise and experience of thousands of individuals.

This diversity of personal capabilities and the interaction between them liberate energy and generate new technology, creative solutions and lasting value. Aker Solutions actively strives to attract and develop talented individuals who understand our customers' needs and requirements and who can produce and deliver the best solutions.

Competence development is important both to create value for the company and to create personal development and new career opportunities for the individual employee or manager. For general training, our online eLearning system provides easily accessible training for our global staff, and in 2011, all employees participated in an average of two hours of eLearning. Although this is a slight increase from 2009 and 2010, we believe there is even more potential in the use of e-learning. 65% of the time spent on e-learning is training on health, safety and environment (HSE). Considerably more time is spent on on-the job training, classroom training and external seminars. For example, our Maintenance, Modifications and Operations business area (MMO), logged average training time to be just above 18 hours per employee in 2012. Aker

Solutions is in the process of standardising the learning management process with global key performance indicators (KPIs) and the use of a common learning management system.

Dialogue to discuss individual performance and career ambitions is an important tool to identify potential for competence development, and creates an arena where a manager and an employee can discuss the work load and other issues related to the working environment. According to our People Survey 2010 68.44% of Aker Solutions employees reported that they had a performance dialogue with their manager within the last 18 months. Our aim is to increase the use of performance reviews in the company. In 2011 it was decided that performance management dialogues shall become mandatory for all office-based employees. From the end of 2013, all office workers in Aker Solutions will be using the same performance management system, which will standardise the performance dialogue processes, and improve reporting and transparency.

Keeping employee turnover at a low level is important for retention and stability. It is important for Aker Solutions to avoid regrettable reductions in staff which can result in loss of competence and high recruitment and on-boarding costs. In 2012 we have established a new global on-boarding initiative in order to increase staff retention rates.

Table: Key figures on workforce, eLearning and employee turnover for 2011

Total workforce	23 497
Own employees	18 365
Contract workers	5 132
eLearning (average time spent per employee)	2 hours
Employee turnover	7.4%

Equal opportunities

Aker Solutions recognises the value that diversity in the workplace brings to our company.

We are a global organisation with employees from many cultures, religions and ethnic groups. Aker Solutions' policy is to ensure that equal opportunities are provided to all prospective employees regardless of race, colour, religion, sex, age, national origin or disability.

Our People Policy states that all Aker Solutions employees shall expect a workplace free from harassment and discrimination. Aker Solutions will respect its employees, apply an approach of fair rewards, and provide suitable training and development opportunities for all. There shall be no retaliation against any employee who should raise any issue of genuine concern including but not limited to safety, ethics, alcohol or drugs, equal opportunity, or harassment. Our Supply Management Policy establishes similar requirements and rights in our supply-chain.

Each business area is responsible for developing appropriate procedures for their environment which seek to promote equal opportunity and diversity, ensuring compliance with local legislation as a minimum. Individuals who believe they have been subject to harassment are encouraged to report the incident to their supervisor, higher management or their contact in Human Resources, or through the established whistle-blower channels. All complaints are investigated. The company will treat such complaints confidentially, releasing information only to those with a need or right to know.

Employee representation

As part of our commitment to human and labour rights, Aker Solutions encourages employee representation in our business units in all locations.

Through participation in working committees, and on our Board of Directors, trade union representatives provide employees with valuable influence, and an important line of communication between employees and management.

Aker Solutions employees have the right to be heard, represented and to form and join trade unions of their own choice. These unions have the right to be recognised for the purpose of collective bargaining. This is outlined in the International Framework Agreement between Aker ASA and the Norwegian Confederation of Trade Unions and the International Metalworkers Federation.

Health, safety and environment

A health, safety and environment (HSE) mind-set is one of Aker Solutions' core values and of outmost importance to us.

All Aker Solutions employees and subcontractors, at all of our plants and locations, are entitled to work in a safe and healthy environment. We sometimes work under challenging conditions, and in these cases our main priority is to maintain the safety of our employees and our customers, our sub-contractors, consultants and other parties working together with us. We have a zero incident mind-set. We believe that it is possible to achieve our goal of zero accidents, and consistently strive to reach this goal.

Although our safety measurements Lost Time Injury Frequency (LTIF)* and Total Recordable Incident Frequency (TRIF)** have improved year-on-year, we regrettably had three fatalities in 2011. Three young men working for Aker Solutions via our subcontractors, died while on duty. It is tragic to lose colleagues, and our condolences go out to the families, friends and close colleagues of these men. The fatalities have been thoroughly investigated by multi-functional investigation teams. The results have been presented in reports and communicated through our Lessons Learned system in the organisation. Compliance with the implementation of these learning points is followed up in the Self Assessment system. We failed to reach our goal of zero accidents in 2011, and we must learn from the accidents to ensure we improve our HSE mind-set going forward.

Managers and local HSE representatives are responsible for ensuring that the company at all times fulfils requirements from government and local authorities. The HSE management system is monitored regularly by our internal HSE organisation, as well as by the HSE organisation of our customers. In Norway, local HSE committees with employee representatives are a mandatory requirement under Norwegian law. The company considers such structures beneficial and we encourage the setting up of similar HSE committees on all our production sites in all our regions.

Table: Health and safety key numbers

	2011	2010	2009	2008
Lost Time Incident Frequency (LTIF) including sub-contractors*	0.66	0.83	0.90	0.93
Total Recordable Incident Frequency (TRIF) including subcontractors**	2.29	2.62	2.70	3.62
Fatalities, including sub-contractors	3	0	3	0
Sick leave rate (%)	2.17	2.04	2.18	2.27

**Lost Time Injury Frequency (LTIF) rate – (No. of lost time incidents) per 1 million worked hours*

***Total Recordable Incident Frequency (TRIF) rate – Total No. of recordable incidents (Fatalities, lost time incidents, restricted work cases and medical treatment not including first aid) per 1 million worked hours*

Health and safety initiatives in 2011

Aker Solutions' global network of HSE professionals has been responsible for implementing a number of common initiatives company wide. The Just Rules initiative is a set of important guidelines for our work operations, and is a result of detailed investigations from both injuries and potential incidents.

In order to highlight the positive sides of HSE, Aker Solutions' Executive management team each year announces the winners of our internal Just Care™ awards. The awards serve as important inspiration to all our employees and the winners help guide the way for the rest of us.

Several Aker Solutions sites proved their continuous commitment to improving safety conditions in 2011. For example, our well services team in Stavanger, Norway demonstrated better HSE results through safe and efficient training on critical equipment and operations through the Well Intervention Academy. This is a centre built for training and further developing core competencies as close to realistic offshore operations as possible, but in a safe, secure and controlled environment.

In Ågotnes, Norway, the employees in our subsea business implemented a new hands-free lifting rule, and provided training to all employees. Ågotnes had zero injuries in connection with lifting since the implementation of their hands-free lifting rule.

HSE management was also important in our process systems operations in Brazil. Process systems Brazil was contracted by Petrobras to deliver the Sulfate Removal Units (SRU) system for two platforms. 260 000 man-hours of work were recorded from May until December 2011, with activities 24 hours a day and seven days a week. During the production a strong HSE management system was implemented, resulting in zero lost time incidents for the whole project.

HSE training has also been highly prioritised in order to strengthen and live up to our HSE mind-set in the company. These include HSE leadership training, eLearning courses and different local training programmes. 65% of the time spent on e-learning in Aker Solutions is training on HSE.

Healthy working life

Aker Solutions' performance depends on healthy working staff. We actively support the creation of an appropriate work/life balance.

Our companies are actively encouraged to create practices for work patterns which suit the employee and the company and, as a minimum, comply with local legislation. We also encourage employees to be physically active.

- In our Engineering office in Kuala Lumpur, Malaysia, a sick leave reduction programme started in 2010, to provide support to employees with more than three days of sick leave, identify and monitor root causes of illnesses and to provide more flexible working arrangements. The campaign resulted in a reduction in sick leave at the location from 2.32% in December 2009 to 1.74% in December 2011.
- Several locations offer free vaccines, for example Curitiba, Brazil and Ågotnes, Norway

- The Aker Active and Akrobaten initiatives in Norway encourage employees to log exercise hours, and offer training advice, nutrition information, lectures and prizes to active employees
- Employees at the Rio das Ostras office in Brazil organised a golf tournament to activate their colleagues, with the participation fee going to charity

Caring about community

As a large company and employer, we are a significant part of the societies in which we operate. We believe in playing our part in the community through investing in building a healthy, safe and stable society.

Respecting human rights

Aker Solutions is committed to conduct its business in line with fundamental human rights. We support the United Nations Declaration of Human Rights and the principles established by the International Labour Organization. Forced labour, child labour, or other violations of basic human rights are unacceptable.

As a large supplier to the oil and gas industry, it is important for Aker Solutions to ensure that the projects we support and supply with our technology and services are consistent with our business ethics policy and our support of human rights. Aker Solutions employees shall seek to minimize any negative impact our business activities may have on society and are challenged to look for opportunities that benefit both society and our business. This is outlined in our Code of Conduct, our Business Ethics policy, our Supply Management Policy, and the framework agreement entered into by Aker ASA and the Norwegian Confederation of Trade Unions and the International Metalworkers Federation.

Potential impacts on human rights shall also be considered during the tender stage of all new projects, and for new investments. Projects in countries where human rights risks are high require specific assessment by the Business Integrity and Compliance division at Corporate. Our current project review system was initiated in 2010. In 2011, all of our bid/no bid decisions for project tenders to a high risk country underwent human rights and integrity assessment.

Supply-chain and business partners

Aker Solutions is committed to contribute positively to the development in the communities where we are present.

We aim to cooperate with our suppliers, subcontractors and other business partners, to create sustainable business strategies that respect the environment and human and labour rights, and that match our zero-tolerance for corruption.

In 2011, our supply-management system was improved, and our commitment to corporate responsibility in the supply chain was strengthened. A self-assessment of the suppliers' implementation of Corporate Responsibility has been integrated in the supplier pre-qualification process, and the suppliers are required to confirm commitment to key corporate responsibility (CR) principles. CR and compliance requirements have also been included in our standard terms and commitments (Ts&Cs).

Impact on local communities

As a cornerstone industry in many local communities, it is important for Aker Solutions to ensure that we influence local communities in a positive way, and keep our negative impact to a minimum.

Aker Solutions offices across the world contain mainly office workers and pose low risk to the outside communities. Aker Solutions has production plants and workshops in several countries, such as Norway, Brazil, Angola, Nigeria, Germany, Malaysia, Indonesia, United Kingdom and the USA. These plants are not considered to present serious negative social or environmental impacts to the surrounding communities. No plants are situated in preserved areas, or have caused relocation of people.

All Aker Solutions plants have strong health, safety and environment (HSE) systems in place, and the plant managers are responsible for ensuring that the company at all times possesses the required government or local environmental licences. The HSE management system is monitored regularly by our internal HSE organisation, as well as by the HSE organisation of our customers. In Norway, local HSE committees with employee representatives are a mandatory requirement under Norwegian law. The company considers such structures beneficial and we encourage setting up similar HSE committees on all our production sites in all our regions. In 2011, there were no recordings of any environmental spills from any of these plants.

Our umbilical plant in Moss, Norway is located close to residential areas, and a neighbourhood committee has raised concerns about noise and light emissions. We are in close dialogue with neighbours and Moss municipality to ensure that noise and light levels are kept within acceptable limits. We ensure that we are always at minimum compliance with Norwegian laws and regulations, and make sure that all necessary dispensations are in place when required.

Our move to Tromsø (announced in 2011) and the Arctic was welcomed by the both the local community and our customers. However, while this creates a financial and societal ripple effect in the region, it also creates environmental challenges. We are now in the process of setting up global partnerships with universities and research institutions all over the world to help us develop our products, services and technologies. This will be important for the way forward not only in the Arctic but elsewhere to reduce environmental risk and harm to people, wildlife and nature.

As a cornerstone industry in many local communities, it is important for Aker Solutions to ensure that our employees and hired-ins are treated well, and get sufficient training on HSE to work safely. Such requirements are included in our governing policies and in agreements with trade unions.

Sponsorships and support

Aker Solutions aims to be a positive contributor to society where we are present, and encourage our employees to engage in community activities.

In 2011, we cooperated and provided support to organisations and projects in a range of areas. Some examples are included below:

- Cooperation with Norwegian Red Cross, such as the arrangement of a family day, lunch and learn sessions, and contribution to the Norwegian Red Cross Emergency Fund "Nødhjelpsgiver"
- Blood donation programmes in cooperation with the Norwegian and Indonesian Red Cross organisations
- Fund-raising in aid of British Red Cross Japan Tsunami Appeal
- Sponsorship of local football teams in Brazil

- Subsea UK each year nominates a charity to support. In 2011 CLAN, a cancer organisation was supported. For 2012, the Archie foundation has been selected

In Aker Solutions, we have a clear policy of not providing sponsorship or contributions to political parties. This is stated in our Code of Conduct. Aker Solutions participates in oil and gas conferences and roundtables, and we are members of Chambers of Commerce and Norwegian Business Forums in some of the locations where we are present.

Caring about environment

The environment depends on companies like ours to contribute to its positive development. We work to minimise negative impact on the environment by continuously developing technology, practices and business opportunities compatible with sustainable development.

Our product innovation goes further and includes the full life cycle - not just technology but product design, manufacturing, operation and decommissioning. Our brochure “[Ingenuity delivered](#)” provides more information on our product innovation.

In addition to delivering greener solutions to the oil and gas industry, Aker Solutions is working on continually improving our own performance.

All operating units in Aker Solutions shall implement the health, safety and environment (HSE) operating system. This implies adopting the expectations set out in the HSE operating system as improvement targets, performing assessments against these expectations, and having in place a continual improvement process to meet these expectations. Our global HSE network currently employs more than 200 fulltime HSE professionals to ensure continuous improvement.

Each business unit reports electricity use by location, renewable and non-renewable fuels, waste disposal and recycling factors. The environmental performance key performance indicators (KPIs) also include intensity factors to be able to monitor energy consumption and emissions as a factor of one million worked hours.

In order to encourage environmental innovation, Aker Solutions has an internal award system. The Just Care™ award is an annual internal award for outstanding HSE performance, where environment is one of the four award categories.

Sustainable product innovation

As a supplier to the oil and gas sector it is important for Aker Solutions to ensure that we continue to deliver high quality products that can help our customers be more energy-efficient, and solutions that can help reduce environmental risks and impact.

We have committed resources to research into environmentally friendly solutions for the oil and gas industry's future as well as new and greener business opportunities. It is important to develop new technologies. It is also important to combine existing technologies in smarter and more efficient ways.

Here are some examples of solutions we offer:

The Subsea Gas Compression technology: This technology ensures higher reservoir depletion and requires less material usage, fewer chemicals and lower energy consumption than a corresponding topside installation.

The Aker Solutions BTA™ (Buoyancy Tank Assembly): This unique solution is used to remove larger steel jackets during decommissioning. The buoyancy tanks lift the jacket from the seabed, and it can easily be towed to shore.

Vapour recovery units and systems (VRU): This technology helps our customers reduce emissions. We supply a wide range of vapour recovery units for the recovery of gasoline, crude oil and other specific vapours, which serve to dramatically reduce emission of the environmentally hazardous substances referred to as volatile organic compounds (VOCs). With more than 300 VRUs in operation throughout the world, Aker Solutions is a recognised market leader.

Carbon capture and storage (CCS): In 2011, Aker Solutions increased our ownership from 50% to 100% of Aker Clean Carbon, the company investing in development of CCS Technology.

Our environmental footprint

Aker Solutions' total environmental footprint was reduced in 2011. The main cause for this is the reduction of the size of the company after separation and sales of our Process and Construction business and parts of the Energy Development and Services business area. Our recycling factor has increased, while energy efficiency and CO₂ intensity remain at similar levels.

As seen from the table, Aker Solutions reduced its indirect energy consumption by 35% and CO₂ emissions by 30% in 2011. The reduction is mainly a result of the changes in our business mix following the sale of the Process and Construction business area in January 2011 and the Aker Marine Constructor business area in March 2011, and the separation of the project business unit into Kvaerner in July 2011. Energy intensity and CO₂ emissions per worked hours remain at somewhat equal levels; however we notice a slight decline in the progress from 2010. The numbers are calculated based on the Greenhouse Gas Protocol (GHG) approach, and the environmental performance indicators of the Global Reporting Initiative (GRI).

Energy use and CO₂

Table: Energy use and CO₂ emissions

	2011	2010	2009	2008
Energy consumption (MWH) (Indirect energy use)	306181	473950	588206	623049
Energy Intensity (MWH per million worked hours)	5490	5327	5966	6560
CO ₂ Emissions (Tonnes)	77591	109573	136797	146654
CO ₂ Emissions Intensity (Tonnes per million worked hours)	1402	1232	1387	1544

Waste handling

With the reduction of the size of the company and a change in the project portfolio, it is natural that the total waste numbers go down. The waste generation in Aker Solutions is driven by our projects, and a significant amount of our total waste is generated from a few individual projects. For example, decommissioning of oil rigs undertaken by our Maintenance, Modifications and Operations business (MMO) has the potential to have a big impact on our waste numbers. Maintaining a focus on waste-handling in these projects is important to ensure steady improvement. Our decommissioning projects take place mainly in the North Sea and are executed in strict accordance with the environmental regulations under Norwegian law.

Several local initiatives in 2010 and 2011 have put recycling on the agenda, and we are therefore pleased to see a significant increase in our recycling factor, from 61.6 in 2008 to 87.5 in 2011. One example is our Subsea production base in Port Klang, Malaysia, which has implemented waste segregation and recycling, and won our internal Just Care™ award for their efforts.

Table: Waste handling

	2011	2010	2009	2008
Total waste (Tonnes)	30331	42171	45744	35756
Hazardous waste (Tonnes)	1386	965	2769.2	2200
Recycling waste (Tonnes)	26091	36096	34494	22021
Recycling factor (%)	87.5	85.6	75.4	61.6
Accidental oil spills (number)	0	0	0	0

Environmental Task Force

Initiatives to increase our environmental performance included increasing the number of units with ISO14001 certification, and local initiatives like changing heater and lighting systems. At the end of 2011, half of the 50 operations units were certified to the ISO 14001 environmental standard.

In order to get better insight into the data behind the reported numbers, the Aker Solutions Environmental Task Force was established in December 2011. This is a multi-business area, multi-nation and multi-background team where the members all are interested in developing the Aker Solutions Environmental Management Systems.

The long term goal is to establish a common standard for Environmental Impact Management in Aker Solutions, and to create the necessary tools for identifying, recording and communicating Environmental Impact in our operations and products.

Caring about integrity

In Aker Solutions we have an absolute zero tolerance for corruption. We believe that supporting a rule-based system, with transparency, fair competition and equal treatment, is of benefit both to our company, to the sustainability of our industry and to society.

Aker Solutions is committed to fair and open competition. We are committed not to engage in any anti-competitive practices or other activities which violate anti-trust laws or directives. We treat our customers

fairly, and act with concerns also for their integrity. Aker Solutions does not offer any financial or in-kind contributions to political parties.

Anti-corruption training

The world sees increasing corruption challenges and we meet stricter anti-corruption legislation and high expectations from all our stakeholders. In addition our industry is increasingly exposed to countries that have high risks of corruption.

2011 saw increased efforts on anti-corruption training in Aker Solutions, as we decided to implement classroom training for a much larger number of employees. A minimum of 2.5 hours of classroom business ethics training was made mandatory for all office-workers and the goal is that all current office-working employees shall have been through the training by the end of 2012. Less than three months after the kick-off of the business ethics training, at the end of 2011 5% of our target group had already participated in business ethics training. Half way into 2012, more than 6 000 managers, employees and hired-ins had participated in the classroom training. We expect that the numbers will grow considerably in 2012.

The reason for this ambitious target is that we believe classroom training and face-to-face discussions of dilemmas are the most effective tools when it comes to creating a corporate culture with a true zero-tolerance for corruption. Our business ethics training, eLearning and classroom modules include information about our human rights and environmental responsibilities, integrity and corruption risks and conflict of interests. The topics are presented together with corporate policies and procedures, as well as relevant dilemmas for discussion.

In addition to the generic classroom module, tailored training was provided in 2011 to business development teams, sales- and corporate function managers.

By the end of 2011, 27.2% of all office worker employees had performed the corporate responsibility eLearning course covering topics such as conflicts of interests, human rights and corruption. The number is slightly lower than expected, due to some technical problems and downtime with the course. The goal is to increase the percentage of employees who have taken the corporate responsibility eLearning course in 2012 to 40%.

Table: Business Ethics and Corporate Responsibility training by the end of 2011

Employees	Total number	Classroom training (Business ethics)		Corporate Responsibility e-learning	
		2011	2012 Target	2011	2012 Target
Top management ¹	128	44%	100%	NA	NA
Office workers	13048	4,7%	100%	27.2%	40 %

Integrity risk assessment

In Aker Solutions, corruption and integrity risks are included in our overall risk assessment. On-going risk assessment and feedback is also covered via feedback from our business ethics classroom course, and

¹ Includes the Executive Management Team and the management groups for each business area

analysis undertaken at our Business Integrity and Compliance division at corporate. Regular compliance investigations and project reviews provide assurance that appropriate policies and procedures are implemented.

In addition, corruption risk assessment has been conducted for all countries where we have operations. Relevant markets with high corruption risks are put on a country watch list, which entails that all new activities in such countries require specific assessments and approval from our Business Integrity and Compliance department at Corporate.

Aker Solutions always takes strict precautions before entering any business relationships with JV partners or sales agents. In 2011 we decided not to initiate or renew contracts with a small number of business partners because the companies did not provide sufficient information to confirm sound compliance practices. Aker Solutions' risk acceptance for corruption is low, and the company management decided not to pursue these partnerships in the future. Aker Solutions had no legal cases brought against the company or against any employee regarding corrupt practices, and no employees were dismissed or disciplined as a response to such illegal activities.

Stakeholders

Aker Solutions engages with our stakeholders on a continuous basis, for example via media, direct communication and participation in networks and conferences.

A GRI-specific stakeholder engagement was undertaken in May-August 2011 with focus on our Corporate Responsibility (CR) and our communication on key CR performance indicators. The feedback provided from internal and external stakeholders offered key learning for the organisation, and the input has been included in the work with strategic CR objectives and our communication on our web pages. Key topics raised by our stakeholders reinforce our commitment to the protection of human rights; decent work and HSE, contribution to local development, environmental impact and corporate integrity. The topics and goals are not new to Aker Solutions, but the stakeholder engagement has improved our understanding of our context and paved the way for a stronger focus on the monitoring and implementation of our policies.

Key stakeholder groups consulted includes customers, suppliers, owners and investors, fund analysts, NGOs, regulators, CR networks like the UN Global Compact Nordic Network, trade union representatives, and key employee groups working for example with human resources, media contact, supply-chain management or representing our global offices. The external stakeholders were selected based on a risk-based approach, considering company impact and stakeholder influence. Suggestions and contacts were also provided from key employee groups.

Our commitment to customers

Aker Solutions is always committed to going the extra mile. We find new ways, always linked to real customer needs and business priorities.

We have frequent contact with customers through health, safety and environment (HSE) meetings, project meetings, evaluation meetings and new project negotiations, amongst others. Customer contact is mostly project specific, and we get feedback on a continuous basis. In addition, we have specific strategies for our top ten customers.

Systematic customer relationship management

In 2011, staff on all on-going projects was required to seek feedback from the customers throughout the project implementation. Such requirements are included in the Aker Solutions Project Execution Model. The contact takes place between the project manager and/or key project personnel and the customer. All projects conclude with an evaluation meeting with the customer. In addition, high level meetings with the most important customers take place on an ad-hoc basis.

In 2011, Aker Solutions concentrated on building a more systematic approach to customer relationship management. Increased competition and the quality issues we experienced in Brazil challenged us to rethink our customer relations strategy. As a result we built an organisation for handling and coordinating our strategic marketing efforts throughout our company. Mark Riding was appointed Chief Strategic Marketing in March 2011, and is part of the executive management team.

The most important feedback from customer meetings in 2011 was related to HSE, technology development and quality. Meetings with Statoil provided feedback on our successful completion of the Visund life boat project, where we utilised visionary engineering –“visioneering” – technology to simulate offshore operations. Evaluation meetings with Statoil identified a marked need for visioneering technology within the Maintenance, Modifications and Operations market. This technology is already in use in the Drilling market, and Aker Solutions is one of the few companies focusing on the full life of the offshore fields which has managed to transfer this technology to a new market area.

Lessons learned from Brazil

2011 also provided important learning for Aker Solutions in meetings with Petrobras after experiencing quality issues in Brazil. Improvement initiatives have mainly been related to transparency in communication with the customer, as well as increased focus on our quality management system.

Going forward, the organisation will work to systematise our customer relationship management approach. Our goal is to implement quarterly customer satisfaction and quality meetings with our top ten customers. We will also have higher level of staff commitment to our customers, whereby each customer will have one main point of contact, a sponsor, nominated from our executive management team.