

SLAVERY AND HUMAN TRAFFICKING STATEMENT FOR SUBSEA 7 FOR THE YEAR ENDED 31 DECEMBER 2020

Subsea 7's Slavery and Human Trafficking Statement sets out the steps Subsea 7 has taken to address the risk of slavery and human trafficking taking place within its own operations and supply chains.

This statement is made on behalf of the Subsea 7 Group, including those members of the Group listed in the Appendix.

A. RELEVANT INFORMATION ABOUT OUR ORGANISATION

Our business and sector

Subsea 7 is a global leader in the delivery of offshore projects and services for the evolving energy industry. We create sustainable value by being the industry's partner and employer of choice in delivering the efficient offshore solutions the world needs. Subsea 7 provides project management, engineering and construction services for oil and gas and offshore wind farm developments. More details about our business can be found at:

<https://www.subsea7.com/en/our-business/what-we-do.html>

Geographies

Our people, onshore and offshore deliver solutions around the world. We have an established regional and local presence in all the major offshore energy regions worldwide, working across 33 countries.. More details can be found at: <https://www.subsea7.com/en/our-business/where-we-operate.html>

Employees and Other Staff

As at 31 December 2020, the number of personnel, including direct employees, agency and contract staff working for Subsea 7 was:

Headcount	Onshore	Offshore	Grand Total
Direct Employee	4,602	1,825	6,427
Contractor/Third Party	1,145	3,298	4,443
Grand Total	5,747	5,123	10,870

Supply Chain

Subsea 7 has a very large and complex supply chain, comprising nearly 7,800 direct suppliers based in over 77 countries in 2020, and many sub-suppliers. These suppliers provide a broad range of materials and services, ranging from non-operational, office- and site-based services such as cleaning and security, through the provision of agency staff for offshore work, to pipeline and fabrication, vessel fabrication, logistics, and a whole range of construction and fabrication services and material supplies.

B. EXISTING POLICIES AND PROCEDURES IN RELATION TO MODERN SLAVERY

Human Rights Policy Statement

As part of our response to the Modern Slavery Act, we developed a Group-wide Human Rights policy, to pull together our existing policies, procedures and commitments under one coherent human rights policy and programme and ensure that modern slavery and human trafficking risks are more explicitly addressed. In 2018 this policy statement was launched across Subsea 7. This is one of our three highest level policy statements. It sits alongside our Ethics Policy Statement and HSEQ Policy Statement, and all three statements are displayed prominently at our offices and sites.

Our Human Rights Policy Statement and Ethics Policy Statement, along with our Code of Conduct and Code of Conduct for Suppliers, can be found at:

<https://www.subsea7.com/en/about-us/labour-practices-and-human-rights.html>

<https://www.subsea7.com/en/about-us/business-ethics.html>

Code of Conduct

The Subsea 7 Code of Conduct (the Code) is applicable to all personnel working for and on behalf of Subsea 7 globally, including direct employees and agency and contract staff. The Code sets out our commitment to conducting business fairly and ethically, including by treating our employees, clients, contractors and suppliers fairly and with respect. It also provides guidance on how to ensure we uphold our commitments. It was refreshed in 2019. Enhancements to the Code of Conduct included more prominent and engaging sections on human trafficking, forced labour and other human rights abuses.

All Subsea 7 direct employees are required to sign up to the Code of Conduct on joining the business.

Code of Conduct for Suppliers

The Subsea 7 Code of Conduct for Suppliers is incorporated into our standard terms and conditions for suppliers and was refreshed in 2019. It includes mutual commitments to:

- Ethical business conduct, including with regard to anti-corruption

- Health, safety and security.
- Human rights and fair and lawful employment practices across Subsea 7 and throughout our supply chain.
- As a minimum, complying with national legal requirements regarding wages and working hours.
- Support the International Labour Organisation’s standards regarding child labour and minimum age.
- Prevent modern slavery and human trafficking anywhere in our business or supply chain.
- Uphold the same standards when dealing with employees, contract staff and sub-contractors.

Supply Chain Management Procedures

We have robust pre-qualification procedures for our direct suppliers, and for suppliers from high-risk countries this includes a risk screening and due diligence process. They are contractually required to comply with our policies in relation to safety, quality, environmental and business ethics, including anti-corruption and human rights; and to require their own suppliers to operate to the same standards.

If we became aware of slavery or human trafficking concerns within our supply chain, we would seek to work with the relevant suppliers to improve conditions for their workforce. We would reserve the right to deselect suppliers if they were to fail to make the required improvements within a reasonable timeframe.

Speak Up Policy

Subsea 7 staff and suppliers are encouraged to raise concerns about behaviour inconsistent with the above commitments. We have a whistle-blowing policy, which was revised in 2019 to provide more information about the whole process, including how to raise a concern, how the case will be handled, and how the person speaking up will be protected. We renamed it as the Speak Up Policy, to make it more engaging and help avoid any stigma associated with the term “whistle-blowing”, which might discourage people from coming forward. We have an externally managed *Safecall* confidential reporting line, as well as other channels for raising concerns, all of which are widely communicated. We also have procedures for investigating concerns reported via these channels.

To date, Subsea 7 has received no reports of concerns regarding slavery or human trafficking in our operations (including our supply chain). If any such issues were reported to us, we would undertake an urgent, thorough investigation into the concerns raised under the supervision of the Executive Ethics Committee. If the investigation confirmed the concerns, we would put in place robust action plans to address the issue and protect the victims.

C. RESPONDING TO THE MODERN SLAVERY ACT

At the direction of the Executive Ethics Committee, Subsea 7 established a cross-functional working group, under the sponsorship of the Executive Director of Human Resources and the General Counsel, to assess and respond to the requirements of the Modern Slavery Act 2015. The members of that working group include the Subsea 7 group heads of Supply Chain Management, Human Resources, and Compliance and Ethics.

In 2017 we engaged *GoodCorporation* to provide independent, expert advice, and to help us deliver training and design and perform a risk assessment. *GoodCorporation* is a firm that specialises in helping organisations to assess and manage corporate responsibility and business ethics risks, including human rights and corruption risks.

We:

- Developed a human rights and modern slavery compliance clause for insertion in contracts with suppliers.
- Developed human rights and modern slavery questions for insertion in our supplier due diligence questionnaire.
- Included human rights and adverse media alerts in the tool that we use to screen medium- and high-risk suppliers.
- With help from *GoodCorporation* and input from key stakeholders across our business and most of our key geographies, conducted a risk assessment to help us identify categories of staff and supplier that might constitute a higher modern slavery risk. This risk assessment included direct suppliers to Subsea 7, and it also considered where risks might exist further down the supply-chain.
- With *GoodCorporation's* help, delivered a half-day education workshop attended by key managers within Human Resources and Supply Chain Management. We are currently working with *GoodCorporation* to update and refresh our training to enhance awareness of how to identify and address modern slavery risks across our targeted populations of Senior Leadership, Human Resources and Supply Chain Management.

In 2019 Subsea 7 became signatories of the UN Global Compact in which the United Nations set out principles covering human rights, labour, environment and anti-corruption. This marked another milestone in our commitment to fair and lawful employment practices across our Company and throughout our supply chain. We also signed and committed to supporting the 10 Worker Welfare Principles set out by the Building Responsibly organisation, a global business-led coalition committed to promoting the rights and welfare of workers across the Engineering and Construction industry.

In 2019 we established a new 'Sustainability' Value that specifically focuses on our environmental and societal behaviours and defines Human Rights & Labour Practices as one of our 6 priorities. We formed a Working Group with senior leaders from functions across the Company who set the strategic direction for providing working conditions aligned with international best practice with respect to human rights and labour practices. In 2020, as part of our focus on Human Rights and Labour Practices, we developed our three-year roadmap for embedding the principles of Building Responsibly and the UN Global Compact into the ways in which we already respect and protect human rights of all personnel

working for and on behalf of Subsea 7 globally, including direct employees and agency and contract staff. In addition, we enhanced our risk assessment process to embed these principles and support a review of our global operations to identify any high-risk areas.

Further action in 2020, includes implementation of an enhanced third-party risk assessment and due diligence platform, which will help process all our high-and medium-risk suppliers and other third parties. It includes business ethics and human rights risk assessment and due diligence screening, automated due diligence questionnaires, and approval workflow.

To support our three-year road map and track progress against our focus on Human Rights, Labour Practices, including Modern Slavery and Human Trafficking, we have developed KPI's which are presented in our Sustainability Report on an annual basis and can be found here:

https://www.subsea7.com/content/dam/subsea7-corporate2018/annual-report-2020/Subsea7_Sustainability-Report-2020.pdf

Our KPI's include recording the number of human rights cases recorded and the number of suppliers with a human rights clause in their contract or that underwent human rights screening. We will add further KPI's as we progress through our three-year road map.

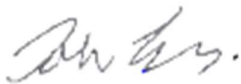
D. ASSESSMENT OF MODERN SLAVERY RISKS IN OUR OWN ORGANISATION AND OUR SUPPLY CHAIN

Our risk assessment process will continue to evolve and mature. It has already confirmed that some of our initial assumptions and areas of focus are appropriate, namely:

- The modern slavery risks within our own workforce are generally perceived to be low, but the risks cannot be ignored, and we need to do more work to be sure that we have assessed the risks correctly and have taken the right steps to mitigate or guard against them.
- Despite the above:
 - Staff sourced from external agencies to work in our offshore operations may represent a risk, especially where those agencies are based in, or source people from high-risk countries.
 - Suppliers that manage staff working on Subsea 7 sites to provide certain services, such as catering, security, cleaning etc. may be relatively high risk, even in countries considered low risk.
 - Suppliers of certain materials tend to be higher risk than many of our suppliers of services, as they may have long, opaque supply chains, which are much harder to assess and gain assurance about.
 - Vessel fabrication services is a category that warrants further careful assessment, as such services can involve tough working conditions, subcontracting of work and a complex supply chain, and they represent a very significant amount of expenditure by Subsea 7.

- Two thirds of the 80 countries in which our suppliers are based are considered high-risk from a human rights and modern slavery perspective.
- The map of countries that are considered medium or high risk from a modern slavery perspective correlates to a significant extent with the Transparency International Corruption Perceptions Index, on the basis of which our supply chain management procedures already categorise suppliers as high- or medium-risk. This substantial correlation has made it easier for us to integrate slavery and human trafficking risk assessment (including due diligence questionnaires and online screening) and risk mitigation steps into what is a mature suite of supply chain management procedures. As our approach to identifying and managing modern slavery risk matures, we will take a more granular approach, including identifying countries and supplier categories that present a lower corruption risk but a higher modern slavery risk and may thus warrant special treatment.
- Although we cannot ignore risks further down our supply chain, in the short term we continue to prioritise our direct suppliers, and also suppliers and categories of supply that represent significant areas of expenditure.

As our programme develops, we will provide further updates to this statement.



John Evans
Chief Executive Officer, Subsea 7
30th June 2021

APPENDIX

Members of the Subsea 7 Group that carry on business or part of a business in the UK and had an annual turnover for the financial year ended 31 December 2020 of £36 million or more:

- Subsea 7 Limited
- Subsea 7 International Contracting Limited
- Subsea 7 Engineering Limited
- Subsea 7 Offshore Resources (UK) Limited
- Subsea 7 (UK Service Company) Limited
- Subsea 7 i-Tech Limited
- Subsea 7 Pipeline Production Limited
- Subsea 7 Crewing Limited