

Petrofac Limited **Modern Slavery Act public statement 2024**



Introduction

Petrofac is a leading energy services company that helps its clients meet the world's evolving energy needs.

We design, build, manage and maintain onshore and offshore infrastructure for the energy industries. Our client portfolio includes many of the world's leading integrated, independent and national energy companies, as well as companies specialising in new and renewable energies. We operate in more than 20 countries worldwide, extending from Australia in the east to the United States in the west and have a workforce of 7600 made up of around 85+ nationalities.

The Company is structured around three main divisions: Engineering & Construction (E&C) which, as its name suggests, handles large engineering, procurement and construction (EPC) projects; Asset Solutions (AS) which provides operations, maintenance, and training services; and Integrated Energy Services (IES) is Petrofac's upstream oil and gas business.



Introduction



Engineering & Construction

The Engineering & Construction (E&C) division delivers onshore and offshore engineering, procurement, construction, installation and commissioning services for both the traditional and renewable energy sectors. Lump-sum turnkey is the predominant commercial model used, but we also offer our clients the flexibility of other models. The division has more than 40 years' track record in designing and building major energy infrastructure projects.



Asset Solutions

The Asset Solutions division provides integrated services across the full life cycle of energy infrastructure. It operates, maintains, enhances production and extends field life of client assets, both onshore and offshore and is a global leader in decommissioning. The majority of services are executed on a reimbursable basis, but we are responsive to clients' preferred commercial models to deliver our expertise.



Integrated Energy Services

Integrated Energy Services (IES) is Petrofac's upstream oil and gas business. Our interest in the Production Sharing Contract (PSC) for Block PM304 Malaysia's offshore Cendor field is the sole asset in the portfolio.

Our global presence



Introduction

We operate in a range of markets and work across the entire asset life cycle – from design to decommissioning – in environments that are often challenging.



We have an extensive and diverse supply chain, through which human rights issues can become a source of risk, both for our business and for some of the people who work on our sites. This supply chain comprises of material, equipment, and service providers, resource agencies, and sub-contractors, many of which have lower tier sub-contractors of their own.

We believe that how we do business is just as important as what we do. Our sustainability strategy sets out our environmental, social and governance (ESG) goals, aligned to our values, purpose and business model. An important part of this is our commitment to uphold and advance human rights throughout our business operations and

extended supply chain, ensuring that everyone who works with and for us is treated with respect, fairness, and dignity. We achieve this by taking measures to assess and address the risk of modern slavery across our operations.

This Statement relates to the financial year ending December 31, 2024. Published in accordance with the UK Modern

Slavery Act 2015, it sets out the steps we implemented in 2024 to mitigate the risks of modern slavery and human trafficking across the Company and its supply chains.

Risk assessment

As we progress into new markets and regions, we recognise that modern slavery is a growing global concern and are focused on understanding and eliminating potential issues in our business and supply chain.

We acknowledge that the nature of our global operations and the type of geographies we work in at times present human rights risks. Our main exposure is in the extensive supply chains of our large EPC projects, particularly the labour practices of our sub-contractors and the recruitment agencies and the intermediaries they use.

To enable us to understand and manage the related risks, we carry out a four-step human rights due diligence process:



We take a risk-based approach to assessing and addressing potential modern slavery issues. We consider risk indicators such industry, geography, socio-economic conditions, the products and services involved, the characteristics of those workforces and workers who are most at risk of potential exploitation, and the parts of the supply chain that are most vulnerable.

We then evaluate these risks against the context of Petrofac's governance framework to understand how they can be prevented, mitigated or addressed effectively.

Governance framework focus on human rights

In line with industry good practice, our governance framework is guided by:

- United Nations Guiding Principles on Business and Human Rights
- Fundamental Conventions of the International Labour Organisation
- United Nations Global Compact (of which we are a signatory and disclose annually our progress against its Ten Principles).

Our commitment to prevent any form of human rights violation or modern slavery within the Company's operations, partnerships and supply chains, is embodied within the Petrofac Code of Conduct, policies and standards. Through our assurance processes, we maintain general oversight of all policies, standards and procedures to ensure they are implemented effectively across the business.



Governance Framework: Focus on human rights



Human rights due diligence across our Supply Chain

Each year, we take a risk-based approach to assessing our operations for human rights issues. Any incidents of modern slavery related to forced and bonded labour, worker welfare infringements, and other labour rights abuses are addressed. Necessary steps are taken to ensure human rights are respected.

Labour rights due diligence screening is an integral part of the Company's Vendor Management system. To prequalify, all third-party suppliers must undergo mandatory human rights and labour rights due diligence screening and are required to read and commit to Petrofac's Labour Rights Standard. This applies to new as well as existing suppliers.

Prior to any award, all suppliers need to clear compliance due diligence (which is conducted using a cloud-based platform provided by Dow Jones).

Clauses covering requirements on anti-slavery and human trafficking, as well as compliance with Petrofac's Labour Rights Standard, are included in the "General Terms and Conditions" of supply and service contracts with supply chain partners. They, in turn, are made responsible for their own supply chain.

Addressing security and human rights risks

To enable respectful relationships between our security providers, our workforce, and the local communities we work in, we operate in accordance with the Voluntary Principles on Security and Human Rights.

Adherence to these Principles is a prerequisite in our selection of security providers, and we provide awareness training to staff and third parties to help improve the way we work. We also audit our performance to ensure compliance with the Principles and Petrofac's Security Management Framework, and these audits are integrated into the Group health, safety and environmental (HSE) compliance assurance programme.

Grievance mechanisms

Encouraging a speak up culture

It is vital that everyone working with and for Petrofac can raise any concerns they might have, without fear of retaliation, and have the option to do so anonymously.

Our whistle-blowing tool – the Speak Up channel – enables employees, contractors, suppliers, customers and other third parties to report any breach or suspected breach of our Code of Conduct, or policies and standards such as our Labour Rights and Worker Welfare Standards.

The ongoing priority is to encourage more open reporting of any suspected breaches of the Code of Conduct. This entails ongoing training, again targeting middle-level managers, to promote a strong and healthy Speak Up culture, reinforced by a top-down cascade to all employees on the importance of speaking up.

We have introduced a biannual Speak Up bulletin to help normalise discussion on the topic and provide updates on our performance. Our Compliance & Ethics Committee actively reviews Speak Up reports and considers investigations reports and analysis by issue type.

We continue to promote the role of worker welfare committees on our project sites via their respective project management teams. These committees are an important component of our commitment to labour rights and an important pillar of our due diligence framework.

We conduct periodic in-depth human rights audits of our project and operational sites to assess worker welfare conditions and identify any labour rights concerns.

We follow a practice of random worker interviews during field walks by project teams covering the entire workforce including those working for sub-contractors. Random worker interviews also form a part of the assurance audit protocol.

Project-level grievance mechanism

At each project site, we operate grievance processes, which are designed to be transparent and accessible, and based on the principles of engagement and constructive dialogue. Workers are encouraged to raise complaints and suggestions for improvement, either anonymously or in person, and we engage with all parties to support the fair and prompt resolution of any issues raised.

Periodically, we run communication campaigns to raise awareness of these grievance systems and how to access them – we include posters, names and contact details of the persons on the grievance committee.

Speak up! We will support you.

We encourage you to speak to us if you suspect any violations of our Code of Conduct.

Discuss with your line manager or contact the 24/7 helpline.

You can remain anonymous.



Call:

<Insert local number>



Click:

petrofac.ethicspoint.com



Scan:



Petrofac's Non Retaliation Policy protects anyone who makes a report in good faith. If you experience retaliation for reporting a concern, speak to the Chief Compliance Officer immediately or feel free to contact the helpline.

Progress on implementation and effectiveness of governance controls

With a dedicated Corporate Sustainability team, we maintain focus on human rights, labour rights, enhancement in implementation of social performance, audits, training and engagement across our global operations.

During 2024, we made the following progress:

Training and awareness

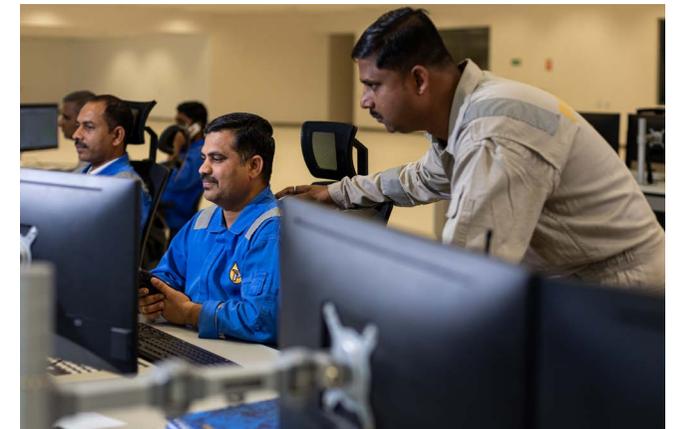
- Refresher training on compliance
 - In 2024, the proportion of employees with line management responsibility who completed mandatory Code of Conduct e-learning was 97.9%.
 - The proportion of employees who completed mandatory e-learning (Code of Conduct along with other compliance training) was 95.1%.
- We rolled out our updated Labour Rights Standard to include enhanced implementation and monitoring processes, guidelines and tools.
- We also worked to increase engagement and awareness of the subject among employees responsible for social performance and grievance management, and increased our support for sub-contractor representatives to enhance their respective labour rights awareness, performance monitoring, and grievance management systems.

Supply chain due diligence and key performance indicators (KPIs)

- All third parties undergo a mandatory Compliance Due Diligence (through Dow Jones) before any contract can be awarded.
- When identifying new suppliers, we promote early engagement and encourage them to undertake screening on registration, ahead of prequalification. In 2024, the number of new and existing suppliers within the E&C business unit that were positively screened and approved reached 36% (2,664 out of 7,435) down slightly from 38% (2,401 out of 6,343) in 2024.
- In the last quarter of 2024, we began to implement labour rights due diligence screening within Asset Solutions as part of our new supplier creation process. Since November 2024, all newly created suppliers (at least 15) have undergone screening.
- We ensure that our “Purchase Orders” and “General Terms and Conditions” of contracts with third parties that we work with, include sections on anti-slavery and contain clauses requiring compliance with Petrofac’s Labour Rights Standard. We also include clauses that enable Petrofac to exercise its audit right to request and review suppliers’ modern slavery compliance processes, if necessary.

Grievance processes – project sites

- We conducted regular meetings of Worker Welfare committees at project sites with fair representation from the workforce, covering worker welfare matters, identification of actions and follow-up until resolution.
- We maintain active grievance mechanisms – complaint boxes at accommodation blocks, canteen areas, site offices, plus telephone, email and on-line channels. Any grievances received are managed and addressed by the respective project management teams.



Progress on implementation and effectiveness of governance controls

Grievance processes – General

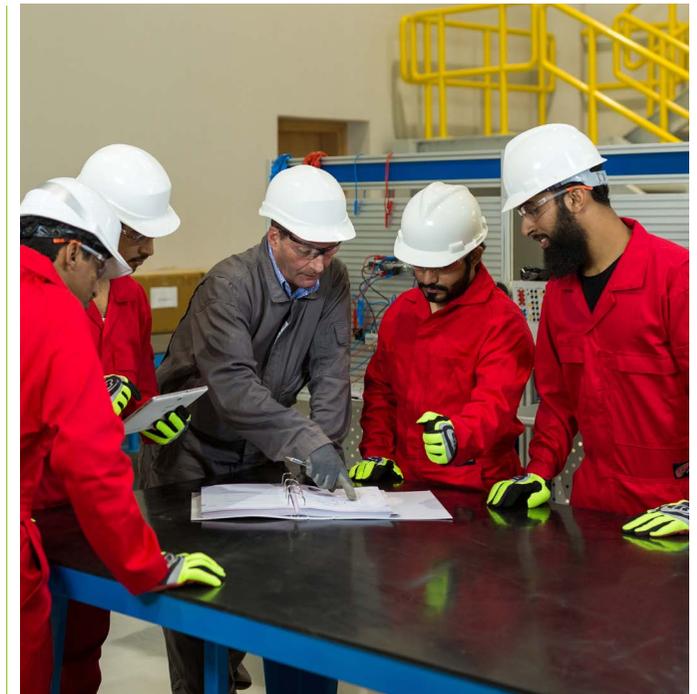
- During the year, we received 107 Speak Up reports, which was marginally down from 2023 but still remaining in-line with recognised international benchmarks. These included instances where an employee or any third party that is engaged with Petrofac, had a reason to believe that there may have been a potential violation of the Petrofac Code of Conduct, policies, standards, procedures or applicable laws, including issues related to human rights.

These reports come in through various intake methods, including manager reports, the website, and calls. We also continue to see concerns being reported in-person to managers. This indicates another year of people's comfort with "Speaking Up".

- During 2024, instances of allegations in relation to labour rights were brought to our attention. All of these were considered and appropriately addressed in accordance with Petrofac Code of Conduct and HR policy.

Assurance through audits

- During 2024, we conducted human rights audits at 7 of our project sites / operations in Abu Dhabi, Cote d'Ivoire, Lithuania, Malaysia, Thailand and UK. These included interviews of workers and sub-contractors' management teams, inspection of camps and site facilities. No non-conformancies were raised, but several improvement opportunities were identified.



Progress on implementation and effectiveness of governance controls

Living wage foundation

We are an accredited Living Wage employer in the United Kingdom. This accreditation is provided by the Real Living Wage Foundation which, each year, calculates the hourly wage that a UK family needs to live on, based on the cost of a basket of household goods and services. This wage is considerably higher than statutory requirements. Importantly, the commitment extends to all UK-based employees and covers indirect employees - such as temporary or agency staff, as well as any interns or placements.



Employee assistance program

- Our global Employee Assistance Programme (EAP), operated by TELUS Health, is a confidential support service provided at no cost to all employees that can help them and their dependents address a wide range of problems and challenges in their lives. It offers timely, qualified assistance and support, and can be contacted toll-free, 24 hours a day, seven days a week.



Details are provided on the Petrofac intranet site and employees are made aware of the benefits of the programme through a series of webinars and articles. This also serves to guide and encourage employees to speak up and raise any concerns related to workplace conditions or practices through appropriate channels.

- We recognise that exposure of workers to any form of human rights abuse, at the workplace or outside, could adversely affect their mental health and wellbeing, which is one of the reasons we launched our mental health first aider programme.
- We have trained mental health first aiders stationed at various business locations, providing a dedicated and safe space for colleagues to share their concerns and experiences. The aim is to address and resolve any emerging issues before they become severe.
- We continue to engage our workforce through our weekly 'Well-being Wednesday' program, which aims to raise awareness about various health issues, including mental health. Additionally, we conduct seminars with the help of psychology experts to increase awareness of mental health and stress at work.



In 2024, there were no incidents of modern slavery or human rights violations reported through our auditing or incident reporting mechanisms.

Unfortunately, we did uncover a small number of labour rights infringements. These were assessed and addressed by engaging and collaborating with concerned parties to reach an effective resolution.

Our commitments for 2025 and beyond

For 2025, we will continue to develop our processes. Plans include:

- Updating and rolling out our Social Performance Standard and associated guidelines.
- Developing and rolling out additional communication and awareness programmes, including:
 - A Modern Slavery, Human Rights & Labour Rights Awareness course.
 - Targeted training and capacity building for employees responsible for social performance and grievance management.

- Learning from previous audits and striving for continuous improvement to enhance our internal audit process.
- Continuing to explore the potential for digitisation of the related processes, records, etc. to bring consistency in performance and reporting.



At Petrofac we believe we all have a part to play in combatting modern slavery in all its forms. We are committed to ensuring that it never takes place within our own operations, that companies in our extended supply chain comply with our requirements, and that we exert a positive influence across the wider industry. We look forward to progressing on this and reporting again next year.

This statement has been approved by the Board of Petrofac Limited.

A handwritten signature in blue ink, appearing to read 'Tareq Kawash', is written on a light green background.

Tareq Kawash
Chief Executive Officer June 2025

Petrofac Limited Modern Slavery Act Public Statement 2024

1. All reference in this statement to 'Petrofac', 'We' and 'Our' relate to the Petrofac Group and subsidiaries, associates, and joint arrangements.
2. Data figures relate to financial year Jan - Dec 2024.