

## **TechnipFMC plc Modern Slavery and Human Trafficking Statement 2022**

This statement relates to the financial year ending 31 December 2022 and is made by TechnipFMC plc and its relevant subsidiaries<sup>1</sup> in compliance with the UK Modern Slavery Act 2015.

### **Introduction**

At TechnipFMC, "respect" is one of our Foundational Beliefs. We believe that every person is entitled to honest, fair, and humane treatment. We do not tolerate any form of modern slavery, including the use of forced labor, child labor, or any type of human trafficking.

We implement processes to ensure the health, safety, and welfare of our personnel and to improve the status of others. We develop human rights policies and procedures, provide training and awareness, conduct supplier due diligence and audits, collaborate with industry counterparts on benchmarking, and track relevant global legislation.

### **Our Values and Policies**

The Company's Code of Business Conduct, which applies to all directors, officers, employees, and anyone who represents TechnipFMC or acts on our behalf, reflects our commitment to acting ethically and lawfully and recognizing human rights on a global basis.

It is our policy that our Code of Business Conduct be shared and discussed with clients, suppliers, and business partners to better explain our rules of conduct and reinforce our culture of accountability. Further, employees and third parties are encouraged to report suspected breaches of our Code of Business Conduct through various means, including through our anonymous reporting hotline. We maintain a zero-tolerance policy on retaliation against employees for reporting suspected violations.

Our Code of Business Conduct requires adherence to the following principles, amongst others:

- Treat people with dignity and respect.
- Act without discrimination or prejudice.

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<sup>1</sup> TechnipFMC plc, FMC Kongsberg Services Limited, FMC Technologies Limited, Technip UK Limited, TechnipFMC Umbilicals Ltd., Magma Global Limited, TechnipFMC Island Offshore Subsea UK Limited, Technip Ships One Limited and West Africa Subsea Services Limited.

- Create an environment that is free from harassment.
- Ensure that our business partners and suppliers do not engage in inappropriate labor practices, including forced labor or illicit forms of child labor.
- Promote equality in the workplace with salaries based on merit.
- Cooperate with regular inspections and audits to verify that our values are implemented throughout the Company.

The Company has also adopted a Human Rights Standard, which sets forth recognized human rights principles and practices that ensure that everyone with whom we work is treated with respect, fairness, and dignity.

As a Company, we strive for continuous improvement in all that we do. We are specifically advancing compliance in recruitment, working conditions, and supply chain practices. In addition, we continue to assess our policies and procedures to address slavery and human trafficking risks in our business and supply chains.

## **Governance and Leadership**

Protection of human rights is a key foundational principle for TechnipFMC and is governed at the highest levels of the Company, with management oversight through our ESG Steering Committee, and Board supervision through the ESG Committee of our Board of Directors.

In addition, we have created an internal Human Rights Working Group that brings together our support functions and operations to develop and promote practices that foster and maintain a positive working environment for our employees and our suppliers. This group has: (1) conducted an internal human rights risk assessment to assess our processes against human rights international standards, *Building Responsibly* principles, and our clients' human rights expectations; (2) led the ESG Scorecard human rights Supplier Audit initiative; and (3) is working on the standardization of our processes across the Company and on our human rights expectations towards our suppliers.

## External Memberships

TechnipFMC is a member of the [United Nations Global Compact](#), and takes steps to abide by and carry out the UN Global Compact Human Rights Principles, which are derived from the [Universal Declaration of Human Rights](#).

In addition, we endeavor to ensure compliance with human rights in accordance with the following international human rights regulations and principles:

- The [United Nations Guiding Principles on Business and Human Rights](#);
- The [OECD Guidelines](#); and
- The [International Labour Organization's \("ILO"\) Fundamental Conventions](#) regarding the freedom of association, the eradication of discrimination and forced labor and the abolition of child labor.

TechnipFMC is also a member of *Building Responsibly* - an industry-led organization that affords member companies the opportunity to collaborate and benchmark with industry counterparts on development of common objectives, standards, and processes for achieving human rights compliance. In particular, our Human Rights Standard codifies the Worker Welfare Principles that have been developed and adopted by this group and TechnipFMC has worked closely with the industry members to develop "Guidance Notes" that offer practical tools for managing a corporate human rights program.

## Risk Assessments and Due Diligence

A key part of TechnipFMC's human rights program is risk-based due diligence that is implemented to identify, prevent, and mitigate potential adverse impacts on the communities in which we operate. The risk of modern slavery and human trafficking occurring in connection with our business or supply chains depends on the nature of our activities and the countries in which we operate. We recognize that certain of the sectors and jurisdictions in which we operate present greater potential risks of slavery and human trafficking. We are aware that our commitment to ethical business practice requires concerted and on-going effort to better understand and respond to those risks.

Our risks include:

- Operating in geographical areas that present human rights risks;
- Reliance on a multi-tiered, global supply chain that includes suppliers with high-risk scopes of activities;
- Involvement of a variety of worker demographics (including differing workforce skill levels, use of recruitment agencies, and the potential engagement of migrant workers); and

- Operating global projects with subcontracting relationships, which could result in a lack of visibility into subcontractors' practices to ensure worker welfare.

When assessing the company's potential risks with respect to human rights, we take all of these factors into account and rely on international standards and industry best practices to define the specific risks, and to develop associated policies and procedures. We conduct these risk assessments on an annual basis to assist us in determining key areas of focus and where best to deploy resources for training, supplier engagement, and on-site audits.

## **Supply Chain and Supplier Due Diligence**

One of our major priorities is to continue enhancing our supplier diligence processes to achieve increased transparency into our supply chain, and to ensure worker welfare compliance. TechnipFMC currently has approximately 5,000 direct suppliers across the globe. We aim to develop business relationships with like-minded subcontractors, suppliers, and business partners and aspire to only do business with counterparties who respect human rights and uphold labor laws.

As noted above, it is our policy that our Code of Business Conduct be shared and discussed with clients, suppliers, and our business partners to better explain our rules of conduct and reinforce our culture of accountability. Further, our suppliers are required to accept and abide by contractual provisions addressing compliance with a range of ethical issues, including human rights requirements. There are specific commitments, which in some instances refer to the International Labour Organization ("ILO") Conventions, that prohibit forced labor and child labor. We believe responsible sourcing is an important part of our sustainability program; hence we operate a due diligence program pursuant to the U.S. Dodd-Frank Act regarding conflict minerals and other initiatives aimed at improving transparency throughout our supply chain.

Our suppliers are also subject to due diligence reviews that investigate compliance with labor laws and ethical treatment of workers. In particular, we have updated our Supplier Qualification Standards to require human rights risk assessments for all new suppliers and subcontractors. In addition, for existing suppliers, TechnipFMC is conducting a major Human Rights compliance review, including an initial risk assessment, issuance of Self-Assessment Questionnaires ("SAQs"), enhanced due diligence reviews for those suppliers, desk audits for selected suppliers, and on-site audits of high-risk suppliers. In 2021, we issued SAQs and conducted Level 1 due diligence reviews on our 100 highest-risk suppliers. In 2022, based upon these results, TechnipFMC completed an additional 62 Level 2 desk audits and 21 Level 3 on-site audits. This activity is causing suppliers to implement Corrective Actions Plans (where needed) and make improvements to worker welfare policies and practices. In 2022, we also initiated an annual review process, whereby additional suppliers are selected each year for enhanced due diligence reviews, based on risk factors. In addition, we are in the process of developing a "dashboard" that will offer useful risk metrics and status updates with respect to our supply base that has been selected for due diligence reviews. All of these efforts are measured as part of our ESG Scorecard, which ties our activities to compensation.

These supplier human rights reviews cover areas relating to: (1) policies and procedures relating to employment of children and young workers and prohibition of slavery; (2) freedom of association; (3) contract requirements for employees, suppliers and customers; (4) fair wages and working conditions; (5) non-discrimination policies; (6) safe, healthy and secure workplaces and environments; (7) fair compensation; (8) freedom of assembly; (9) grievance mechanisms; (10) incident reporting and investigations; (11) training; (12) supplier outreach; and (13) due diligence of new and existing suppliers. These categories align with industry standard benchmarks and human rights practices.

Going forward, we will continue to refine our risk assessments and audit processes as we gain further insight through these due diligence reviews and will further evaluate ways in which we can improve our overall Human Rights program.

## **Training and Awareness**

Employee training is an essential component of communicating and embedding our commitment to prevent modern slavery and human trafficking within our business. We have implemented training for all employees on our Code of Business Conduct, including the sections addressing human rights and labor welfare. In addition, trainings were delivered to suppliers, in some instances, at a project and regional level, and we are in the process of developing a suite of updated training videos that will be provided to all employees, along with new and existing suppliers.

TechnipFMC has also engaged in a variety of initiatives to raise awareness of human rights concerns at our Company, including development of “Human Rights Take 5 Moments” that are used as refresher topics at the start of meetings, holding “Human Rights Experts Explain” Teams Live events (which were each attended broadly across the company), and hosting of various industry peer-learning workshops and events.

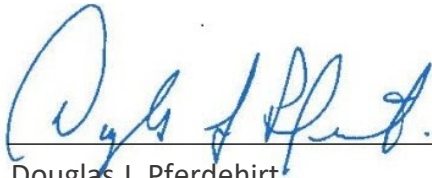
TechnipFMC takes its Human Rights Program very seriously and endeavors to raise awareness continuously across the company, with our stakeholders, and with the communities in which we work.

## Next Steps

We continue to work to embed respect for human rights in our operations and business relationships, and to promote the protection of human rights across our supply chain. In this regard, we are continuing to enhance our global risk assessment model, and we are in the process of implementing further due diligence reviews with respect to our internal global operations. In addition, we are strengthening our cross-functional approach throughout TechnipFMC to ensure that we have engagement with the stakeholders involved at the different levels of the organization.

We welcome this challenging initiative and look forward to continuing to strengthen our resolve on this matter, in line with our core TechnipFMC values.

On behalf of the Board



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Douglas J. Pferdehirt

Director and Chief Executive Officer

April 25, 2023