

SHELF DRILLING STATEMENT ON THE NORWEGIAN TRANSPARENCY ACT AND UK MODERN SLAVERY ACT

This report is published pursuant to Section 5 (§ 5) of the Norwegian Transparency Act (2021) and section 54 of the UK Modern Slavery Act 2015 for the year 2024. The information provided in this report is as of the financial year ending 31st Dec 2024.

A. About Shelf Drilling

Shelf Drilling, Ltd. (Shelf Drilling) is a leading international offshore drilling contractor with jack-up rig operations across the Middle East, Southeast Asia, India, West Africa, the Mediterranean and the North Sea.

We are solely focused on the shallow water sector and strive to provide best-in-class drilling operations for our customers that include National Oil Companies, International Oil Companies, and local independents. We have complex supply chains that cover a wide range of products and services procured from vendors across various sectors and locations. Since our inception, we have prioritized sustainability throughout our operations and supply chain to ensure the long-term success of our business, the environment, and the communities in which we operate.

In 2024, we, for the first time, published a consolidated sustainability statement of Shelf Drilling, pursuant to the Corporate Sustainability Reporting Directive (CSRD) of the European Union. A limited assurance review was conducted by independent sustainability auditors, who provided a clean and unqualified conclusion. The published Sustainability Statement together with the Independent Sustainability Auditor's Limited Assurance Report can be accessed [here](#) (pages 74-241).

At Shelf Drilling, human rights, modern slavery and supply chain transparency are covered under sustainability reporting. In order to ensure compliance with CSRD, several aspects of sustainability reporting such as sustainability governance, policies and procedures, were updated in the year 2024. These updates are reflected in the text of this statement.

B. Our Commitment

Shelf Drilling is fully committed to respecting fundamental human rights and decent working conditions as set out in the International Bill of Human Rights and the International Labor Organization's (ILO) fundamental conventions, both in its own operations and across all aspects of its value chain. We are also fully committed to ensuring that modern slavery and human trafficking does not occur within our operations and supply chain.

In conducting our human rights, working conditions, modern slavery and human trafficking due diligence, we adhere to internationally recognized frameworks such as the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises. We recognize the impacts that our activities may have on human rights, working conditions and the risks of modern slavery and human trafficking occurring in our business and our supply chain. We are committed to ensuring compliance with relevant regulatory frameworks across the areas that we operate in and identifying and reporting human rights, modern slavery and human trafficking concerns. This annual statement represents our commitment to the ongoing human rights due diligence and mitigation of human rights, working conditions, modern slavery and human trafficking risks.

C. Governance of Human Rights, Working Conditions, Modern Slavery and Human Trafficking

Shelf Drilling's administrative, management and supervisory bodies consist of the Board of Directors, the Audit Committee, the Executive Steering Committee, the Sustainability Steering Committee, the HSE Steering Committee and the Enterprise Risk Management Steering Committee.

Further details on Shelf Drilling's sustainability governance are incorporated in [Shelf Drilling's 2024 annual report](#) (pages 77-80), [Shelf Drilling's Sustainability Policy](#) and Shelf Drilling's Company Management System (CMS).

D. Policies & Procedures

Shelf Drilling's Code of Business Conduct and Ethics sets standards for responsible business conduct including our commitment to upholding and respecting human rights throughout our operations. It is published on the company's website and can be accessed [here](#).

Our Sustainability Policy further solidifies our commitment to human rights. It outlines the basic principles that Shelf Drilling expects all employees to comply with, including a strict prohibition on the use of forced and compulsory labor and child labor. This policy also stipulates that the selection of vendors and agents must follow the vendor due diligence process. A copy of Shelf Drilling's Sustainability Policy is published on our company website and can be accessed [here](#).

In preparing our Code of Business Conduct and Ethics and Sustainability Policy, Shelf Drilling had regard to the UNGPs, OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the ILO International Labor Standards.

Vendors are required to adhere to our [Vendor Code of Conduct](#) which sets out ethical performance requirements for all third parties relating to, amongst other things, human rights, modern slavery and human trafficking. A copy of Shelf Drilling's Vendor Code of Conduct is published on our company website and can be accessed [here](#).

E. Upholding Human Rights, Decent Working Conditions and Preventing Modern Slavery / Human Trafficking in Our Supply Chain

At Shelf Drilling, we believe in a responsible and sustainable supply chain ensuring that our vendors and business partners share our commitment to human rights and decent working conditions. Effective supply chain governance enables Shelf Drilling to identify and prevent negative human rights impacts, modern slavery and human trafficking by its vendors. We maintain effective supply chain governance through clear policies, proactive risk management, and monitoring of vendors' performance. Key elements of our program are outlined below:

Vendor onboarding- screening and due diligence

We conduct tiered and risk-based due diligence when onboarding vendors, following our Supply Chain Procedures Manual and Third-Party Due Diligence Procedure. The depth of the onboarding process varies based on service type, location, and other considerations, including Human Rights and other ESG risks. Our due diligence process includes screening of vendors against comprehensive global databases to check for potential ESG risks including, human rights, modern slavery, and human trafficking.

Vendor Code of Conduct

As part of the onboarding process, it is mandatory for all third parties to acknowledge and accept our Vendor Code of Conduct or provide suitable explanations for any deviations. We also expect third parties to extend the Vendor Code expectations to their own vendors and subcontractors, thus promoting a sustainable supply chain that is aligned to our corporate values and policies.

Grievance Mechanism

Shelf Drilling provides access to grievance mechanisms for all internal and external stakeholders to report any actual or suspected violations, including violations in relation to human rights, modern slavery and human trafficking, ensuring transparency and accountability. We offer multiple reporting channels, including the Shelf Drilling Ethics Point Helpline, which is available 24/7 in multiple languages and formats. An independent third-party provider operates the helpline to ensure confidentiality and, if requested, anonymity.

F. Human Rights Due Diligence ("HRDD") Process Review

In 2024, Shelf Drilling commenced a review of its human rights due diligence practices to further enhance and strengthen our processes. The review aimed at identifying any areas for improvement in assessing, managing and addressing salient human rights issues within our operations and across our value chain. This involved mapping our operations and value chain; review of relevant policies, documents and human rights governance; interviews with key stakeholders and benchmarking current management against the OECD Due Diligence Guidelines. This review is ongoing and expected to be completed in 2025.

This review further builds on the work done in 2022 when Shelf Drilling conducted a comprehensive salient human rights assessment in accordance with the UNGPs. This assessment involved an extensive internal and external review process, including collaboration with external human rights advisors. We mapped our operations, policies, and past incidents, conducted stakeholder analysis, and benchmarked against international human rights standards and our industry peers. We further calibrated the findings following the severity-likelihood framework within the OECD Guidelines for Multinational Enterprises and UNGPs. This assessment identified the following five prioritized risk areas, whose details and action plans to address these salient human rights areas were mentioned in our last Statement on the Norwegian Transparency Act and UK Modern Slavery Act.

1. **Health & Safety:** Inherent risk to workers in the Oil & Gas industry, both within Shelf Drilling's own workforce and amongst value chain workers.
2. **Decent Working Conditions:** Risk of inconsistent working practices and conditions across various geographies.
3. **Use of Contractors:** Less oversight of contractors practice versus direct employees.
4. **Rig Recycling & Scrap:** Rig recycling is linked to hazardous working conditions / child labor. Sourcing of scrap is prone to similar issues.
5. **Supply Chain Visibility:** Supply chain exposure to high-risk geographies linked to child and forced labor.

In addition to prioritizing these risk areas, we also consider the risk of modern slavery and human trafficking and the steps to mitigate these risks.

In 2023, action plans were developed to address these salient human rights areas, which are detailed in section G below. We continue to monitor the implementation and track the effectiveness of these action plans. These plans will guide our efforts in mitigating risks and enhancing human rights across our operations and supply chain. By identifying and addressing these priority areas, we strive to continuously improve our performance and uphold our responsibility to respect and protect human rights.

G. Priority Human Rights Issues

1. Health and Safety

Health and safety risks are inherently present within the offshore rig working environment. At Shelf Drilling, the safety of our employees, contractors, customer representatives, and other service providers is our greatest responsibility. Anchored in our Health, Safety, and Environment (HSE)

Policy Statement, our comprehensive HSE Management System ensures the identification, assessment, and management of HSE risks throughout our operations. All employees have full access to On-the Job Training (OJT) and E-learning modules, which were certified and accredited by the International Association of Drilling Contractors (IADC), customized and fit-for-purpose for our operation. The company equips all employees, contractors and all personnel working onboard our rig with the HSE policy, standards, requirements as well as the safety tools and training designed to empower and prioritize personal safety, the safety of colleagues and team, assets and environmental protection where we operate. We consider that these measures will reduce the number of health and safety incidents across our operations.

This is demonstrated through our HSE performance, measured by the Total Recordable Incident Rate (TRIR). In 2024, Shelf Drilling achieved a Total Recordable Incident Rate (TRIR) of 0.18 which is 61% lower than 0.46, the industry average as per IADC. In 2024, our Lost Time Incident Rate (LTIR) was at 0.04, which compares favorably with the industry average of 0.13.

In 2024, Shelf Drilling introduced Human Performance Principles into its governing company management standards to strengthen incident response procedures and prevent future incidents. These apply across the organization, are incorporated into risk assessments and recognize that people are instrumental in identifying and managing risks but can also be the source of risks. When human error is identified to be the cause of an incident, Shelf Drilling will investigate and address the human error traps that enabled the event.

2. Decent Working Conditions

As a global organization operating in diverse geographies, Shelf Drilling recognizes the unique cultural and operational challenges in ensuring decent working conditions across our fleet of rigs and identifying modern slavery and human trafficking. We already have a comprehensive system of audits and inspections in place, to verify and ensure compliance with existing standards. Our actions to ensure decent working conditions span efforts to ensure *fair compensation* and *employment terms*, *support employee wellbeing*, and *promote local employment*. Further details pertaining to the above four are mentioned in our 2024 annual report pages 181 and 182.

3. Use of Contractors

The use of contractors is a common practice in the oil and gas industry, and in certain locations for Shelf Drilling. We recognize that the degree of separation inherent in contract work may result in certain rights being impacted and modern slavery and human trafficking going unnoticed. To mitigate this risk, we have a hotline process in place, with information readily accessible on our rigs and website to ensure any breaches in contractor performance can be highlighted. Further details of how we ensure the well-being of our contractors is provided on pages 197 of our 2024 annual report.

In 2024, we reviewed and revised our Master Service Agreement ("MSA") for all third-party contractors to incorporate human rights related matters, including modern slavery and human trafficking. We improved oversight mechanisms by revising Master Service Agreements ("MSAs") to incorporate specific human rights requirements and foster a culture of accountability among our contractors. The revised MSAs cover vendors who provide services to Shelf Drilling's rigs. Therefore, workers employed by vendors who work onboard rigs will be covered by these changes. Expectations include improved awareness of and compliance with human rights outcomes and enhanced accountability among contractors.

In 2024, we did not receive any complaints on contractors failing to meet their obligations.

4. Rig Recycling and Scrap

Our commitment to human rights and preventing modern slavery and human trafficking extends throughout our value chain, including the end use of our rigs and equipment. Rig recycling carries inherent human rights and modern slavery / human trafficking risks and, as a result, Shelf Drilling established a Rig Recycling Policy that requires responsible disposal and recycling of all rigs and

equipment, in alignment with the Basel and Hong Kong conventions. The policy mandates rigs are sold for recycling to certified facilities and that the scrapping process is overseen by an independent third party appointed by Shelf Drilling to ensure our standards and contractual commitments are met. We also conduct an inventory of hazardous material prior to this recycling. The independent third parties manage any impacts, including relating to value chain workers, and provide a thorough report and assessment to Shelf Drilling.

In 2024, we did not recycle and scrap any of our Rigs.

5. Supply Chain Visibility, Modern Slavery and Human Trafficking

As a result of the 2022 human rights saliency review, we enhanced the human rights, modern slavery and human trafficking aspects of our existing vendor onboarding questionnaire and overall process. Our current vendor onboarding processes integrate human rights risk assessment as part of the initial screening and a human rights questionnaire as part of vendor audits. As mentioned above in D: Policies and Procedures, vendors are required to adhere to our Vendor Code of Conduct which sets out ethical performance requirements for all third parties relating to, amongst other things, human rights, modern slavery and human trafficking. In 2024, we had no hotline complaints regarding human rights, modern slavery or human trafficking concerns or violations by any of our vendors.

We continue to conduct site visits and physical audits on selected key vendors to assess human rights related risks.

H. Employee Awareness

In addition to the specific actions outlined above, we are committed to continually enhancing awareness of human rights throughout our organization. As part of our ongoing commitment to ethical conduct, employees are required to recertify the Code of Business Conduct and Ethics annually.

In 2024, all shore-based employees globally and specific offshore positions, including OIM, Marine, Maintenance and HSE leads, took part in human rights awareness training. This training equips them with the knowledge and skills to identify and respond to potential adverse human rights issues and risks across our operations. These trainings foster a culture of awareness and responsibility, and we aim to ensure that human rights considerations are deeply ingrained in all aspects of our work.

I. Looking Ahead

At Shelf Drilling, we consider that managing and improving our human rights and working conditions impact, including taking steps to ensure that modern slavery and human trafficking are not taking place in our supply chain, is an ongoing process. We therefore regularly review our identified salient issues to ensure that we effectively address those with the greatest potential to negatively impact people.

In 2025, Shelf Drilling will focus on implementing and monitoring the initiatives launched in 2024 to strengthen human rights oversight in its supply chain. This includes finalizing assessments, operationalizing enhanced requirements, and identifying actions in relation to the HRDD Process Review.

While no specific human rights violations or modern slavery / human trafficking concerns were raised in 2024, we remain committed to continuous improvement. Our policies and procedures are regularly updated to actively mitigate potential rights impacts and ensure compliance. If any adverse human rights issues are identified either in our own operations or across our value chain, we are committed to transparently communicating these impacts, seeking appropriate remedies for affected stakeholders, and updating our policies and procedures to avoid future negative impacts.

To mitigate impacts and risks relating to health and safety, in 2025, we will focus on strengthening the execution of fundamental processes and tools. In particular, we aim to further enhance supervisory engagement onboard rigs, to reinforce the proper application of core safety processes, including Planning First, PBED Process, Risk Assessment and Time Out for Safety.

In 2025, Shelf Drilling Corporate will initiate the roll out of trainings for office-based employees in field locations where we operate.

J. Requests for Further Information

Requests for information regarding this statement or Shelf Drilling's human rights due diligence policies and practices at large can be made to sustainability@shelfdrilling.com.

This statement will be updated and published on the Shelf Drilling company website.

s/J. William Franklin Jr.

s/Gregory O'Brien

J. William Franklin Jr.

Chairman of the Board

Gregory O'Brien

Chief Executive Officer

August 2025