

A photograph of an offshore oil rig at night, illuminated by artificial lights. The rig's complex metal structure, including cranes and platforms, is silhouetted against a dark blue sky. The lights create a warm, yellowish glow on the rig's surfaces. A large yellow vertical bar is on the left side of the image.

COSL Drilling Europe AS
HUMAN RIGHTS
Due Diligence Assessment

The COSL logo, consisting of the letters 'C', 'O', 'S', 'L' in a bold, sans-serif font. The 'C' and 'O' are blue, and the 'S' and 'L' are red. A small radiation warning symbol is visible on the rig's structure above the logo.

COSL

About CDE

Always do better is our guiding principle leading us through the energy transition and towards our vision of becoming the preferred supplier of drilling services. We are known for having the most efficient drilling units and a strong safety performance and culture.

COSL Drilling Europe AS (CDE) has its roots back to 2005, and our main office is located in Stavanger, Norway. In addition, we have an office in Aberdeen and an onshore base centre at Mongstad.

We have a solid owner with stable ratings in China Oilfield Services Limited with headquarter in Beijing, China. China Oilfield Services Limited (COSL) is listed at the Shanghai Stock Exchange, with ambitions to strengthen its foothold in the North Sea.



Our four semi-submersible drilling rigs were delivered from the construction yard respectively in November 2010 (COSLPioneer), November 2011 (COSLInnovator), May 2012 (COSLPromoter) and November 2014 (COSLProspector).

COSL Drilling Europe AS started our first drilling operations in Norway in August 2011 and has since then performed drilling and completing operations in Norway, UK, Faroe Islands and New Zealand. Our onshore and offshore employees are mainly hired in Norway or UK. Our suppliers are for the most part from Norway and the UK.

COSL Drilling Europe AS and COSL Offshore Management AS are certified according to ISO 9001, ISO 14001, ISO 45001 and 50001. In addition, the company holds a Document of Compliance (DoC) in accordance with the ISM code.

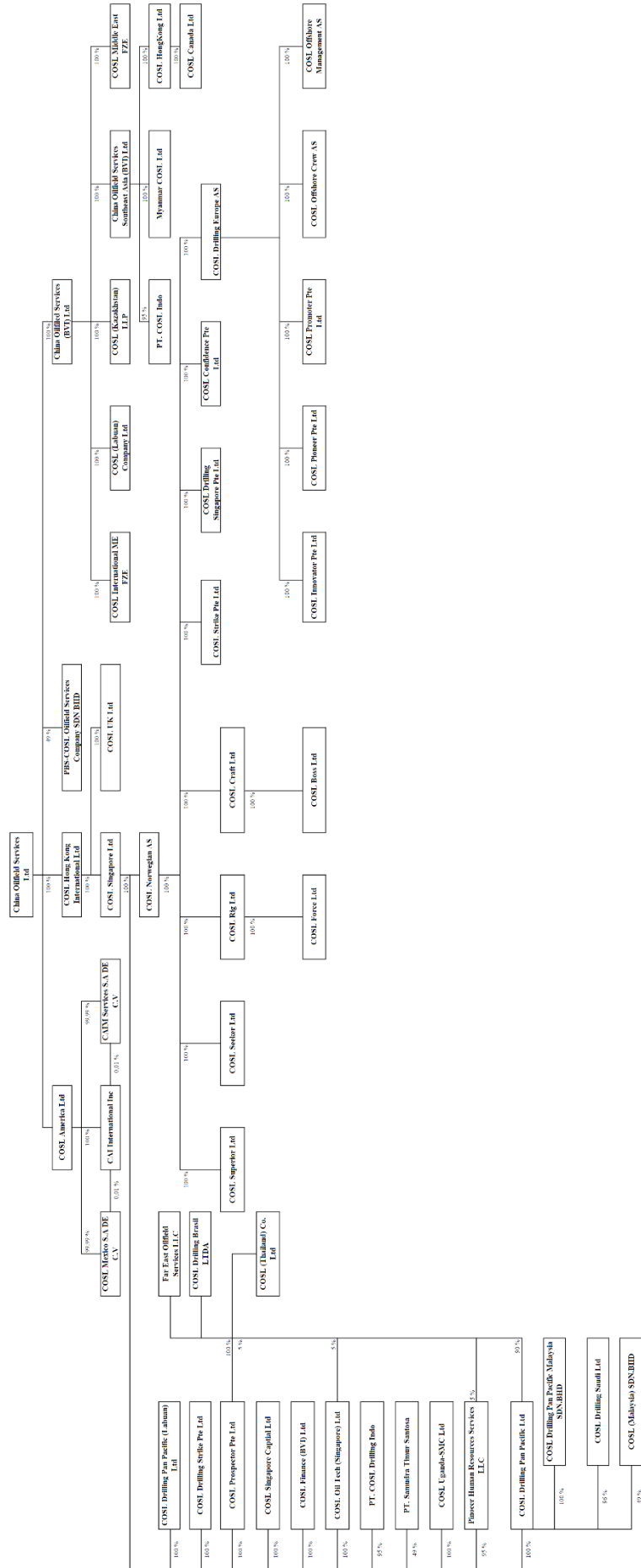
The rigs in operation holds a Safety Management Certificate (SMC) in accordance with the ISM Code, and International Ship Security Certificate (ISSC) in accordance with the ISPS code.

Today COSL Drilling Europe AS operates three drilling units of the same design in Norway and UK, all of which have a proven strong and consistent performance delivery.

For more information about the company, our rigs and their availability, please visit our homepage www.cosl.no

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Enterprise structure



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Introduction

The purpose of this document is to describe COSL Drilling Europe AS and its subsidiaries policies, processes and activities related to Human Rights in accordance with the Norwegian Transparency Act.

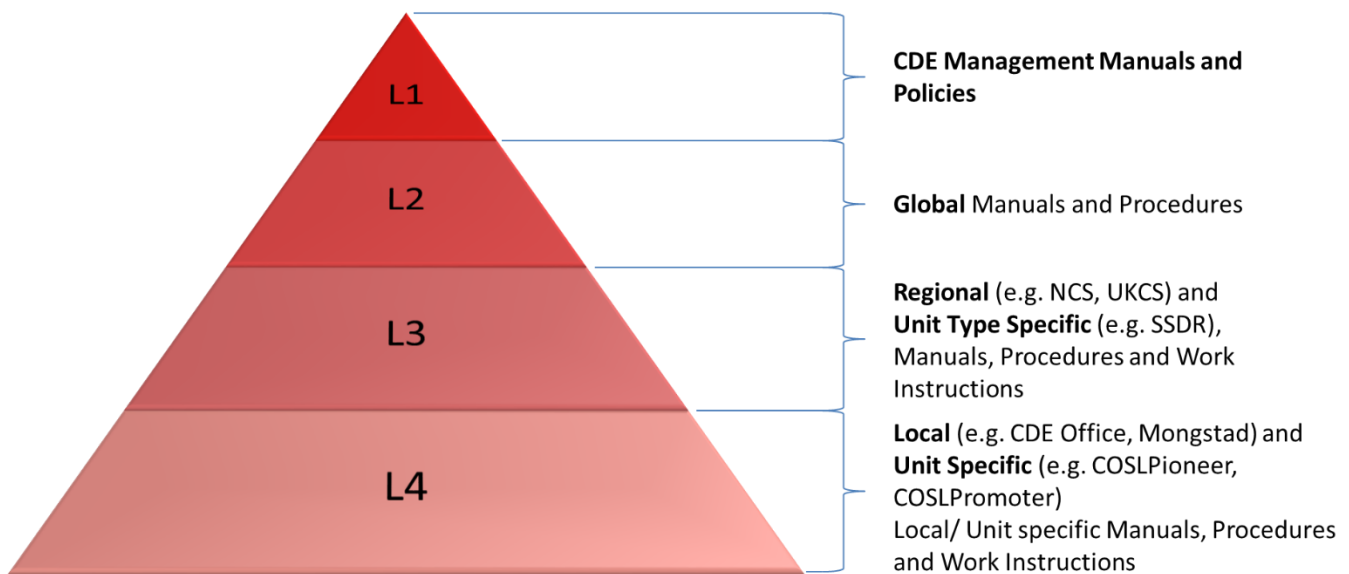
The Transparency Act applies to larger enterprises that are resident in Norway and that offer goods or services in or outside Norway. It also applies to larger foreign enterprises that offer goods or services in Norway, and that are liable to tax to Norway pursuant to internal Norwegian legislation (Sections 2 and 3).

The Transparency Act imposes requirements on companies/ enterprises to carry out due diligence related to human rights, and that an account of the due diligence assessment shall be made available. CDE AS also has a duty to establish a routine for how to provide relevant information upon request.

The purpose of the Act is to promote enterprises' respect for fundamental human rights in connection with the production of goods and the provision of services, and to ensure public access to information on how enterprises deal with negative consequences for fundamental human rights.

Management System

CDE has incorporated requirements and routines into our established management system, so that human rights are safeguarded and managed through the way we work. The Human Rights Risk Assessment identifies the areas where actual and/or potential adverse impacts on human rights may be present. Impacts are handled in accordance with our Risk Management and Management of Non-Conformances procedures.



See our policy commitments towards our responsibility to respect human rights below.

Human Rights Commitments

CDE is committed to respect and support the internationally recognized Human Rights standards (the International Bill of Human Rights, including the Universal Declaration of Human Rights and the International Labour Organization's (ILO) 1998 Declaration on Fundamental Principles and Rights at Work) wherever we operate, and seek to ensure non-complicity in human rights abuses. We shall avoid infringing on the human rights of others and address adverse human rights impacts within our sphere of influence and activities.

Our commitment to respect human rights and labour standards include (but are not limited to):

- Ensuring Fair Treatment and Non-Discrimination
- Providing Safe, Healthy and Secure Workplace and Accommodation
- Providing Fair Wages and Reasonable Working Hours
- Respecting Freedom of Assembly, Association and the Right to Collective Bargaining
- Preventing Modern Slavery
- Preventing Child Labour and Protecting Young Workers
- Respecting Affected Community Members
- Providing Access to Remedy

Human Rights are generally defined as basic standards of treatment to which all people are entitled.

Ensuring Fair Treatment and Non-Discrimination

A fundamental principle in CDE is to ensure diversity and the provision of equal opportunities for our employees. A minimum prerequisite for achieving that is to ensure all employees are treated fairly and without discrimination.

Similarly, we expect our suppliers to, as a minimum, not tolerate any forms of discrimination including but not limited to; gender, age, race, colour, religion, ethnicity, nationality or social origin, marital status, sexual orientation, political or other opinion, union membership, property, health status or disability.

No employee or worker should be subject to physical, sexual or psychological harassment, humiliation or abuse.

Providing Safe, Healthy and Secure Workplace and Accommodation

CDE's safety and security vision is zero harm. We expect our suppliers to ensure all workers have a healthy and safe workplace where they are protected from accidents, injuries and work-caused illness. Workers' accommodation should be safe, clean/ hygienical and adequate as living space.

Workers should be safeguarded from outside threats and dangers. We expect suppliers to apply similar standards to their security arrangements to those set out in the Voluntary Principles on Security and Human Rights.

Providing Fair Wages and Reasonable Working Hours

It is our employees who enable us to meet our challenges and deliver on our promises. As a values-based company, we recognise and reward our people equally based on what they deliver and how they behave.

We expect our suppliers to provide all workers with compensation that is equivalent to the most beneficial of legally required minimum standards, terms established by legally binding collective bargaining agreements and internationally recognised human rights standards. As a minimum, such compensation includes wages, overtime and paid leave that is commensurate for an adequate standard of living.

In CDE, we are concerned about our employees' health and well-being and have measures in place to ensure our employees have a healthy balance between work and private life.

We expect our suppliers to refrain from imposing working and overtime hours that are excessive and that affect the right to a private and family life. Working hours should not jeopardize the individual worker's health and safety. In determining the maximum number of working hours, suppliers should apply the most stringent of applicable laws or relevant International Labour Organisation Conventions. Workers should be able to decline excessive overtime without fear of discrimination or retaliation.

In connection with child birth, women will have the right to a reasonable period of paid leave or leave with adequate social security benefits.

Respecting Freedom of Assembly, Association and the Right to Collective Bargaining

It is important for CDE to maintain a good and trusting relationship with the trade unions represented in our company, and to ensure that employee representatives can exercise genuine influence on everyday business operations.

We expect our suppliers to respect, without discrimination, their workers' right to freedom of assembly and association, to organize and to collective bargaining and to form trade unions. In places where these rights are restricted, we expect our suppliers to find alternative means for effective worker-employer collaboration.

Preventing Modern Slavery

CDE recognises our responsibility to contribute to the global efforts to combat modern slavery. To this end, CDE opposes all forms of human trafficking and forced labour in our value chain.

We expect our suppliers to take effective measures to ensure that no worker conducts work for the benefit of CDE that he or she has not voluntarily accepted based on mutually agreed, true and transparent conditions or which is performed under any form of direct or indirect mental, physical, or financial coercion, threat of any penalty or sanctions, or which in any other way exploits the vulnerability of the worker. No worker should pay any form of recruitment or employment eligibility fees, without proper compensation. No supplier should retain identity papers or work permits as a condition of employment.

Preventing Child Labour and Protecting Young Workers

CDE does not employ persons below 15 years of age or, if higher, the legally prescribed minimum age. Persons under the age of 18 are not allowed to perform hazardous work (i.e. work that is mentally, physically, socially or morally dangerous or harmful) or work that interferes with their mandatory schooling.

We expect our suppliers to apply equally stringent standards regarding children and young workers, and to prohibit any other worst forms of child labour (such as trafficking, sexual exploitation, debt bondage, forced labour and the recruitment or use of underage children for security or military purpose).

Respecting Affected Community Members

CDE's success as a company depends on delivering positive outcomes to our stakeholders, including the communities that host our operations.

We expect our suppliers to respect the human rights of the community members they affect, including in relation to their use of land, water and other natural resources.

Providing Access to Remedy

CDE will provide or cooperate in providing appropriate remediation, including, where relevant, through effective grievance mechanisms, where we have caused or contributed to adverse human rights impacts.

We expect our suppliers to adopt a similar commitment to enable effective remedy to any adverse human rights impact occurred during their operations.



Implementation

Human Rights Risk Management

CDE has a human rights risk management process with the objective to identify and assess actual and potential adverse impacts on fundamental human rights and decent working conditions that CDE has either caused or contributed toward, or that are directly linked with CDE’s operations, and services through the supply chain.

CDE has mapped and risk assessed our potential and actual impacts on human rights.

The actual and potential human rights impacts from operations shall be regularly assessed by performing human rights risk assessments, identifying risks and carrying out any necessary preventive or remedial actions.

The risk assessment will be reviewed annually and/or when there are any changes relating to CDE operations affecting human rights.

RISK ASSESSMENT - HUMAN RIGHTS															
ID	Category	Impact To	Identified Impact	Compliance	Location	Existing Mitigation	Threshold	Scale	Scope	Remediability	Responsible Parties	Responsible	Status	Comment	
1	Business Partners	Labour Rights	Contract expects CDE to reduce risk which leads to the risk of using suppliers from areas with high risk of violating human rights.	Indirect	CDE	<ul style="list-style-type: none"> General terms and conditions Questionnaire and control of documentation and certificates 	Yearly	Medium	High	Medium	21	Ensure compliance with existing processes in CDE	Supply Chain Manager	In place	
2	Business Partners	Labour Rights	Operations on NCC line operations which leads to violation of human rights.	Indirect	Norway	<ul style="list-style-type: none"> Operation has well established requirements for Human Rights management. Operation complies as in compliance with Transparency Act. 	Yearly	Medium	Medium	Medium	22	Strategic planning in tandem	VP Operations VP Market & Contract	In place	
3	Business Partners	Labour Rights	Operations in US line operations which leads to violation of human rights.	Indirect	US	<ul style="list-style-type: none"> Operation has well established requirements for Human Rights management. US companies are in compliance with Modern Slavery Act, Human Rights Act. 	Yearly	Medium	Medium	Medium	23	Strategic planning in tandem	VP Operations VP Market & Contract	In place	
4	Wired Personnel	Security and Safety	Wired personnel traveling offshore does not get sufficient resting hours between offshore trips	Direct	CDE	<ul style="list-style-type: none"> Communication with creating agency Usage 	Yearly	Medium	Medium	Medium	24	Check if creating agency has a system to ensure sufficient resting hours between offshore trips	HS & Admin Director	Ongoing	
5	Wired Personnel	Security and Safety	Wired personnel traveling offshore does not have a safe and secure work place due to the security threat in the energy sector and current war.	Direct	CDE	<ul style="list-style-type: none"> SDC levels increased Increased military monitoring 	Yearly	Critical	High	Medium	25	Follow governmental acts and guidelines. Participating in committees through IGA and AOC.	COO	In place	
6	Wired Personnel	Labour Rights	Wired personnel are harassed, bullied or discriminated by colleagues, leaders or agency.	Direct	CDE	<ul style="list-style-type: none"> Included in HRC Use skills from management employee Selfie for foreigner workers 	Yearly	High	Medium	Medium	26	Make whistleblowing process available for wired personnel	HS & Admin Director	Ongoing	
7	Wired Personnel	Labour Rights	Wired personnel does not get flexible wages.	Direct	CDE	<ul style="list-style-type: none"> AOC General terms and conditions Human Rights are included in internal and external audits if relevant. 	Yearly	Medium	Medium	Low	27		HS & Admin Director	In place	
8	Wired Personnel	Labour Rights	Wired personnel traveling offshore does not have decent work accommodation and living arrangements when traveling to and from work.	Direct	CDE	<ul style="list-style-type: none"> No identified existing actions 	Yearly	Medium	Medium	Low	28	Conditions include in agreements with creating agency	HS & Admin Director	Ongoing	
9	Wired Personnel	Labour Rights	Wired personnel does not have acceptable working hours.	Direct	CDE	<ul style="list-style-type: none"> Working hours are reviewed offshore Approval of attendance Use skills from management employee Safety representative 	Very Yearly	High	High	Low	7		HS & Admin Director	In place	
10	Wired Personnel	Labour Rights	Wired personnel does not get opportunities for permanent work and job security.	Direct	CDE	<ul style="list-style-type: none"> Opportunity for permanent work after three trips offshore Agency workers are either permanently hired after engagement. 	Very Yearly	Medium	Medium	Low	5		HS & Admin Director	In place	
11	Internal	Labour Rights	Employees offshore are harassed, bullied or discriminated by colleagues or leaders.	Direct	CDE	<ul style="list-style-type: none"> Whistleblower system Handling violations of harassment (3.9.16.00000) Dark indicators for harassment Working environment survey Working Environment Committee Health service provider ISO 45001 Code of Conduct 	Yearly	High	Medium	Medium	29	Work environment satisfaction survey to be launch in 2023/2024	HS & Admin Director	Ongoing	
12	Internal	Labour Rights	Female offshore personnel are harassed and discriminated by their colleagues.	Direct	CDE	<ul style="list-style-type: none"> Whistleblower system Handling violations of harassment (3.9.16.00000) Dark indicators for harassment Working environment survey 	Yearly	High	Medium	Medium	30	Issue included in CDE. Issue included in working environment survey	HS & Admin Director	Ongoing	Working environment survey result indicates some harassment.

Risks are identified and assessed based on:

Scale

Gravity of the impact to health and safety

Remediability

Period of recovery

Scope

Degree of impacts to stakeholders

Likelihood

Take into account previous experience and potential probability

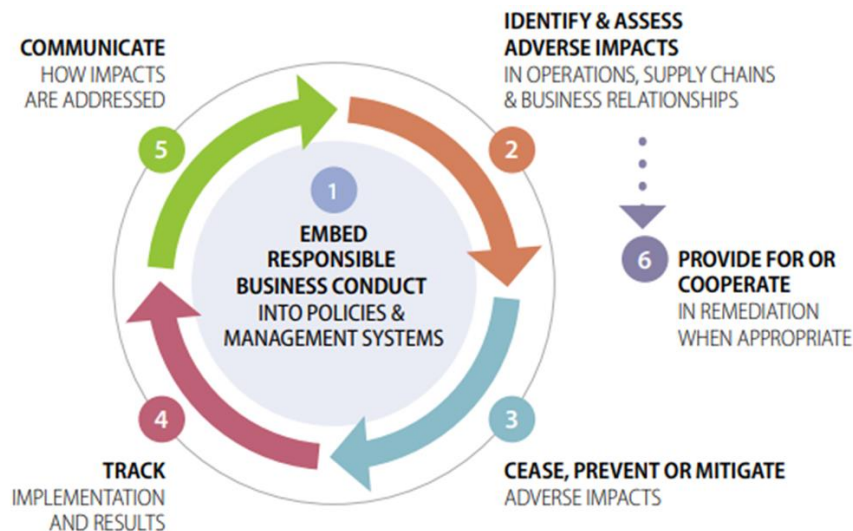
CDE has evaluated impact on the following:



CDE is responsible for avoiding causing or contributing to adverse human rights impacts through our activities, and to address such impacts should they occur. We seek to prevent or mitigate adverse human rights impacts through our Human Rights Risk Management process. Due diligence assessments are carried out in the form of risk assessments and are used to identify, assess and manage human rights impacts that are directly linked with our operations, products or services provided by our sub-contractors and business relationships.

The assessment is based on information acquired and discussions made through a number of facilitated risk assessment workshops involving multiple persons within QHSE, Operations, Management, HR & Administration and Supply Chain. The risk assessment includes our supply chain and business partners.

The due diligence/ risk assessments are completed in accordance with the following principles:



Identified impacts

CDE has focused on the actual adverse impacts and significant risks of adverse impacts identified through the due diligence/ risk assessment. The highest potential risks related to human rights violations and the greatest impacts are identified towards our supply chain and business partners.

1. Human rights in the Supply Chain

Human Rights concern not only our employees, but also the employees of our suppliers, contractors, business partners and their subcontractors. Suppliers has sub-contractors or sub-suppliers from areas which are reported to have a high risk of human rights violations (fair wages, decent working hours, safe, healthy and secure workplace).

2. Human rights and Business Partners

As in all business it is expected that CDE reduces cost which potentially leads to CDE and our suppliers/ vendors using suppliers from areas with high risk of violating human and or labour rights.

3. Human rights and Internal labour rights

Discrimination and harassment in the workplace are identified as potential human rights risks internally.

Implemented measures

The following existing mitigating actions and control measures have been identified for the highest potential human rights violations:

1. Human rights in the Supply Chain

Include control of suppliers' supplier list and do spot checks on location vs. Human Rights management (risk assessments, audits, approved suppliers and criteria's). All suppliers are systematically evaluated and assessed with regards to criticality. One of the key aspects is Human Rights. All new vendors are asked to fill in a Vendor Registration Form and make statements towards compliance with Human Rights Principles and commitments.

2. Human rights and Business Partners

Ensure compliance with existing processes in CDE.

3. Human rights and Internal compliance

Established Computer Based Training module for all employees and management to create awareness. Follow-up on a continuous basis while utilising the established systems and processes. Work Environment Surveys to focus on elements related to human rights.

Information Requests

In accordance with the Norwegian Transparency Act CDE is required to provide information about our own work (right and duty). All enquiries are to be sent to transparency@cosl.no.

Feedback will be given within reasonable time and no later than three weeks after receipt of the information request. Should the information request be disproportionately burdensome to respond to, the deadline may be up to two months. In such cases CDE will give prompt feedback that the deadline has to be extended.

In certain cases information requests may also be rejected, dependent on whether sensitive or confidential information is requested.

Continual improvement

The Human Rights risk assessment should be reviewed and updated annually and if there are significant changes to suppliers or area of operation. Annual reviews are added to the annual activity plan.

The Human Rights Risk Assessment is also presented and discussed through the established Management Review meetings.

Should it be discovered that our current routines, processes, requirements, measures and assessments are inadequate, any employee and/ or third-party person involved in our activities and/or operations may register "Proposed Improvements" through our Synergi Life database.

For confidential reporting of actual or potential violations reference is given to CDEs Whistle-blower Policy.

Follow-up in case of Human Rights breaches

In case of breaches/ non-conformances towards CDEs, customers and/or authorities requirements related to human rights, CDE will initiate follow up. All such cases shall be registered in Synergi and processes initiated to follow-up with immediate and/or mitigating actions until a more long-term solution can be identified. Measures will be put in place to prevent further escalation and to normalise the situation.

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