

Modern Slavery Statement 2020

This statement is made by Odfjell Drilling Ltd and is applicable to all Odfjell Drilling Ltd subsidiaries.¹ This statement is made pursuant to the UK Modern Slavery Act 2015.

Our Commitment

Odfjell Drilling is committed to the prevention of all forms of modern slavery and human trafficking. We are committed to upholding the Universal Declaration of Human Rights.

Our Organisational Structure

Odfjell Drilling is an international drilling, well service and engineering group with over 2600 employees and operations in more than 20 countries. We have a proven track record of successfully operating semi-submersibles, drillships, jackups and modular drilling units across the world. We currently own and operate a fleet of technologically advanced semi-submersibles, operating in the North Sea and beyond.

More detail about our business can be found at: <https://www.odfjelldrilling.com/About/>

We have a number of offices spread over 5 continents. Details of these are available at: <https://www.odfjelldrilling.com/Contact/>

Odfjell Drilling Supply Chain Management is organised centrally as part of the Global Business Services group serving all business units. All main processes and procedures for Supply Chain Management are applicable to all business units.

Our supply chain is large and complex, comprising over 2000 suppliers. These suppliers provide a broad range of materials and services, ranging from drilling equipment, maintenance service, certification, inspection, transportation and logistics.

Our supply chain is fundamental to the successful delivery of our service to our clients. Ensuring that modern slavery and human trafficking is not part of our supply chain helps us to maintain healthy and sustainable relationships.

Our values and Code of Conduct

Our values are promoted and upheld through our group wide [Code of Conduct](#). Our values set the tone, help to create our culture and give a common set of principles which everyone working for Odfjell Drilling must follow. These values extend into our supply chain.

Committed

We develop committed and motivated employees who will focus on providing customer satisfaction.

Safety conscious

We operate in such a manner that our employees, partners, customers and owners can be assured that safety is at the centre of all we undertake.

Creative

We are forward-looking and creative in finding new ways of handling challenges.

Competent

We deliver products and services of the highest quality.

Result oriented

We are disciplined.

¹ A list of main subsidiaries can be found in our Annual Report and Accounts 2019, available at <https://www.odfjelldrilling.com/Investor-relations/Presentations/>

Our Code of Conduct helps us to meet our ethical and legal commitments. It guides our people to do the right thing. We strive to protect and enhance human dignity of our people and those who have dealings with us.

Our global operations are consistent with the spirit and intent of the United Nations Universal Declaration of Human Rights; the International Labour Organization Declaration on Fundamental Principles and Rights at Work.

Additionally, we have set specific Corporate Social Responsibility Principles which include integrity and anti-corruption; and respect for human rights and contribution to local communities.

Responsibilities

As parent company of the Odfjell Drilling group, the board of Odfjell Drilling Ltd acknowledges its responsibility for the ethical and strategic direction of the group. Operational management is delegated to the Chief Executive Officer of Odfjell Drilling AS.

The Chief Executive Officer has directed the establishment of a cross-functional working group, under the sponsorship of Senior VP Human Resources and Chief Procurement Officer, to assess and respond to the requirements of anti-slavery legislation. The members of the working group include the General Counsel, Corporate Secretary and Compliance Officer.

Policies & Procedures

Preventing modern slavery within our organisation

Odfjell Drilling's philosophy is based on the concept that competent personnel offer the group the best possibility to secure existing contracts and create contracts in the future. The ability to carry out a good job is dependent upon expertise within one's field and willingness/motivation. This requires, in addition to a conscious recruitment policy, that the company maintains and develops its personnel resources within a wide range of disciplines.

Odfjell Drilling ensures that all personnel within the group are trained and qualified in order to perform a safe and proficient operation in accordance to Odfjell Drilling Competence Management System.

As a global drilling contractor, Odfjell Drilling meets all the standards and requirements under The Maritime Labour Convention, 2006 ("MLC, 2006"). This includes the use of licensed private recruitment and placement services where we perform annual third party audits to ensure compliance within the global workforce of Mobile Offshore Drilling Units. The MLC 2006 establishes minimum working and living standards for all seafarers working on ships flying the flags of ratifying countries.

We conduct an annual survey which gives both onshore and offshore employees an opportunity to provide feedback in relation to their employment satisfaction. Findings are analysed and followed up on a group level as well as in the department where an issue is identified. SVP HR in Odfjell Drilling is responsible for conducting the survey and developing action plans relating to the results of the survey.

Odfjell Drilling has close relations with relevant unions and employee associations, which are represented in the business. The common recognition of this relation between the employer and employees is documented through the Union agreements. The agreements are based on national legislation. We support freedom of association and collective bargaining.

We have a whistleblowing procedure which is familiar within our workforce. Our system for raising concerns is easily accessible through our intranet pages or public website, facilitating a means by which concerns can be raised electronically and in a safe environment.

Preventing modern slavery in our supply chain

Our contract templates contain obligations requiring third parties to act in accordance with all applicable laws and regulations, including but not limited to anti-bribery and corruption laws and regulations, as well as the Odfjell Drilling group's Code of Conduct.

Prior to registration as an accepted supplier all suppliers must sign and agree to comply with the Odfjell Drilling Supplier Code of Conduct.

By agreeing to abide by the Odfjell Supplier Code of Conduct the supplier agrees to :-

- Maintain the highest standards of integrity in all business transactions worldwide
- Actively support and respect the United Nations Universal Declaration of Human Rights
- Maintain the freedom of association and the right to collective bargaining
- Comply with internationally recognized labour standards covering wages, working hours, disciplinary practices, employment contracts and working conditions
- Permit audits by independent auditors upon the request of Odfjell Drilling
- Report any infringement of the Supplier Code of Conduct via our whistleblower link directly to the Compliance Officer.

Failure to comply may lead to termination of any contract, disqualification as a supplier and reporting to the relevant authorities.

We have adopted a "become a supplier process". Potential suppliers are required to complete a pre-qualification which incorporates risk assessment of potential for corruption. The nature of the services and country of operation are taken into account when determining the level of risk.

For high risk suppliers due diligence is carried out by the Compliance Officer or the Corporate Compliance Controller with the use of third party specialist companies as required.

For medium risk suppliers a desktop due diligence review is carried out utilising specialised software with links to 235 million company profiles worldwide. Information from 220 countries is available for review.

A prequalification questionnaire is issued to the potential supplier if any issues are highlighted by the due diligence process.

The prequalification questionnaire contains, amongst others, the following questions :-

- How does the organization assure that all employees receive sufficient and adequate training to maintain/improve their core skills?
- How does the organization maintain an environment, which is safe and conducive to enhancing productivity?
- How is employee satisfaction evaluated and what results is the organization achieving? Specifically we focus on the perception of its employees regarding work environment, communication, career prospects and planning, management, target setting and appraisal, recognition, training and employment conditions.

The response is reviewed by the Supply Chain Management team. After acceptance and approval, supplier performance is followed up through the use of key performance indicator reviews or annual audits.

Employee Training

New employees and contractors are required to undertake e-learning programmes covering our Code of Conduct. Employees receive training on use of our Company Management System where all policies and procedures are available.

We continue to work on ways to reinforce the importance of preventing modern slavery in our organisation and in our supply chain through employee training and communications.

Approved by the Board of Odfjell Drilling Ltd on 21 April 2021

**Signed for and on behalf of the Board of Odfjell Drilling Ltd by Helene Odfjell,
Chairman of Odfjell Drilling Ltd.**

