

MCDERMOTT

Modern Slavery Statement 2025



INTRODUCTION

McDermott International, Ltd is committed to conducting business in a responsible and ethical manner and maintaining a zero-tolerance approach to modern slavery, forced or child labor, human trafficking, and related abuses. We recognize our responsibility to respect human rights across our operations and supply chain, and we take proactive steps to identify and mitigate labor rights risks.

Our approach aligns with internationally recognized frameworks, including the United Nations Guiding Principles on Business and Human Rights (UNGPs) and labor standards established by the International Labor Organization.

This statement covers McDermott International, Ltd. and its affiliates and reflects actions taken in the last financial year (2025) to address the potential risk of modern slavery in our supply chains. This statement is issued in accordance with the reporting requirements of the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018, and similar applicable international laws.

OUR COMMITMENT

McDermott's Human Rights and Social Responsibility Policy codifies our commitment to respecting human rights and providing safe, fair, and compliant working conditions in line with applicable labor laws and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. These principles include freedom of association, non-discrimination, and prohibition of all forms of labor exploitation. We are committed to strengthening human rights due diligence in collaboration with our business partners, suppliers, and subcontractors. We encourage our suppliers to sign our Supplier Code of Business Conduct (COBC), which reflects McDermott's standards, expectations, and commitment to business integrity.

Our approach to preventing modern slavery is supported by our governance framework and management system that includes the following:

- [Code of Business Conduct](#)
- [Supplier Code of Business Conduct](#)
- [Human Rights and Social Responsibility Policy](#)
- [Speak Up Program and helpline for reporting concerns](#)
- Human Rights in the Workplace Guideline
- Human Rights Due Diligence Guideline

OUR BUSINESS AND SUPPLY CHAIN AT A GLANCE

McDermott is an integrated provider of engineering and construction solutions to the energy industry. Our customers trust our technology-driven approach designed to responsibly harness and transform global energy resources into the products the world needs. From concept to commissioning, McDermott's innovative expertise and capabilities advance the next generation of global energy infrastructure—empowering a brighter, more sustainable future for us all. McDermott's locally focused and globally integrated resources include approximately 30,000 employees, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. To learn more, visit www.mcdermott.com.

In 2025, McDermott's Tier 1 supply chain included 7,157 suppliers and subcontractors globally, mostly in the construction and oil and gas services sectors (For the purpose of this report, McDermott defines a Tier 1 supplier as any supplier, including subcontractors, that the company directly contracted with in 2025). The following graphic (ref. Figure 1) illustrates the company's 2025 spend by high-level category.



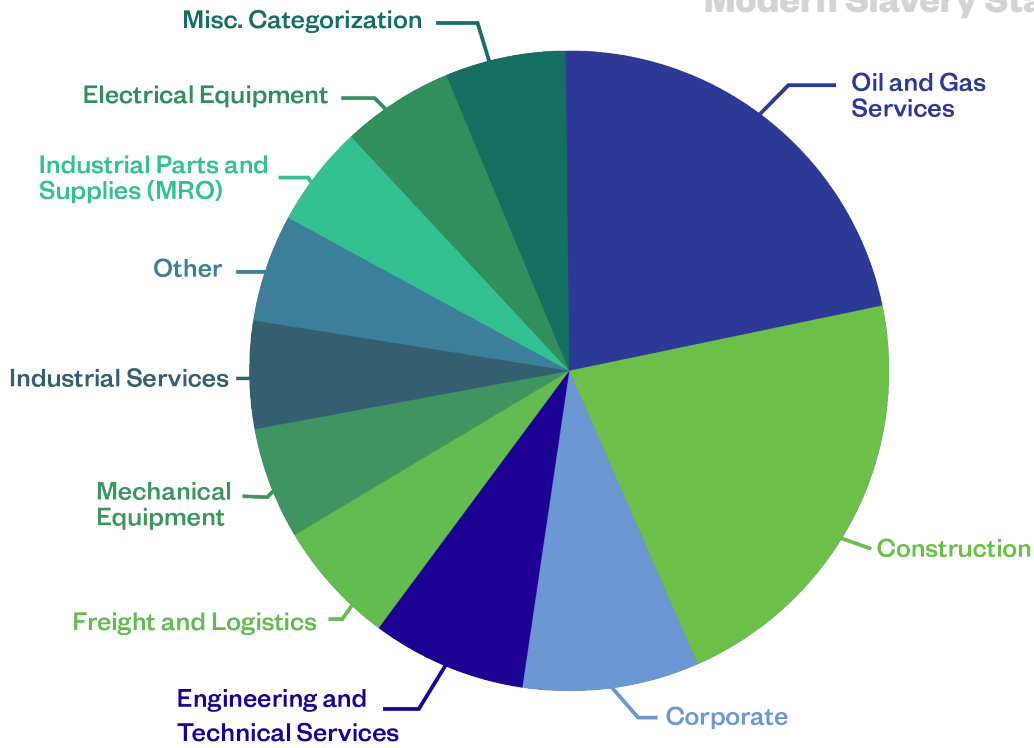


Figure 1 - Spend Distribution by Supplier Category (2025)

MODERN SLAVERY RISKS

RISK ASSESSMENT

Given the global nature of our operations and the complexity of our project-based supply chains, we recognize that modern slavery risks can arise across geographies, sectors, and our value chain. Our workforce profile spans a wide range of skill levels and includes the use of recruitment agencies and engagement of migrant workers, which can further increase exposure to labor-related risks.

McDermott employs Human Rights Due Diligence (HRDD) processes to identify, assess, and manage labor rights risks associated with our activities and supply chains. Our projects and assets, including offices, fabrication yards, marine vessels and construction sites undergo a Human Rights Risk Assessment that considers factors including country-specific risk factors informed by the Worldwide Governance Indicators (WGI), the nature and type of site activities, and the level of community interaction and external stakeholder interface.

We use these assessments to determine and implement appropriate risk mitigation measures proportionate to the level of risk and integrate them across the project lifecycle.

In addition to UN guidelines, our human rights management framework (ref. Figure 2) draws guidance from Ipeica, Building Responsibly, and Shift.

Based on industry trends and independent due diligence, we have identified the following potential modern slavery risks:

- Potential for forced labor / child labor in certain high-risk countries.
- Potential for forced labor issues in subcontractor marine crews and high-risk supply chain categories.
- Potential for forced labor risk affecting subcontractor migrant workers, such as charging of recruitment fees.

HUMAN RIGHTS DUE DILIGENCE

STEPS TO ADDRESS RISK

McDermott's Sustainability & Governance function guides management of human rights risks through the following steps:

- Human Rights Commitment
- Risk Assessment and Prioritization
- Human Rights Issues Prevention
- Remediation
- Monitoring and Disclosure

McDermott prohibits the charging of recruitment fees, in line with the Code of Business Conduct. We set expectations regarding access to identity documents, written employment contracts, and appropriate worker living conditions, in line with legal and operational contexts.

In 2025, we continued a risk-based approach to due diligence at our projects and facilities, with consideration to managing worker welfare and aligning with international client and regulatory expectations. We conducted Human Rights risk assessments covering 76% of the owned and operated sites, along with worker interviews (including sub-contractors and vulnerable groups) and accommodation checks in select locations (ref. Table 1).



Figure 2 - Human Rights Management Framework



ISSUE PREVENTION – TRAINING AND AWARENESS

In 2025, our training and awareness activities included:

1. Induction training, including human rights awareness for fabrication yard employees and subcontractor workers.
2. Mandatory induction for 3,379 employees on Human and Labor Rights training, including modern slavery.
3. Code of Business Conduct e-learning, inclusive but not limited to forced labor components with 99% completion covering 3,577 employees.
4. Site-based Toolbox Talks for workers themed around human rights and forced labor.
5. Employee awareness sessions on ethical topics, including speaking up, workplace respect, non-retaliation, and psychological safety.
6. Continuous promotion of McDermott's Speak Up! Program for reporting and resolving grievances and concerns or violations of the McDermott Code of Business Conduct, inclusive of human rights.

REMEDATION - SPEAK UP

McDermott's Speak Up Program requires employees and other stakeholders (business partners, suppliers/subcontractors and community members) to report concerns, with the option to report anonymously. We have a dedicated, experienced team to investigate grievances, determine appropriate remedial action, uphold accountability, and support appropriate resolution. We also interview workers at certain sites to identify potential issues.

McDermott's Chief Ethics and Compliance Officer monitors and regularly reports to our executive management and Board of Directors on relevant human rights risks and issues, including any related to modern slavery risks.

LOCAL ISSUE MANAGEMENT

We recognize that effective identification and resolution of local issues is critical to mitigating modern slavery and broader labor rights risks across our operations and supply chain. We have a structured approach to differentiate and manage issues based on severity, nature, and escalation requirements.

We identify issues in many ways including our human rights due diligence processes that may include audits, employees' interviews, or self-assessments. Issues are documented and managed through Site-based logs and action taken to address immediate harm.

Local issues may include, but are not limited to:

- Violations of employee welfare principles.
- Labor practices - e.g., unclear overtime payments.
- Unequal treatment - e.g., inadequate facilities for female employees.
- Harassment issues - e.g., inadequate facilities for female employees.
- Concerns over community interaction and engagement - e.g., traffic concerns.

Issues are tracked, monitored, and followed through with remediation actions as appropriate. Where required, trends and recurring issues are analyzed to inform preventative actions and strengthen controls.

Through this dual approach, both high-risk violations and day-to-day labor and community concerns are addressed effectively.



MARITIME OPERATIONS AND SEAFARER WELFARE

We recognize that maritime operations present specific human rights risks, particularly in relation to working conditions, recruitment practices, and crew welfare. To mitigate these risks, our Human Rights Due Diligence framework aligns with the Maritime Labor Convention (MLC, 2006).

During the reporting period, our fleet maintained valid MLC certification where required. Compliance is supported through periodic inspections, internal verification processes, and timely management of corrective actions. In addition, onboard grievance mechanism (Speak Up) and worker engagement processes support the identification and remediation of potential issues, reinforcing our commitment to protecting seafarer rights and well-being.

SUPPLY CHAIN DUE DILIGENCE

We are committed to maintaining responsible working relationships with subcontractors, suppliers, and business partners. We work with our counterparties to promote respect for human rights and fair labor practices, supporting continuous improvement and shared responsibility across our supply chain.

McDermott requires its suppliers and subcontractors to adhere to its Supplier Code of Business Conduct, which outlines expectations related to human rights, labor standards, and ethical business practices. These requirements are incorporated into contractual agreements, and suppliers are expected to comply with applicable laws relating to slavery and human trafficking in the jurisdictions in which they operate.

We expect our suppliers to demonstrate respect for human rights. Our due diligence system includes:

- The [Supplier Code of Business Conduct](#) which provides expectations in areas such as ethical business practice, and human rights.
- As a condition of vendor registration, suppliers are required to:
 - Agree to comply with McDermott’s Code of Business Conduct and Human Rights and Social Responsibility Policy.
 - Enter contractual provisions requiring compliance with human rights obligations consistent with the Supplier COBC.
 - Participate in internal human rights audits and self-assessments and Supplier risk assessments within our supplier registration process.

Areas of focus covered during Worker Interviews & Accommodation Checks

<p>Child Labor</p> <ul style="list-style-type: none"> • Minimum age • Young workers <p>Modern Slavery/Forced Labor</p> <ul style="list-style-type: none"> • Ethical Recruitment • Employment Terms • Withholding wages • Notice period • Freedom of movement • Freedom to change employment 	<p>Non-discrimination</p> <ul style="list-style-type: none"> • Treatment by company • Treatment by security • Treatment by other workers <p>Freedom of association</p> <ul style="list-style-type: none"> • Union participation • Withholding wages <p>Working conditions</p> <ul style="list-style-type: none"> • Working hours/ overtime/ rest • Improvement suggestions 	<p>Living Conditions</p> <ul style="list-style-type: none"> • Supporting facilities: sleeping, sanitation, dining, communal spaces • Improvement suggestions <p>Grievance Mechanisms</p> <ul style="list-style-type: none"> • Awareness & understanding of grievance mechanism • Non-retaliation • Anonymous Complaints
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Table 1 - Worker Interview and Accommodation Check Assessment Areas

ASSESSING THE EFFECTIVENESS OF ACTIONS

We assess the effectiveness of our actions by reviewing trends in the Speak Up program, worker interviews, and the results of self-assessments and internal audits.

PROCESS OF CONSULTATION

We established our Code of Business Conduct and our Human Rights and Social Responsibility Policy in consultation with leaders, experts and internal teams. Relevant operating entities in Canada, the United Kingdom and Australia participated in this process, including:

- McDermott Australia Pty. Ltd., WA
- McDermott Marine Construction Limited, UK.
- J. Ray McDermott (Aust.) Holding Pty. Limited, WA
- McDermott Energy Solutions (UK) Limited, UK.
- McDermott Energy Solutions Pty. Ltd., New South Wales
- McDermott Energy Solutions (Canada) Ltd., B.C. Canada

FUTURE COMMITMENTS

McDermott strives to continuously evolve and improve our processes, risk identification, and effectiveness. In 2026, we plan to:

- Continue to enhance supplier human rights risk screening processes, to support the systematic assessment of modern slavery risks across both new and existing suppliers.
- Progress towards certification under the SA8000 Social Accountability Standard in 2026.
- Conduct human rights assessments on a risk basis for new and existing operational projects and facilities where appropriate.
- Enhance the Human Rights Qualification Process in the Company's Vendor Management System to screen new suppliers on potential adverse human rights impacts.
- Deliver targeted human and labor rights workshops to build internal capability in identifying, assessing, and managing human rights risks.
- Continue to promote awareness of our Speak Up Program, including subcontractor workforces.
- Continue engagement with subcontractor workforces and other potentially vulnerable groups, as necessary, using interviews and other mechanisms to identify salient risks and implement appropriate mitigation measures.
- Work collaboratively with clients and supply chain partners to address labor and human rights risks across project lifecycles.

This statement relates to the financial year which ended on December 31, 2025. It is applicable to McDermott International Ltd and its subsidiaries. This statement addresses McDermott's obligations under the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018 and similar applicable international laws.

On Behalf of the Board of Directors



Michael McKelvy
Chief Executive Officer & Chair, Board of Directors
McDermott International, Ltd
May 2026



Cautionary Statement Regarding Forward-Looking Statements

This modern slavery statement contains what are considered “forward-looking statements” within the meaning of the U.S. federal securities laws – that is, any statements that are not historical facts.

Such statements may contain words such as “aim,” “estimate,” “intend,” “commit,” “goal,” “expect,” “may,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “pledge,” “target,” “anticipate,” “think,” “should,” “would,” “could,” “will,” “see,” “likely,” and other similar words.

Forward-looking statements address situations that are, to varying degrees, uncertain, exposed to risks that McDermott cannot control and dependent on different circumstances to materialize.

Taking this into account, actual outcomes may vary materially from those reflected in our forward-looking statements.

Forward-looking statements are aspirational and not guarantees or promises that intended actions, goals or targets will be met.

The forward-looking statements in this modern slavery statement are considered current as of May 2026 and McDermott disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events, or otherwise.

