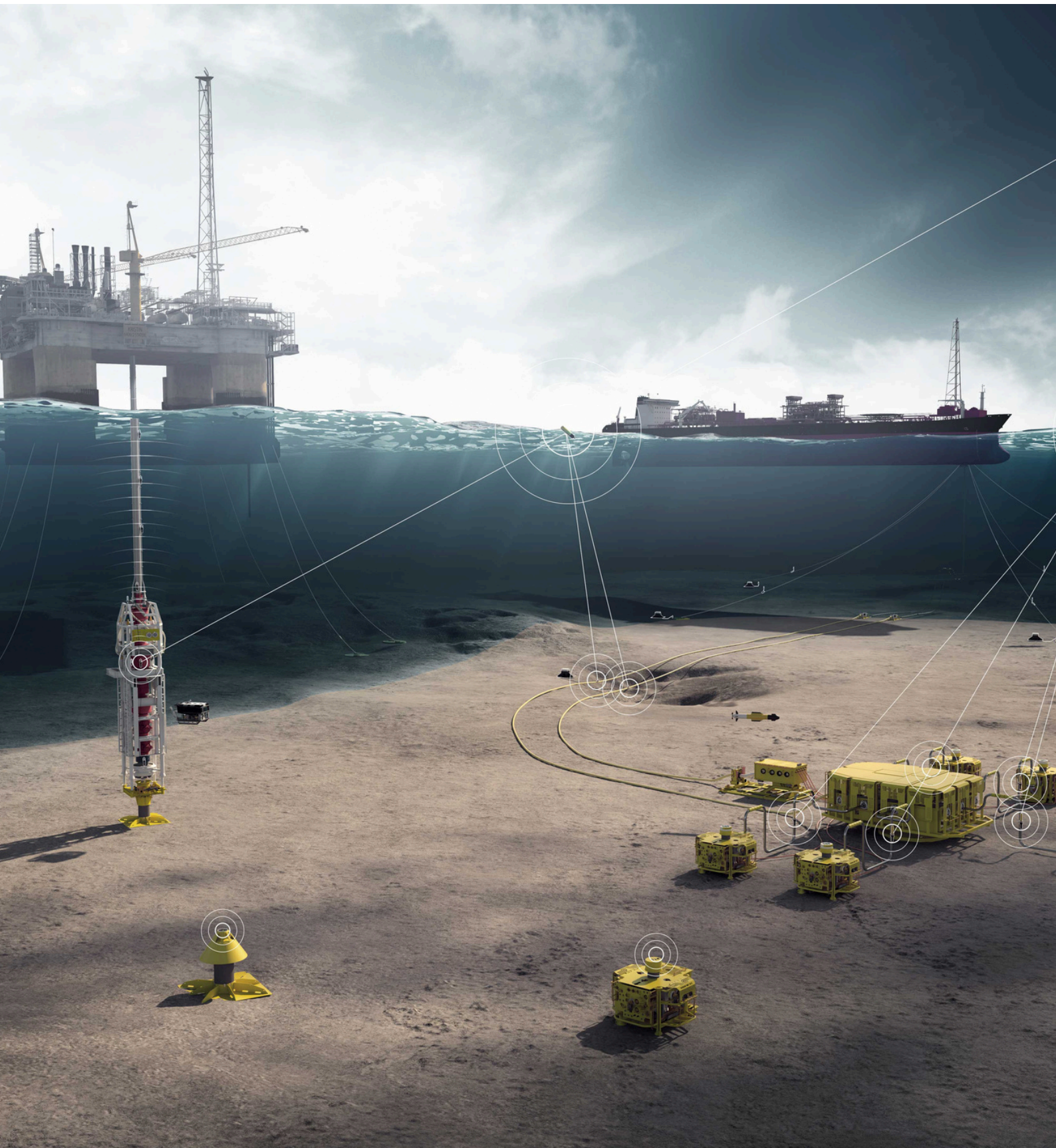


# TRANSPARENCY ACT REPORT

Information about 4Subsea's work with human rights and decent working conditions for 2023.



## INFORMATION ABOUT 4SUBSEA'S WORK WITH HUMAN RIGHTS AND DECENT WORKING CONDITIONS FOR THE YEAR 2023

### Summary:

4Subsea has conducted the annual review of compliance with Transparency Act for 2023 with the purpose of mapping and assessing negative impact/damage related to human rights violations and work-related crime in our own supply chain and at our business associates. No serious findings were uncovered.

### Relevant information about our organization:

#### *Our business and sector*

4Subsea is wholly owned subsidiary of Subsea7 since 2019. The company is delivering critical decision support to energy providers through leading-edge technology combining domain expertise with data analytics and digital services to maximize lifetime of assets, reduce operational cost and optimize future projects through data-driven design.

More about our business can be found here: [Delivering Critical Decision Support - 4subsea](#)

#### *Geographies*

Our people, onshore and offshore, can deliver solutions around the world. We have local or regional presence in several major offshore energy provider regions worldwide. The 4Subsea Group has currently 150 employees represented by 17 different nationalities located in Norway, Great Britain, Brazil, and Poland.

#### *Vendors & sub-contractors*

4Subsea has a rather modest number of vendors and subcontractors compared to the large players in the market and has over time gained approximately 600 vendors & subcontractors. They represent a blending of large, medium, or small purchases delivering everything from equipment and material to larger projects, software and IT, to flowers and coffee to the office.

### Our values:

4Subsea has a clear set of values that is fundament for everything we do and how we behave. These shared values describe what is most important to us as we conduct our business. The way we behave - with each other, our people, clients, and suppliers - must reflect these values:

***Integrity - Dedication - Insight - Team Spirit***

### Guidelines and routines:

It is 4Subsea's management that is responsible for the implementation and follow-up of the company's due diligence assessments. In the work related to the due diligence assessments, several activities have been carried out to raise the internal awareness of the company. The modern slavery risks and breach of human rights within our own workforce are generally perceived to be zero with very small team of employees where we know each other, the people leaders and all team members.

### Our commitments:

4Subsea respects human rights. We are committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by our business activities before or if they occur through human rights due diligence and mitigation processes. In our definition of human rights, we have a set of commitments which underpin the way we do business. We are committed to:

- Ensure equal opportunities, diversity and seek to promote them in every aspect of our operations - in our governance, management systems and operational activities, and within our workforce.
- Treating everyone who works at 4Subsea with dignity and respect and to provide a working environment free from harassment and bullying.
- Recruiting, selecting, and developing our people on merit, irrespective of their race, colour, religion, gender, age, sexual orientation, marital status, disability, or any other characteristic protected by applicable laws.
- Fair employment practices across the company and throughout our supply chain. These include, as a minimum, complying with national legal requirements regarding wages and working hours. We also support the International Labour Organisation's standards regarding child labour and minimum age.
- Not using forced or involuntary labour, and we believe that employment should be freely chosen.
- Open and constructive dialogue with our employees and, if applicable, their representatives. Our employees are free to join organisations of their choice that represent them, consistent with local laws.
- Protecting the health, safety, and security of everyone involved in or affected by our activities whilst minimising our impact on the environment wherever we operate.
- Working with suppliers and partners who uphold similar standards when dealing with people who work for them, including in their supply chain, or who live in communities impacted by their work.
- Report any concerns or incidents through 4Subsea's "Whistle blower" which is a multilingual web service.



### Human Rights Policy Statement and other policies:

Our Human Rights Programme is underpinned by our Human Rights Policy Statement and Code of Conduct. Both documents have been adopted by the Board of Directors of 4Subsea AS and will be regularly reviewed and updated. The Human Rights Policy Statement, which was updated in 2023, is one of our three highest level policy statements. It sits alongside our HSEQ Policy Statement, and all three statements are displayed prominently on our intranet.

Our Human Rights Policy along with our Code of Conduct, can be found in attachment A and B.

### Alike, Supplier and Business Code of Conduct:

We expect all our vendors and other business partners to comply with applicable laws, the Transparency Act, Human Right Policy, HSEQ policy and our Supplier and Business Code of Conduct, as well as respect internationally recognised human rights and ethical standards. Our business partners include vendors, distributors, agents, consultants, contractors, joint venture partners and others with whom we do business.

It is the individual manager's responsibility to ensure that our business partners are examined in accordance with 4Subsea's due diligence procedures for integrity and human rights, and that they are informed of and understand our Supplier and Business Partner Code of Conduct. 4Subsea has undertaken to cooperate only with partners that meet these requirements. Failure by partners to meet these requirements may result in termination of the collaboration. All employees must notify immediately of knowledge of or suspected partner violations of applicable laws or vs the Transparency or our Supplier and Business Code of Conduct.

### Assessment of our vendors:

#### *Vendors & subcontractors*

Our vendors represent a blending of large, medium, or small purchases delivering goods or services with different grade of risks and economical business impact. The majority of our vendors and sub-contractors are located in low-risk countries where e.g Norwegian companies represent nearly 90%. The thirteen other countries represented are all, but one in low-risk countries. The only vendor in a high-risk country is located in Brazil, and as such followed up closely with regards to transparency and compliance, using the Exiger tool also used by Subsea 7.

#### *Approval of Suppliers*

Through 2023 we have assessed and improved further our "Approval of Supplier Procedure as part of 4Subsea's QMS Procedures. The improvement of our policy also included procedure in how to evaluate, qualify and approve vendors for 4Subsea using additional available sources to discover if there have been any cases related to breach of the Transparency Act or other non-compliance issues.

Target for 2024 is to refine and calibrate further the categorization of vendors e.g. according to financial agreement, business criticality, economic impact, environmental impact etc.

### Process documentation of vendor assessments:

It is a continuous focus to maintain updated list of all vendors and contractors which includes approval status. We have improved our process where the following factors are included to ensure documentation of relevant vendors: Financial status, competencies, qualifications & certifications.

Through 2023 our VQF has been assessed and further improved. Our Vendor Qualification Form assesses a vendor, contractor or client through a large amount of lenses represented by the following factors: Financial status, competencies, qualifications & certifications (e.g ISO 9001:2015, ISO 14001:2015, ISO 45001:2018), products and services, health, security, safety and environment, quality management system that complies with ISO 9001:2015, fabrication - and last, but not least questions related to procurement and supplier management, and compliance, Code of Conduct and human rights. More than 30 key questions have been assessed and improved in 2023 related to Human Rights and Working Conditions dimensions.

Our HSEQ policy, Human Right Policy and Code of Conduct are shared with our vendor, sub-contractor, or ahead of their fill in and return of VQF.

### *External audit of vendors*

On yearly basis 4Subsea executes minimum 2 external audits of sub-contractor / supplier. The selection of auditees is based on risk assessments, both on a yearly basis by the Management team and in the different projects. Triggering risk elements may be criticality vs the service or product delivered - or delivery problems, but also suspicion of breaches to our Code of Conduct and/or Human Rights.

The gaps and concluded action points from an external audit are assessed through separate formalized follow up meetings some months later leaving the vendor reasonable time to make relevant improvements.

The work with due diligence assessments is a continuous process where the purpose for us at 4Subsea is real improvement for people in our own business and our supply chain. We appreciate the criticality for assessment of our vendors, contractors, and clients as part of overall continuous HSEQ and due diligence awareness and link them to the overall business strategy. We regard the daily work vs our external partners as essential for being a business player in the global market. As a professional, dynamic company we are prepared with relevant timely measures if a supplier or business partner refuses to commit to our principles and standards on human rights and labour rights or is not willing to act transparently.

## Assessment of 4Subsea AS:

### *External Audit*

Through 2023 4Subsea has been assessed through two external audits. No serious findings were uncovered related to the Transparency Act or the Code of Conduct.

### *Internal audit*

We appreciate being a dynamic organization continuously aiming for improvement of business and how we operate. Hence, we facilitated several internal audits in 2023 covering among others our base workshop in Rio, Brazil, and our two workshops in Bergen and Kristiansand - to ensure we operate in a safe way without any risk for our employees and their work environments. This also includes getting insight into the practical side of vendor deliveries and services.

## Communication, Education and Training:

Our owners, The Subsea7 Group, provides training for the whole corporation to ensure that the Subsea7 Code of Conduct is fully understood and properly applied, and that staff understand and help to uphold the Group's commitment to doing business ethically and with integrity, including its human rights commitments. The interactive Code of Conduct e-learning is reviewed and refreshed annually. Completion rate for active 4Subsea employees was 100%.

Furthermore, key resources within HR & HSEQ, take lead in staying updated on any new dimensions related to compliance, the Transparency Act etc through relevant forums.

The work we have carried out so far has not identified any actual negative consequences or significant risk of negative impact on human rights or the Transparency Act. However, as a dynamic company we are now making plans to further strengthen our work to marginalize risk vs vendors, contractors, and clients.

- Refine and calibrate the categorization of vendors e.g. according to financial agreement, business criticality, economic impact, environmental impact etc
- Strengthen further internal competence development and awareness in the field of human rights
- Further continue to improve our procurement procedures and supplier follow-up

Asker, 27.06.2024

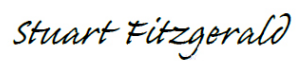
The Board of 4Subsea Norway AS



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Marcelo Xavier

Chairman of the board



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Stuart Fitzgerald

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Thomas Sunde

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Siiv Stordahl

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Harald Holden

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Mona Tofte

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Peter Erik Jenkins

General Manager