

Modern Slavery Statement

2023



BW OFFSHORE

A. Our Business and Supply Chain

BW Offshore engineers innovative floating production solutions and has a fleet of FPSOs with potential and ambition to grow. By leveraging four decades of offshore operations and project execution, BW Offshore creates tailored offshore energy solutions for evolving markets world-wide.

The BW Offshore team delivers with an engineering mindset when designing new FPSOs, preparing redeployments and exploring new opportunities, all while fostering a culture where people grow and thrive.

BW Offshore has 1,733 employees, including contract staff, and is publicly listed on the Oslo stock exchange. We have offices, operations and legal entities world-wide, as described in our Annual Report.

BW Offshore has established compliance programmes to comply with applicable laws and governmental rules and regulations in the countries in which it operates. Modern slavery prevention and ethical employment practice activities form part of the Ethics and Business Conduct Compliance Programme which is administered by the Corporate Integrity function with mandate from (and regular review actions undertaken) by the CEO and the Board of Directors. The Ethics and Business Conduct Compliance Programme activities are centrally administered and apply to all BW Offshore personnel, representatives and legal entities. This Modern Slavery Statement covers policy, procedure, risk assessment, risk management and due diligence and ongoing goals and commitments for the BW Offshore group of companies.

B. BW Offshore policies relevant to modern slavery

BW Offshore supports the United Nations Universal Declaration of Human Rights and the standards advised by the International Labour Organisation.

Slavery, forced labour, child labour, torture and other violations of human rights are totally unacceptable. We are also committed to compliant and ethical employment practices.

These principles are stated in the **BW Offshore Code of Ethics and Business Conduct**, which applies to all personnel, representatives, suppliers (including subcontractors) and third parties acting on our behalf.

BW Offshore has a **Human Rights and Decent Working Conditions Policy** (detailing our Human Rights risk assessment) that underpins the importance of protecting and respecting human rights and maintaining the highest employment standards.

Our personnel complete a mandatory e-learning module on modern slavery, which covers: our company commitment on human rights and ethical employment practices; risks in our industry and the countries where we work; and red flags within our supply chain and operations.

As of January 2023, the completion rate for the modern slavery module was 93%.

Business partners and suppliers also must meet our ethics and compliance expectations, which are set forth in the **Supplier Code of Ethics and Business Conduct**:

- Suppliers may not use child labour or forced labour and must adhere to regulations prohibiting human trafficking and comply with all applicable laws in the countries in which they operate. Suppliers may not, for example, require recruitment fees or deposits or destroy, confiscate or conceal identity or immigration documents.
- Suppliers must provide an employment environment free from physical, psychological, and verbal harassment or abusive conduct.

Identify the **Red Flags** of Unethical Labour Practices

Unethical labour practices can occur anytime we work with another company such as a contractor, subcontractor, or supplier and can be found anywhere in the world.

Be on the lookout for these red flags and **report them** when observed to help eliminate unethical labour practices of any form.



The Company:



operates in a high-risk country or industry (refer to US Trafficking in Persons Report)



limits or prohibits inspections of their worksites



offers us significantly better terms than their competitors



will not allow their workers to be interviewed



retains workers' documents (e.g. passports and visas)



The Workers:



are paid late or their wages are withheld



must pay to get the job



are below the legal age



are required to live in substandard employer-provided housing



have no access to or control over their bank accounts



get little or no time off



are threatened or abused



If you have a reasonable belief that any of these are occurring even if you don't have all the details—immediately report the situation to Corporate Integrity.



Local numbers available at
www.speakup.bwoffshore.com



compliance@bwoffshore.com



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- Accommodations should be acceptable in relation to housing, sanitation, electricity and water supply and have accessible transportation and communications.
- Suppliers must pay living wages, on time.
- Working hours may not be excessive or exceed local stipulated maximum working hours.
- Hired labour must have written employment agreements that set out conditions and rights in a language understandable to the worker, and workers must have access to an effective grievance mechanism.
- Suppliers must maintain a mechanism to receive employee feedback and address employee concerns and support freedom of association and collective bargaining.

In addition, suppliers receive **Ethical Employment Practice Guidelines**, and BW Offshore standard terms and conditions, which include our labour practice commitments and grant audit rights to BW Offshore.

BW Offshore personnel have access to several means, including a Speak Up Channel, to raise concerns, grievances or make reports that are outlined in the **Expressions of Concern Policy**. In 2022, BW Offshore received 18 combined concerns and questions through the Speak Up Channel. Questions and concerns are addressed appropriately, investigations conducted when needed, and remedial actions and/or discipline imposed when warranted. There were no reports involving modern slavery, human rights, or ethical employment practices.

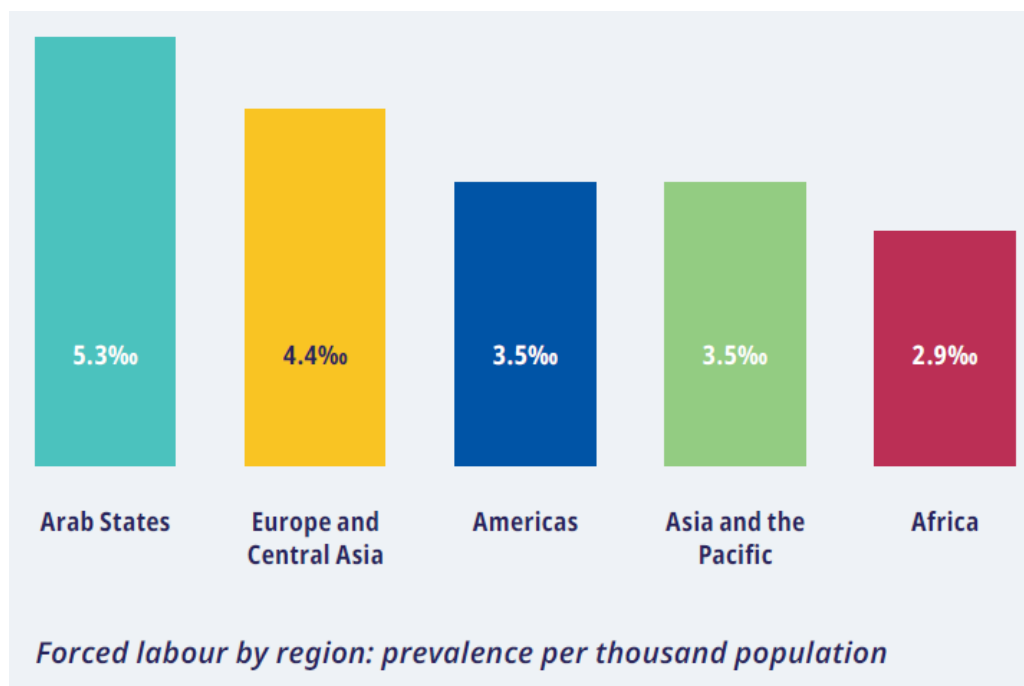
C. Potential risk of modern slavery or forced or child labour in our business and supply chain

BW Offshore has operations and corporate presence in Europe, Asia Pacific, the Middle East, West Africa and the Americas. We acknowledge that although our operations may be in locations with good worker protections, human rights risks can persist, and we remain vigilant to identify and mitigate them.

In our risk assessment, we consider geographical location, culture, regulatory framework and activities in which we and our supplier base engage in.

- o **Geographical risk**
According to the 2022 report [Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#) (GEMS) produced by the International Labour Organization (ILO), Walk Free, and UN International Organization for Migration, the top four regions in which forced labour occurs are the Arab States, Europe and Central Asia, and (tied) the Americas and Asia/Pacific.

According to the [2019 Measurement Action Freedom](#) report produced by the Minderoo Foundation and Walk Free, which assesses government progress toward achieving UN Sustainable Development Goal 8.7 (to eradicate forced labour, modern slavery, human trafficking, and child labour), the United Kingdom, United States, Australia, Norway, France, and the Netherlands are amongst the countries taking the most action to respond to modern slavery, and Brazil, Nigeria, and the United Arab Emirates are in the next tier of countries taking the most action. Of BW Offshore's operating locations, only Gabon is in the bottom three tiers of country responses to modern slavery. These findings suggest stronger local government efforts to support private initiatives that positively impact working conditions in many of the countries where we have a presence. On the other hand, Singapore is amongst the countries providing the weakest response relative to its wealth (as measured by Gross Domestic Product).

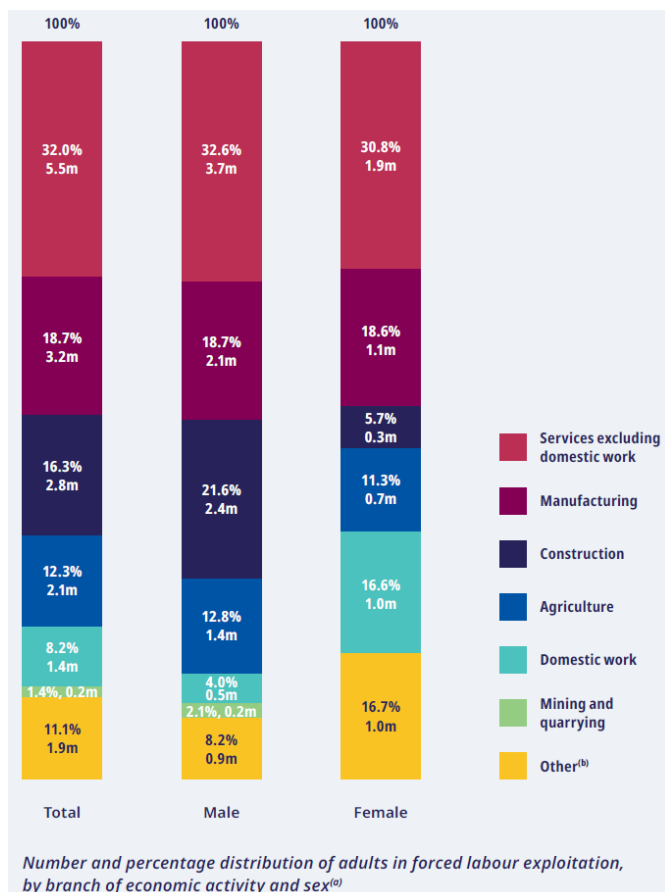


o **Activity risk**

The GEMS report highlights that services (excluding domestic work), manufacturing, and construction account for more than 75% of forced labour exploitation by sector, with construction accounting for 16,3% alone.

BW Offshore is engaged in these top three sectors and is aware that activities in which migrant, less skilled, or contracted workers are involved present higher risk. These can include FPSO construction or recycling, maintenance, catering and other activities.

We have a Human Capital team that is responsible for ethical employment practices used in the hiring of our personnel. The Human Capital team provides instructions and supervision and performs ongoing monitoring of employment practices, particularly of manning agents.



D. Risk Management and Due Diligence

Due diligence on third parties who work for BW Offshore is an essential part of our Ethics and Business Conduct programme. This follows from, and is informed by, the identification of potential or actual negative human rights impacts, as described above in our risk assessment activities.

During due diligence, if we determine that a supplier's commitment to compliance does not meet our standards or the supplier presents a risk, BW Offshore appropriately responds to and manage those risks by, for example:

- Providing a copy of our Supplier Code of Ethics and Business Conduct and obtaining compliance certifications from the supplier.
- Training the third party on BW Offshore's programme or on relevant aspects of the law.
- Discussing specific risk areas with the supplier to improve the third party's processes, controls, standards, etc.
- Performing reviews or audits, as necessary.

If a third party presents unmitigable risk, we will cease or not commence the relationship. To date, BW Offshore has not disqualified or terminated any supplier due to concerns of non-compliant or unethical labour practices.

Prospective suppliers must complete our vendor qualification process, which includes a questionnaire on governance and ethical business practices, amongst other topics. Questionnaire responses together with other internal factors are used to rate a prospective supplier. The qualification process is repeated regularly to reassess suppliers against our standards. We continue to refine and further systematise the due diligence process, which will facilitate our ability to

focus remediation and mitigation efforts on the highest risk parties.

In 2022, BW Offshore assessed 664 business partners. Parties with enhanced risk of unethical employment practices were subject to additional compliance activities, such as additional questionnaires, certifications, e-learning, etc.

BW Offshore recommenced in-person supplier audits and engagements in 2022, after the easing of restrictions due the Covid-19 pandemic and intends to increase these efforts further in 2023.

E. Living Wage Commitment

BW Offshore has implemented a living wage standard for its employees and has set expectations that our supply chain will also adopt a living wage standard.

In 2022, the BW Offshore Supply Chain team continued its efforts to establish a living wage across the supply chain. Efforts have been prioritised with contractors in the highest risk locations: Nigeria, Gabon and Ivory Coast. Priority attention has been with contractors who provide BW Offshore ad hoc manpower, such as general maintenance, and those providing longer-term contracted labour, such as catering services.

F. Next steps

BW Offshore's goals for 2023 include:

- Additional six audits and/or onsite visits to key or high-risk suppliers.

- Further programme improvements to automate and systemise due diligence.
- Explore opportunities to improve third party training capabilities, i.e., platform, and content.
- Continue implementing the living wage commitment using a risk-based approach.

We will continue to monitor the effectiveness of our compliance with the UK Modern Slavery Act and the Australian Commonwealth Modern Slavery Act and to adjust our programme accordingly.

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (United Kingdom) and the Commonwealth Modern Slavery Act 2018 (Australia). This statement was approved by the Board of Directors of BW Offshore Limited on 23 May 2023.

The statement covers all our group companies, as listed in our Annual Report and specifically for our UK-registered entities: BW Offshore (UK) Limited; BW Offshore Catcher (UK) Limited and BW Pioneer (UK) Limited, and our Australian-registered entities: BW Offshore Australia Management Pty Ltd and BW Offshore Singapore Pte Ltd – Australia branch.

Sign.

Andreas Sohmen-Pao, Chairman

BW Offshore Limited