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Transparency Act statement

The Norwegian Transparency Act entered into force on 1 July 2022. The Act shall promote enterprises' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services and ensure the general public access to information regarding how enterprises address adverse impacts on fundamental human rights and decent working conditions. In compliance with this law, DOF will publish an annual statement describing the steps taken to ensure safeguarding of fundamental human rights and decent working conditions.

Below is the DOF Group's annual Statement in relation to the Act for the reporting period of 1st January 2023 to 31st December 2023.

Our statement

DOF Group ASA is dedicated to maintaining high standards of transparency and accountability. As the parent company, we are responsible for reporting on all aspects of the company, including our subsidiaries, under the Transparency Act. All companies within the DOF Group can be found listed in our 2023 integrated annual report within the note "Companies within the Group". Some subsidiaries are responsible for reporting on their own operations, their reports will be included in this comprehensive statement. This approach ensures thorough and accurate reporting, demonstrating our commitment to ethical business practices and compliance.

The following Subsidiaries refer to this statement:

- DOF Subsea AS
- DOF AS
- DOF Management AS
- DOF Sjø AS
- DOF Subsea Norway AS
- DOF Subsea Norway Offshore AS
- DOF Rederi AS
- Iceman AS
- DOF Subsea Chartering AS
- DOF Subsea Rederi AS
- DOF Subsea Rederi III AS
- DOF Subsea ROV AS
- DOF Installer ASA
- LOS Shipping AS

DOF Group ASA and all its subsidiaries adhere to the same guidelines, procedures, and governing documents regarding human rights, and our due diligence assessments are based up on the common risks identified in our unified Supply Chain Management system.

This statement acts as our account of the due diligence assessments pursuant to section 4 of The Transparency Act. In this statement, we provide a general description of our organisation, and our procedures for dealing with potential and actual negative impacts upon fundamental human rights and decent working conditions.

In this statement, we also outline those areas of significant risk that we have uncovered through our due diligence assessments.

Finally, this statement includes the measures that we have implemented, and those which we aim to implement in the future, to mitigate potential negative human rights implications in our operations and supply chain.

Our Business

DOF is a leading provider of integrated subsea project and marine services to the global offshore energy market. Established in Austevoll in 1981, DOF has continued a proud tradition of delivering safe and quality services to our customers.

DOF is headquartered in Austevoll, Norway and has operations in Angola, Argentina, USA, Australia, Brazil, Canada, Norway, Singapore and the United Kingdom. In 2023, DOF had a global workforce of 4,108 people and a total fleet of 54 vessels.

DOF operates in three segments of the offshore services market, strategically defined by activities and vessel types: PSV (Platform Supply Vessels), AHTS (Anchor Handling Tug Supply vessels), and Subsea (Subsea vessels and Subsea engineering services).

DOF Due Diligence Approach

Double Materiality Assessment

We have applied the contemporary approach of a double materiality assessment to guide strategy and provide a more accurate and complete accounting of our ESG commitment. This involves analysing both the potential breach of human rights in our operations and supply chain, as well as the potential impacts it might have.

Annually, we revise our double materiality assessment which gives DOF an overview of the progress of its sustainability activities and its impact. The purpose of a double materiality assessment is to achieve a balanced and comprehensive understanding of our impacts, supporting sustainable and responsible business practices while meeting the expectations of a diverse range of stakeholders.

The outcome of the assessment is published in our Integrated Annual Report[1], and from 2023 our finding was that Occupational Health & Safety and Labour Rights are two of DOFs critical material topics and Human Rights is one of our core material topics. The materiality assessment also provides DOF with actions to ensure that the topics are followed up throughout the year, via systematic "Plan, Check, Do and Review" approach.

These actions are implemented in our yearly improvement programme where all actions are maintained by accountable and responsible resources. See our Integrated Annual Report 2023 for a full list of our material topics and actions.

Supplier Self-assessment

We have approximately 3,200 suppliers globally and we understand that no area of our business, supply chain or wider value chain is immune to human rights risks.

All suppliers of DOF are evaluated in a supplier self-assessment data base. The self-assessment is a risk-based approach and built up on the requirements in the UN Global Compact[2]. The assessment also evaluates the geographical area according to Transparency International.

Vendor evaluation

Based on the supplier self-assessment, the risk is reviewed to determine if the supplier fulfils DOF requirements for Human Rights. Depending on outcome of the review an audit may be required prior to approving the vendor.

Global Supplier Audit Regime

DOF have a global supplier audit regime where supplier audits are done regularly. Our audits measure against ISO standards, and we include worker interviews to hear and assess any potential adverse practices which may be indicative of human rights abuses.

Complete Due Diligence approach

In high-risk areas and with critical suppliers, the company will perform a thorough due diligence process to analyse and evaluate the supplier in closer detail.

Our Risks and Mitigating Activities

We recognise that human rights risks can occur in our own operations, in our supply chain, and associated to our business partners. Our assessment has helped DOF to recognise the following areas as our key risks:

Shipyards: DOF vessels go to various shipyards around the world for maintenance and refit. There is a high reliance on migrant workers at these sites, performing various roles including low-skilled manual labour. At these shipyards, many subcontractors are involved, and numerous workers are supplied by manning companies and agencies. Such environments can allow labour exploitation risks to occur, for example, due to language and communication difficulties, and lacking in-country support networks for workers. We mitigate such risks by conducting audits, which are mostly carried out on vessels while docked at shipyards. During these audits, we include seafarer and worker interviews, and measure against the standards of ISO elements including environment and HSE, in addition to Maritime Labour Convention[3] elements such as seafarers' rights, contracts, welfare and work/rest balance.

Manning agencies: DOF uses manning agencies to source temporary labour. We are aware that unscrupulous manning agencies can illegally deduct fees from temporary workers, with some known to charge recruitment fees to seafarers which can cause persons to be trapped in bonded labour. We mitigate this risk by carrying out due diligence on our manning agencies, and we support hiring temporary workers as permanent members of staff where it is viable to do so. We recognise that this creates economic stability for our workforce and reduces exploitation risks.

1. DOF documents | DOF Integrated Annual Report 2023
2. Homepage | UN Global Compact
3. Maritime Labour Convention, 2006 | International Labour Organization (ilo.org)

Catering: We know that catering and hospitality staff are also susceptible to human rights risks, such as the withholding wages, debt bondage and forced labour. By working at sea, catering workers are isolated, and this leaves little opportunity to escape potential exploitative situations. DOF has previously received and addressed concerns and issues relating to its catering staff on vessels and continues to view this as a key risk. We commit to dealing with any concerns which may relate to negative human rights implications or anything that goes against our aims of ensuring decent working conditions.

We are also aware that unfair or exploitative practices, which can contribute to human rights risks, can occur in our own operations. In 2023, a Norwegian Maritime Authority survey[4] of 8,400 employees working at sea found that 27% experienced bullying or harassment at work, and 15% of women experience sexual harassment. Another survey by the Norwegian Seafarers' Union[5] found similar results. Upon identification of this, the Group introduced a comprehensive Dignity and Respect at Work Guide[6], complementing the existing Code of Business Conduct. This guide serves to enhance awareness among employees and contractors regarding unlawful, unethical, and unacceptable conduct, further strengthening the Group's commitment to maintaining a respectful and professional work environment.

DOF's mitigating activities built up on our Business Management System have reduced these risks into an acceptable level, however DOF is continually seeking new ways to identify risks and drive up standards in our supply chain. We hold our suppliers to account where any potential non-compliances are identified. This can include asking the supplier to audit its own organisation or its supply chain and to report on its findings, recommending or requiring corrective-action plans, and providing appropriate remediation to impacted persons.

DOF recognises that there may be instances where despite intervention, compliance is still not achieved. DOF will look to explore all available scenarios, and when all efforts to achieve compliance or remediation have been exhausted, will consider either making the supplier a non-preferred supplier, or will responsibly exit from the relationship. DOF is in the process of consolidating these expectations in a new Supplier Code of Conduct which is due for publication in 2024.

Further information relating to our efforts in addressing human rights and modern slavery risks can be found in our Human Rights & Slavery Statement[7].

Our Initiatives

DOF recognises that human rights violations are serious issues with profound impacts, and we are committed to preventing them through adherence to our ethical standards and compliance measures. Whilst we have taken steps to identify our risks and implemented mitigating actions, we have introduced further initiatives to better identify and address the issue.

Training

All DOF employees are required to complete a Code of Conduct training course to ensure knowledge and awareness of our ethical principles including human rights.

Amnesty International's eLearning course on Business and Human Rights has been rolled out in our training portals and is mandatory for employees in positions that are exposed to issues related to Human Rights.

DOF training material within Human Rights and Code of Conduct is also available for suppliers and partners on our webpage.

Employee rights

The right to freely associate, organise and collectively bargain is maintained within DOF.

Freedom from slavery

Protecting human rights along the supply chain is a duty as global citizens, and by auditing for human rights in our supply chain, we lift standards, enable wealth generation, additionally create opportunities for local business and suppliers. DOF has partnered with Slave-Free Alliance since 2022, which is a not-for-profit social enterprise owned by the anti-slavery charity Hope for Justice and is dedicated to helping businesses to achieve slave-free supply chains. This organisation supports us to identify and address human rights risks that impact our business and helps us to update our corporate human rights impact assessment. As part of this relationship, DOF has undergone an extensive gap analysis which resulted in the creation of 53 actions to be implemented over a 3-year action plan to further improve our efforts in addressing human rights risks in our business and supply chain. These actions range from small, tactical tasks, to larger strategic projects.

4. Results of the survey on maritime safety - Norwegian Maritime Authority (sdir.no)
5. Results for our survey of bullying and harassment published | Norwegian Seafarers' Union (nsu.org)
6. DOF brochure | Dignity And Respect
7. DOF documents | Modern Slavery Act Statement FY2024

Ethics helpline and whistleblowing

DOF is committed to conducting business with the highest ethical standards and according to applicable laws, rules, and regulations. Therefore, we encourage anyone inside or outside our organisation to always report any suspected ethical breaches/unethical behaviour by DOF or its employees.

A robust 'feedback loop' is an essential tool in a compliance culture. DOFs third-party managed 'Ethics Helpline' gives all stakeholders a 24/7-hour accessible tool to report serious concerns. The report can also be submitted anonymously. The helpline can be found and used from our webpage[8].

DOF has numerous channels for workers to raise their concerns. These include escalating concerns directly to a vessel's onshore contact, through a vessel's chain of command, or through our confidential Ethics Helpline. DOF has received worker welfare and human rights concerns predominantly through the latter two escalation routes. We take all concerns or issues seriously and consider them on a case-by-case basis, investigate them thoroughly, and provide an appropriate remedy.

Our Guidelines, Procedures and Policies

Guided by our values, DOF is committed to respecting human rights. Our policies and standards ensure our operations do not breach laws, conventions, or UN guidelines, upholding International Law and Labour Organisation Conventions. Our effort to handle actual and potential adverse impact on fundamental human rights are supported by the following initiatives:

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights
- The Universal Declaration of Human Rights
- The ILO Declaration of Fundamental Principles of Rights at Work
- The United Kingdom Modern Slavery Act 2015
- The Norwegian Shipowners Association's approach to Labour and Human Rights

We have produced numerous policies which either directly or indirectly mitigate the risk of human rights abuses in our business and supply chain. Our policies are available on our website[9].

The Code of Business Conduct

DOF COBC is the backbone of ethical guidance and supports our organisation and partners to comply with Human Rights and Business principles. If a vendor does not have an Anti-bribery and corruption policy or an anti-slavery statement in place, they are required to agree to operate in accordance with the DOF Code of Business Conduct.

Next steps

We are committed to continually improving our efforts in addressing human rights risks in our operations, as well as increasing the visibility of our supply chain and maintaining transparency of the process. We commit to prioritizing the following actions:

» Increase our visibility of worker demographics, recruitment journeys, and employment practices concerning all workers in our supply chain.

» Develop our HSE audit and compliance assessment process, and will be seeking expert guidance from our partner Slave-Free Alliance.

» Consolidate our policy set in the coming years. This will make it simpler for rights holders to understand their rights and entitlements, and access support.

» Develop a Supplier Code of Conduct which will clearly outline the expectations of our suppliers, including details of our compliance assessment and audit process, refusal of unauthorised subcontracting and the requirement for suppliers to notify DOF of any identification of potential human rights violations.

» Develop a comprehensive governing document outlining standardized procedures, responsibilities, and best practices for docking and conversion activities, minimizing risks, and ensuring project success.

Enquiry related to Human Rights performance

Should you have any other enquiries related to our Human Rights Performance, please contact us at management@dof.com. If you use this channel, please include the subject "Åpenhetsloven". This information is also available on our website.

8. DOF Ethics Helpline (www.dof.com/helpline)
9. DOF documents | Policies

Responsibility and application

The Chief Executive Officer of the DOF Group is accountable to the Board of Directors for ensuring that this statement is implemented.

Storebø, 27th of June 2024
The Board of Directors of DOF Group ASA

Svein Harald Øygard
Chair

Harald Thorstein
Director

Christine Morris
Director

Daniela Davila
Director

Adrian Geelmuyden
Director

Mons S. Aase
CEO