Article 54 of the United Kingdom Modern Slavery Act of 2015 requires certain companies having business operations in the United Kingdom to publish on a yearly basis a statement of the steps the company has taken during the financial year to ensure that slavery, child labor, and human trafficking is not taking place in the company or in its supply chain.

OUR COMMITMENT
McDermott is committed to ensuring that our business and our supply chains do not involve forced labor or human trafficking. McDermott's Code of Business Conduct and related policies reflect our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls to ensure that slavery, child labor and human trafficking do not take place in our supply chains. We will continue to improve our policies to further define our commitment and to enhance our control systems.

OUR BUSINESS
McDermott is a premier, fully-integrated provider of technology, engineering and construction solutions to the energy industry. For more than a century, customers have trusted McDermott to design and build end-to-end infrastructure and technology solutions—from the wellhead to the storage tank—to transport and transform oil and gas into the products the world needs today. Our proprietary technologies, integrated expertise and comprehensive solutions deliver certainty, innovation and added value to upstream and downstream energy projects around the world.

Operating in more than 54 countries, McDermott’s locally-focused and globally-integrated resources include approximately 40,000 employees, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world.

Customers rely on McDermott to deliver certainty to their most complex projects, from concept to commissioning. We call it the “One McDermott Way.”

STAFF RECRUITMENT
Our recruitment policies are transparent and reviewed regularly. We communicate directly with candidates to discuss job opportunities and confirm the details of any offer made. We have robust procedures in place for vetting new employees, confirming their identities, and that wherever possible they are paid directly into an appropriate, personal bank account. We will continue to improve our policies to further ensure that third party labor providers are following the same level of standards we require for McDermott.

SUPPLIER AND SUBCONTRACTOR ADHERENCE TO OUR CODE OF CONDUCT AND VALUES
Our Code of Business Conduct and related policies require that our suppliers and subcontractors act in accordance with the law, with our Code of Business Conduct and our values. To ensure our Suppliers and Subcontractors comply, we have in place a comprehensive program, comprising:

- Pre-qualification including a legal and compliance review and certification to not use forced labor on McDermott’s procurement and subcontracts portal.
- Acceptance of and agreement to comply with McDermott’s Code of Business Conduct.
- Agreement not to use forced labor or child labor and not to engage in or facilitate human trafficking.
- Provisions in Subcontracts and Purchase Orders requiring compliance with human rights obligations, including not to use forced labor, child labor, and not to engage in or facilitate human trafficking.
CONTROLS TO PREVENT SLAVERY, CHILD LABOR AND HUMAN TRAFFICKING

We have systems in place to:

- Train all employees on our Code of Business Conduct, general ethical principles and human rights.
- Allow any person to anonymously report via a confidential Ethics telephone hotline any suspected misconduct or violations of our Code of Business Conduct.
- Non-retaliation policies to protect whistle blowers and other persons engaged in reporting suspected misconduct or violations of our Code of Business Conduct.
- Conduct awareness campaigns with respect to our Ethics telephone hotline and other reporting mechanisms.

We are also working to enhance our processes to:

- Improve the identification and assessment of potential risk areas in our supply chains.
- Improve the effectiveness of Supplier and Subcontractor oversight with respect to the risk of forced labor, child labor, and human trafficking in our supply chains.
- Enhance our training efforts to ensure our employees understand how to identify instances of forced labor and human trafficking.
- Determine when and how audits of Suppliers and Subcontractors should be conducted for compliance with human rights obligations, including not to use forced labor and not to engage in or facilitate human trafficking.