

Equinor group's UK Modern Slavery Statement for the financial year 2018



This statement has been prepared for Equinor UK Ltd, Equinor Production UK Ltd and Equinor ASA. It is made pursuant to the UK Modern Slavery Act 2015 and sets out steps taken by the Equinor group¹ during 2018 to seek to prevent modern slavery from taking place in our business and supply chains.

Equinor is an international energy company present in more than 30 countries around the world. The Equinor group business mainly consists of the exploration, production, transportation, refining and marketing of petroleum and petroleum-derived products and renewable energy and other low-carbon energy solutions.²

Modern slavery is a grave violation of human rights and universally prohibited, victimising over 40 million people globally. It is an umbrella term for slavery, servitude, human trafficking, and forced labour and other slave-like practices, exemplified through forced marriage and debt bondage. The causes of such extreme forms of inequality are complex and usually affect the most vulnerable people in society. Modern slavery is a global issue that typically occurs in industries that are labour intensive, low skilled, and underregulated across global supply chains. The supply chains of major international companies, such as the Equinor group, are complex, with several levels of suppliers. Our sourcing of products and services include suppliers in sectors and countries where modern slavery is prevalent.³

Corporate policies relating to modern slavery

The Equinor Book covers our purpose, values and how we work, including how we relate to our employees, business partners and communities. The Equinor group's human rights policy and Code of Conduct,⁴ both part of the Equinor Book, state our commitment to respect all internationally recognised human rights and to conduct our business consistent with the United Nations Guiding Principles on Business and Human Rights. Our human rights policy includes general references to international human rights conventions containing a general right to freedom from modern slavery, as well as a specific commitment to opposing all forms of human trafficking, forced labour, and illicit forms of child labour, in our value chain. To this effect, our human rights policy and Code of Conduct express the general expectation of our suppliers and business partners to comply with applicable laws, respect internationally recognised human rights, including the right to freedom from slavery, human trafficking, servitude, or forced labour, and the Equinor group's ethical requirements, when working for or together with us. Equinor encourages its stakeholders to report potential concerns through designated channels, such as our ethics helpline. Equinor's Supplier Declaration, which is part of all supplier contracts of material value, reiterates our expectation that our suppliers will not use any form of forced, bonded or prison labour, and that no worker shall be required to lodge "deposits", identity papers or work permits as a condition of employment.⁵

Corporate wide practices relating to preventing modern slavery

The continued effort to implement our human rights policy provides the basis for how we approach the prevention of modern slavery in our business and our supply chains. Our actions in 2018, aimed to progress on relevant processes and practices,⁶ included:

- Increased number of human rights verifications of suppliers, from 40 in 2017 to 75 in 2018. Selection was largely based on risk of potential negative human rights impacts, including modern slavery, mainly among our first- and second tier suppliers. Findings include abusive recruitment practices, poor working conditions and lack of freedom of association, mainly among suppliers in construction, logistics and facility services sectors, in regions like the Far East, the Middle East, Europe, and in the US.
- Efforts to address identified potential and actual impacts have included senior management level engagement, follow-up visits and monitoring of suppliers' improvement efforts. We have piloted a new, collaborative form of supplier engagement utilising external experts to help improve working conditions through capacity building of management and

workers, helping the supplier to establish new practices and enhancing worker-employer dialogue.

- Mapping human rights risks in our procurement sub-categories to allow for a more informed risk evaluation when considering suppliers and purchasing of goods and services.
- Developed Human Rights Expectations of Suppliers that will be launched and implemented in 2019. These expectations will replace our current Supplier Declaration and represent a further detailing of our expectations towards suppliers to respect human rights. They include an explicit expectation that no worker conducts work for the benefit of Equinor which in any way exploits the vulnerability of the worker, including a prohibition against worker paid recruitment fees or retention of identity papers or work permits as a condition of employment.
- Incorporating human rights risks to people based on assessment of impact severity into our corporate risk management processes. A monitoring system will be developed, and training will be offered to ensure effective implementation.
- Launched a joint initiative with peer companies aiming to create an oil and gas industry-wide framework for human rights in supply chain.
- Engaged directly with two major joint venture partners about human rights practices, to enhance collaboration around project-related human rights risks.

Awareness and training

During 2018, we performed activities aimed at increasing awareness of human rights, and modern slavery specifically, among our leaders. We continued to train designated functions and teams to enhance the ability to identify and respond to human rights risks in our operations and supply chains. This included:

- The Corporate Executive Committee and associated senior executives benefitted from two sessions of direct interaction with world leading human rights experts, one specifically focusing on modern slavery.
- Increased awareness among leaders, particularly within project management and supply chain, through discussion and management of topical cases and dilemmas.
- Human rights in supply chain training, which includes modern slavery aspects, continued and more than 500 employees were trained. In addition to all contract owners, it is now requested that all employees responsible for establishing contracts exceeding NOK 10 million complete this training.
- Continued to offer Equinor e-learning course on human rights awareness that includes a section on modern slavery, to all Equinor employees and consultants.
- Expectations to suppliers were conveyed and discussed in senior management meetings with key suppliers within construction and marine segments.
- Organised a supplier's day, which included the topic of modern slavery, for a major project in execution with sixteen suppliers participating.
- Human rights was addressed by senior management at town hall meetings, specifically in the project development and procurement organisations, where the total target group exceeded 2,500 employees.

The Board of Directors of Equinor UK Ltd, Equinor Production UK Ltd and Equinor ASA have reviewed and approved this statement, to the extent applicable to the entities they represent. They confirm that to the best of their knowledge the information presented in the statement has been prepared in accordance with the requirements of the UK Modern Slavery Act 2015, and associated regulations. The signing has been delegated to the Chief Executive Officer of Equinor ASA.

/s/ Eldar Sætre
President and Chief Executive Officer
Equinor ASA
5th March 2019

1 2018 Annual Report and Form 20F for description of Equinor ASA and Equinor group

2 For further information about the Equinor group's business and governance see: <https://www.equinor.com/>

3 For further information about the Equinor group's supply chains see: <https://www.equinor.com/en/supply-chain.html>

4 It is mandatory for all employees and contractors to sign-off on Equinor's code of conduct

5 PDF on corporate website <https://www.equinor.com/content/dam/statoil/documents/supply-chain/equinor-supplier-declaration.pdf>

6 Further information about our corporate wide practices is provided in the Sustainability Report and on our corporate website