

SHAWCOR **ANTI-SLAVERY AND HUMAN TRAFFICKING STATEMENT (FYE – 2020)**

This Anti-Slavery and Human Trafficking Statement is provided in response to Section 54(1) of the Modern Slavery Act 2015 by Shawcor and its subsidiaries (together referred to as "Shawcor," "we" or "us"). This Statement discloses the steps we have taken during the current year to ensure that slavery and human trafficking are not taking place in Shawcor's operations or supply chain.

INTRODUCTION

Shawcor is committed to complying with all applicable legal requirements and to combatting slavery and human trafficking and conducting its business in accordance with a high level of business integrity, as reflected in our Code of Conduct.

Available at: <https://www.shawcor.com/about/sustainability>

We have an unwavering drive for continual improvements in HSE, product and service quality and business ethics that are above reproach. Shawcor and our clients place great importance on business ethics.

All of our directors, officers and employees are expected to adhere, without exception, to the principles that are captured in our Code of Conduct; each is required to renew their commitment to these principles as part of the annual Code of Conduct sign off and new employees must sign the Code as part of their orientation.

SHAWCOR'S STRUCTURE

Shawcor is a world leading integrated energy services business and works in a variety of industries including oil and gas, petrochemical, industrial, electrical, electronic, automotive and communications.

We are a part of the Shawcor Group, and our ultimate parent company is Shawcor Ltd., a Toronto Stock Exchange listed company. The Group has over 3000 employees worldwide and operates in 25 countries around the world.

OUR SUPPLY CHAINS

Our supply chains include a system of procedures for management of supplier risk and approval of key suppliers across our sites.

Supply Chain Management Organisational procedures are based on:

- Supply chain guide book (best practices and policies of Shawcor);
- GMP09 – procedures for management of purchasing, qualification and evaluation of suppliers which includes:
 1. A Procurement Code of Ethics based on the fundamentals of human rights and forced labour;
 2. A process to qualify suppliers by category;
 3. An assessment system to qualify critical new suppliers based on a general information questionnaire, a due diligence form and an operational statement of compliance based on our Procurement Code of Ethics, which are verified by the Legal Department upon request.
 4. A register of incidents and a system of non-conformities to monitor corrective actions and improvement plans;
 5. A score card to yearly evaluate the performance of our suppliers by a committee and review their status;
 6. Audits; and
 7. A process to qualify critical products.

- Training for employees with respect to our Procurement Code of Ethics;
- A data base to register and seek approval of all new suppliers by corporate;
- Terms and Conditions for our orders and contracts referring to our Procurement Code of Ethics; and
- Shawcor's general Code of Conduct.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business and will endeavour to improve our processes. Our Code of Conduct reflects our commitment to acting ethically and with integrity in all our business relationships and our Supplier Compliance Declaration requests that slavery and human trafficking is not taking place anywhere in our supply chains.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk and to help ensure that slavery and human trafficking do not take place in our supply chains or other parts of our business we have in place policies and systems to:

- Identify, assess and mitigate the risk of slavery and human trafficking occurring in our supply chains -
 - our new suppliers must sign a Declaration of Compliance which includes our Code of Conduct, Operating Conditions and Anti-Bribery/-Corruption Requirements (see below for more information).
 - the approval process includes with respect to key suppliers, supplier quality audits, compliance-related screening and background checks. We also carry out in-house desktop screening.
 - we monitor potential risk areas in our supply chains mostly through the auspices of HSE and risk management but slavery and human trafficking are also to be included in such audits.
 - certain contracts with our key business partners, suppliers, contractors and vendors require compliance with all applicable laws and with our Code of Conduct (and our customer's policies, as required).
- Encourage the reporting of concerns and protect whistle-blowers - our whistle-blowing policy and robust systems for reporting suspected illegal activity or violation of our Code of Conduct are communicated to all staff and set out in Shawcor Standard Procedure No. HR607-B and our Code of Conduct. It is our policy that the anonymity of whistle-blowers will be maintained to the maximum extent possible, and no retaliatory action will be taken against our employees who report in good faith suspected illegal activity or violations of our Code of Conduct.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our ethics and principles of business integrity we have in place a supply chain compliance program. As part of our supplier screening and qualification procedure, all new suppliers of goods and services must agree to comply with and sign a Compliance Declaration covering:

- our Code of Conduct;
- our Operating Conditions; and
- our Anti-Bribery/-Corruption Requirements.

We have a team which ensures compliance is adhered to, which consists of representatives from the following departments:

Shawcor UK Limited

Shawcor House, Viking Road
Gapton Hall Industrial Estate, Great Yarmouth,
Norfolk, NR31 0NU
o +44 1493 600 677
f +44 1493 603 347

Registered in England No: 2638774

Shawcor UK Limited
Shawcor House, Viking Road, Gapton Hall Industrial Estate,
Great Yarmouth, NR31 0NU
United Kingdom
Shawcor.com

- Legal
- Internal Audit
- Human resources
- Procurement

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff. In recent years, we have stepped up our educational and training efforts related to the Code of Conduct and we are committed to continued improvements in this area.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

- To develop special audits and to strengthen documentation checks, including payroll.
- Update and strengthen our Code of Conduct, Procurement Code of Ethics and Statement of Compliance to include more explicit anti-slavery and human trafficking codes.
- Require our suppliers and business partners to provide modern slavery and human trafficking training to their staff, suppliers and providers.
- Strengthen our supply chain due diligence efforts by conducting targeted supplier audits.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2020.

Signed for and on behalf of Shawcor UK Ltd by:



Simon Dewey
Statutory Director
Senior Vice President – Eastern Hemisphere
Date: 24 March 2020