

Committed to operating in a safe, ethical and responsible manner

Subsea 7 has a strong Values-led culture and believes that operating in a safe, ethical and responsible manner is at the heart of creating sustainable value for all our stakeholders.

The safety and wellbeing of our people is our first priority

We aim for an incident-free work place every day, everywhere and our policies are continually reviewed to ensure that this is achieved. Construction activities are potentially hazardous, particularly in remote offshore locations. It is therefore essential that the right policies and organisational framework are in place, to ensure that our people work safely.

Subsea 7's Business Management System underpins the way in which Subsea 7 conducts safety training, reporting, procedures and assessments. Procedures are set at Group level to ensure that no matter where in the world the worksite is located our commitment to safety remains paramount.

We recognise that safety incidents and near misses are not acceptable and we are constantly focused on reducing these occurrences. In 2019 we set more challenging targets for our key performance indicators for lost-time incident and recordable incident frequency rates, reducing the former to 0.03 (2018: 0.05) and the latter to 0.20 (2018: 0.21) respectively, having achieved our prior year targets and wanting to continually aim higher. During the year no fatalities were recorded, our lost-time incident rate was 0.02 and our recordable incident frequency was 0.20.

In 2019 we delivered a new training programme, Work Safe Home Safe, to 1,200 employees with 67 training sessions performed in 10 locations around the world. All senior operational people were included in the training with 98% attending in the year, including the entire Executive Management Team. See pages 3 and 23 of this report for more on healthy and safety.

Driving environmental sustainability

In 2019 we added a new Value of Sustainability explicitly stating our commitment to our social responsibilities, mitigating our impact on the environment and responding to the effects of climate change.

Subsea 7 takes a proactive approach to sustainability, recognising the importance of environmental risks and opportunities to all our stakeholders. We invest in proprietary technology and innovation programmes, such as our Electrically Heat Traced Flowline, Pipeline Bundles and autonomous ROV programmes, that reduce our own and our clients' carbon emissions. Our Environmental Management

System is in full compliance and certified to the environmental management standard ISO 14001.

We have a comprehensive risk management system with procedures and tools that identify, analyse, report and manage business risks, including those related to environmental risks and the effects of climate change. We measure key environmental data against internal targets including fuel and energy consumption, carbon emissions, waste segregation, spills and other incidents. Environmental hazard severity is measured through a points system that reflects the potential impact on the environment should an incident occur. We participate in the Carbon Disclosure Project, providing detailed disclosures that allow all our stakeholders to review our progress. More details can be found on pages 12 to 15 of Company's 2019 Sustainability Report.

Over 90% of our emissions come from our vessels and therefore our carbon dioxide emissions correlate strongly with our activity levels in the year. In 2019 our Scope 1 carbon emissions totalled 361,164 tonnes, 5% lower than in 2018 and equivalent to 99 tonnes per \$1 million revenue (2018: 103 tonnes/\$1million). Over 3,494 Clean Operations were recorded on our vessels in the year (2018: 3,600), reducing our carbon dioxide emissions by over 19,560 tonnes, and saving \$4.1 million in fuel costs. A Clean Operation is considered an activity where a vessel's carbon footprint is reduced through measures which save energy without compromising safety or execution. All our vessels are able to operate using low sulphur fuel and do not require any modifications for the new low sulphur limits which will be introduced in 2020. All our owned vessels are registered with the Norwegian NOx Fund and three have NOx reducing equipment that reduce emissions by 75%.

Newer vessels are better equipped to minimise greenhouse gas emissions. Subsea 7 has invested to create one of the youngest fleets in the industry with an average age of just 11 years at the end of 2019, down from 19 years in 2011. In 2019 *Seven Viking* converted from conventional power to battery and diesel hybrid power, saving 2,400 tonnes of CO₂ emissions, a 19% reduction compared to its performance in 2018. At the end of their useful life, our vessels are recycled in accordance with the Hong Kong Convention and the EU Ship Recycling Regulation.

Our Renewables and Heavy Lifting business unit, Seaway 7, specialises in offshore wind farm construction. In 2019 this business

unit generated 6% of Subsea 7's revenue, and 91% of Seaway 7's revenue was related exclusively to renewable energy services. See pages 3, 5, 12, 16, 17 and 23 of this report for more on this topic.

Recognising and valuing the strength in diversity

At Subsea 7, building greater diversity and inclusion is as important for our people to achieve a rewarding career as it is for our business to stay successful. Diversity and inclusion empowers our people, makes us smarter and brings in different skills and talents that help us develop a variety of creative approaches to solving complex problems. In 2019 our Diversity and Inclusion Committee focused on setting the framework against which all parts of business, onshore and offshore, will put in place their own annual diversity and inclusion action plans. The framework consists of four focus areas, within which we will take positive action: improve our inclusive culture in the workplace, increase the proportion of women in leadership positions, increase the proportion of local people in management teams of countries where we work and ensure recruitment reflects a diverse population.

We believe that everyone has the right to be treated with dignity and respect. Our policy on Equal Opportunities and Diversity in Employment ensures our people are able to work in a manner where they are free from all forms of discrimination, including harassment and bullying. More details can be found on pages 16 and 17 of Company's 2019 Sustainability Report.

Subsea 7 has offices and onshore operations facilities in 27 countries worldwide and we have 90 nationalities represented in our workforce. Our local presence and local relationships are central to our ability to deliver projects, including the provision of national content and community investment. In 2019 we delivered 65 community assistance programmes and events (2018: 67 programmes). See more on pages 7 and 23 of this report.

Compliance, ethics and integrity are key to our business

We are committed to conducting business in an ethical manner and in compliance with applicable laws wherever we operate. We aim to act fairly, honestly and with integrity at all times, and in doing so earn the trust of our clients, business partners, suppliers and other stakeholders. All employees are required to uphold our Code of Conduct, which puts our Values into practice and integrates our three key policy statements on Ethics, Human Rights and Health, Safety, Environment and Quality (HSEQ) for everyone who works for Subsea 7. In 2019 we refreshed our Code of Conduct, ensuring that the content remained comprehensive, relevant and up-to-date. We have a "speak-up" policy that supports our Code of Conduct, and establishes a mechanism for anyone with concerns to raise them without fear of retaliation or detriment, and for cases to be investigated conscientiously and without bias. This includes an externally administered and confidential reporting helpline. We logged 36 cases in 2019 (2018: 47).

Please see Subsea 7's 2019 Sustainability Report available at www.subsea7.com

We work with thousands of suppliers worldwide, and our Supply Chain Management procedures include rigorous selection and appointment criteria. Approved supplier status requires pre-qualification of suppliers from a HSEQ, ethics and anti-corruption perspective. Suppliers are required to comply with the Subsea 7 Code of Conduct for Suppliers, which includes commitments regarding human rights, anti-corruption, safety and the environment. More details can be found on pages 10, 11 and 18 of Company's 2019 Sustainability Report.

Subsea 7's anti-bribery and anti-corruption compliance and ethics programme is rooted in our Values and designed in accordance with international best practice (including the International Anti-Bribery Management System Standard ISO 37001). It includes frameworks for assessing risks and providing assurance. During 2019, 4,791 people completed our compliance and ethics e-learning, which represents 100% of our targeted population (2018: 3,989).

Subsea 7's Head of Compliance and Ethics is responsible for the design and oversight of the compliance and ethics programme, and provides regular reports to the Corporate Governance and Nominations Committee of the Board and to the Executive Ethics Committee. One of the key roles of the compliance and ethics function is to ensure management understands, accepts and fulfils its accountability for compliance and ethics. See page 23 of this report for risks associated with compliance and ethics.

Respecting and upholding human rights

We will always respect the dignity and uphold the human rights of everyone working for us or with us, including people who work for our suppliers or who live in the communities where we work. We have a Human Rights Policy Statement and a Slavery and Human Trafficking Statement that summarise Subsea 7's commitment and efforts to improve our understanding and management of the potential human rights impacts of our business activities and, more specifically, to respond to the UK Modern Slavery Act.

In 2019 we became a signatory to the UN Global Compact and declared our support for the Building Responsibly Principles. We were already aligned with the Ten Principles of the UN Global Compact on human rights, labour, environment and anti-corruption, and we will continue to further embed these principles in the work that we do. We will also look to engage in collaborative projects which advance the broader development goals of the United Nations.

We engage in open and constructive dialogue with our people and, if applicable, their representatives. Our people are free to join organisations of their choice that represent them, consistent with local laws.

Our 2019 KPIs

Lost-time incident frequency rate (%)

0.02

per 200,000 hours worked
(2019 target: < 0.03)
(2018: 0.05, target: < 0.05)

Environmental spill

11.8

litres per 200,000 hours worked
(2018: 10.6, target: < 25 litres)

Carbon emissions

99

Tonnes of carbon dioxide
(Scope 1) produced per \$1
million in revenue
(2018: 103)

2019 was a significant year in Subsea 7's sustainability journey. A newly formed Sustainability Working Group undertook a detailed assessment to set the cornerstones of our sustainability strategy. As part of this ongoing process, we will issue our first Sustainability Report and a set of overall ambitions and associated KPIs will be established to drive our sustainability efforts going forward.

Recordable incident frequency rate (%)

0.20

per 200,000 hours worked
(2019 target: < 0.20)
(2018: 0.22, target: < 0.21)

Environmental incident frequency rate (%)

0.82

per 200,000 hours worked
(2018: 0.64, target: < 0.70)

Operational cost savings due to Clean Operations programme

\$4.1m

(2018: \$3.1m)

Number of employees completing compliance ethics e-learning

4,791

(2018: 3,989, target: 100% of target population)

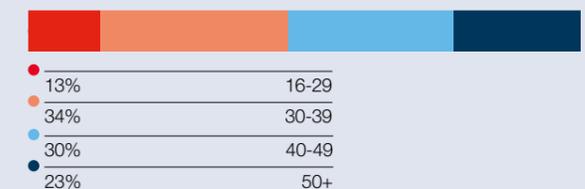
Nationality mix



Gender mix of the Executive Management Team



Age



Gender mix Groupwide

