

Maersk Highlander UK modern slavery statement for the reporting year 2020

*This statement is made in accordance with Section 54 of the UK Modern Slavery Act 2015 by Maersk Highlander UK Limited,
reporting for the period 1 January - 31 December 2020.*

*It provides an overview of Maersk Drilling's policies, processes and actions relating to the management of the risk of modern
slavery*

For further information on our activities and progress, please see the Sustainability Report 2020.

Maersk Drilling's structure and supply chains

Maersk Highlander UK Limited is a wholly owned subsidiary of Maersk Drilling A/S, a leading supplier of high efficiency drilling services to oil and gas companies around the world. Maersk Drilling A/S is separately listed on the NASDAQ Copenhagen stock exchange.

In 2020, Maersk Drilling controlled 22 drilling rigs offshore Europe, Asia, Africa, the Americas, and Australia.

Maersk Drilling creates value for oil and gas companies by drilling high-quality wells in a safe, efficient, and reliable way. Maersk Drilling seeks to do business in a responsible and sustainable manner, acting with integrity and high standards of business ethics. Our ambition is to be a leader in the drilling industry's sustainability journey and help our customers reduce emissions and other undesired impacts from exploration and well construction activities.

Maersk Drilling provides the drilling rig and equipment as well as the capabilities and human resources to conduct drilling operations, predominantly serving oil and gas companies in the harsh environment jack-up and the ultra deepwater benign environment floater segments.

During a well programme, Maersk Drilling works closely with the operator as well as other oil service companies providing a wide range of services and applications, including formation evaluation, well construction, completion and stimulation and artificial lift for production at the end of the well programme.

Policy and approach

Maersk Drilling strives to conduct business in a responsible and upright manner, in line with our values which are part of our heritage from the founding Moller Maersk family. As a global company, we are committed to respecting human rights, including the principles set forth in the International Declaration of Human Rights and the Fundamental Labour Conventions of the ILO.

We recognize the importance of maintaining and promoting fundamental human rights, and we strictly oppose any use of forced labour, human trafficking and child labour. Maersk Drilling has a dedicated Modern Slavery policy. The full policy can be found at our website [here](#).

Key elements in our approach are our Code of Conduct as well as our Responsible Procurement programme based on our Third-Party Code of Conduct.

Code of Conduct for employees, consultants and third parties

The general obligation of each and every Maersk Drilling employee is laid out in our Code of Conduct which encompasses the area of human rights, among other areas. The Code of Conduct applies directly to employees and consultants, and third parties working with us are contractually obliged to act in a manner consistent with our Code of Conduct.

It is essential to Maersk Drilling that our people and other companies who help us serve our customers understand how to act in accordance with our values in daily operations. In 2020, we updated our Code of

Conduct to reflect our new identity as a separately listed entity. To train our employees, the Code of Conduct is presented to new employees at Maersk Drilling Starters' Day and adherence to the Code of Conduct is included in employment contracts as required behaviour. It is our aim to integrate this into our Employee Handbooks globally. Companies who supply goods and services to Maersk Drilling must commit to acting in a manner consistent with the Code of Conduct.

Due diligence and risk assessments in our supply chain

Managing our supply chain risks is of special importance due to less direct oversight and control of working conditions and recruiting practices. At Maersk Drilling, we are committed to working with our business partners to promote responsible practices throughout our supply chain around the world. We expect that all our partners will act in accordance with our values and share our commitment to conducting business in an ethical, legal and socially and environmentally responsible way.

Through our Responsible Procurement programme which is based on our Third-Party Code of Conduct we work to ensure that our suppliers live up to a number of requirements including labour and human rights

We want to work with suppliers with the lowest risk of adverse impacts on human and labour rights, the environment and anti-corruption. Where there may be gaps, we work with and develop our suppliers to make improvements.

Maersk Drilling has defined several high-risk categories, which guide our supplier assessment and due diligence.

High-risk categories

High-risk categories have been identified based on potential adverse impact on human rights, labour rights, and the environment. We work with these high-risk suppliers as part of our Responsible Procurement Programme, to focus our efforts on the highest risk and improve our suppliers' performance on sustainability

- **Yards** pose risks from the perspectives of health and safety, human and labour rights, environment and climate, resulting from the use of heavy machinery, chemicals, and other hazardous materials.
- **Services** pose reputational risks in part due to the use of sub-contractors. Risks are related to health and safety, human and labour rights and environmental compliance
- **Security** provided by sub-contractors potentially exposes security personnel to physical hazards

Our Responsible Procurement Programme includes tools such as questionnaires, desktop supplier assessments, supplier audits, and corrective action plans. In 2020, 15 supplier assessments were carried out, focusing on human rights and labour conditions, environmental management, and health and safety. No major breaches were discovered, but several minor non-conformance issues were identified. To correct these, designated action plans have been established by the audited companies. In 2020, our main improvement focus was to strengthen the responsible procurement program by fully integrating it digitally

into our processes. Furthermore, work has started to revise our internal Responsible Procurement program and to expand the supplier assessments questions into the relevant environmental, social and governance-related issues to a defined section of our supplier universe. This work is expected to be finalised and implemented in 2021

In Maersk Drilling, we hire local employees directly whenever possible. However, when we do not have employment entities at the countries of operation, which mostly applies to shorter contracts, we use **manning agencies** to contract local employees. In these cases, we contractually demand fair working conditions of our contractors. Our commitment to respecting and promoting human and labour rights is also reflected in our approach to contractors, and we oppose all forms of forced and bonded labour, child labour, human trafficking and all other forms of exploitation.

All our manning agencies are mandated to complete risk assessments and due diligence in line with our Responsible Procurement programme.

In 2020, the activities were significantly impacted by the Covid-19 situation which meant that many rigs were stacked and the need for short-term resources from the manning agencies was reduced. Also, the inability to meet the agencies physically at their premises in different countries made audits difficult. We thus conducted one audit.

Ethics hotline

In Maersk Drilling, we have a company culture of collective responsibility to ensure that we are operating in an upright manner and accordance with the law. If a breach of Maersk Drilling's ethical principles is witnessed amongst employees, consultants, agents, suppliers, or any other partner, we encourage reports to line management, the legal department, an HR representative, or even our executive leadership team. If a reporter feels that reporting through these channels is impossible, or if anonymity is desired, our Ethics Hotline is available.

Maersk Drilling utilises a secure and confidential reporting tool administered by an independent third-party. In 2020 we processed 13 reports to the Ethics Hotline or via e-mail to the Legal Compliance function and conducted appropriate follow-up action. In December 2021, a new EU whistleblower directive will come into force. We are actively taking steps to ensure our compliance with this new legislation

This statement was approved by the Board of Maersk Highlander UK Limited in June 2021

Signed June 2021,

Predrag Berlafa
Director