

ANTI-SLAVERY AND HUMAN TRAFFICKING

Premier is a leading independent exploration and production company with oil and gas interests in the North Sea, South East Asia, the Falkland Islands and Latin America. This statement sets out the steps we took as a Group in the 2018 financial year to combat forced or involuntary labour.

Human Rights Policy

Our human rights policy commits us to ensuring that we are in no way involved or associated with the issue of forced or involuntary labour. Our Group General Counsel works with a wide range of operational and functional managers to help ensure Premier meets this commitment.

Furthermore, our Global Code of Conduct requires all those subject to the Code to adhere to the laws of the countries in which Premier operates (including, by implication, those relating to forced/involuntary labour and human trafficking).

1. Risk assessment

Our current risk assessment activity includes the following:

- **Ongoing management:** Human rights risks are considered on an ongoing basis by our management teams. Where our business activities or relationships are considered to pose high levels of risk to the human rights of others, we will apply additional scrutiny on a case-by-case basis to investigate, verify and assess such risks.
- **Structured human rights screening:** We screen our operations with an enhanced Screening Tool that uses expert third party country-risk data. This can assess Premier's high-level human rights and labour rights risks (including those relating to forced/involuntary labour).
- **Legal risk assessment:** Our legal department analyses all business units for risks relating to violations of the Code, including those involving legal non-compliance.
- **Ad hoc risk assessments for new operating locations and partnerships:** Where appropriate, we carry out ad hoc risk assessments (including human rights considerations if relevant) and third-party due diligence investigations.

In addition, we apply 'internal' procurement controls. These include:

- **Contracting strategy process:** The identification and definition of risks and opportunities in relation to relevant market approaches at both corporate and business unit level. This includes corporate responsibility/human rights issues where relevant.
- **Strategy implementation and the Recommendation to Award process:** The endorsement (from our business unit and corporate tender board) for award recommendations. This includes an assessment of key risks and opportunities and the definition of contractor management plans.

These are supplemented by 'external' procurement controls, including:

- **General controls:** All major commitments include relevant HSE, human rights and prevention of forced/involuntary labour and human trafficking obligations.
- **Major supply chain contracts:** We carry out due diligence for major contracts, including our Supply Chain Contractor Due Diligence Process, which uses third party databases to screen for ethical risks, including forced/involuntary labour and human trafficking.

In addition, we maintain a company presence at major construction and fabrication yards undertaking work for Premier. This is in order to ensure their adherence to acceptable broader human rights and labour standards (as well as HSE standards).

2. Risks within the supply chain

The nature of our business means forced/involuntary labour is unlikely to occur within our own operations. Likewise, many of Premier's contractors are staffed by skilled workers and technical specialists, and enjoy mature human resource and compliance systems. In certain cases, however, contractors will rely on less skilled and/or casual labour (e.g. during construction, in support roles on vessels, during onshore exploration and amongst subcontractors). Such roles are, in relative terms, more likely to pose forced/involuntary labour and human trafficking risks - particularly in non-OECD locations in the Middle East, South East Asia and Latin America.

3. Risk management

In addition to the measures we set out above we apply the following risk controls:

- **Code compliance requirements:** We require our business partners, including joint venture partners and contractors, to apply the principles of the Code (including its legal compliance obligations) or equivalent standards.
- **Integration of provisions into new licence agreements:** Where we are awarded new licence agreements by our government partners, we take a risk-based approach towards the inclusion of human rights provisions in related contracts.
- **Grievance mechanisms:** Internal issues are managed through our established management and human resources channels, as well as our confidential third-party whistleblowing hotline. Our Human Rights Grievance Mechanism enables external stakeholders to raise human rights grievances, should they occur, directly with our community relations teams or our in-country managers.

4. Performance outcomes

At the time of writing, we were not aware of any current or recent incidents or accusations of forced/involuntary labour or human trafficking in relation to our operations.

5. Staff training activities

Although we do not carry out dedicated training on forced/involuntary labour and human trafficking, we train our employees on our Code (including its relevant provisions on general legal compliance).

This statement has been approved by the Premier Oil plc Board and each of its relevant subsidiaries, in compliance with the UK Modern Slavery Act. It was approved by the Premier Oil plc Board on 5 March 2019.



A R C Durrant

Chief Executive Officer

March 2019