
TRANSPARENCY ACT REPORT 2024

Archer

ARCHER TRANSPARENCY ACT STATEMENT 2024

This report constitutes Archer's due diligence account according to Section 5 of the Norwegian Transparency Act, (the "Act"). Archer respects and acknowledges the principles of fundamental human rights, and decent working conditions as defined in the Act ("Human Rights").

WHO WE ARE AND WHAT WE DO

Archer is a global oil services company providing drilling services, well integrity & intervention, plug & abandonment and decommissioning to its upstream oil and gas clients. We have 4894 employees, operating out of more than 12 office locations, in 47 countries worldwide. Our diverse global workforce represents 42 nationalities.

Archer is publicly traded on the Oslo Stock Exchange under the ticker ARCH. Our main operations currently take place in the major basins within Europe, North America, and South America.

Five Norwegian companies within the Archer Group are subject to the Act: Archer Norge AS, Archer AS, Archer Oiltools AS, Archer Consulting AS, and Vertikal Service AS. Common policies, processes, support functions, Code and Conduct, systems for supplier handling and reporting, and terms and conditions are in place for all Group companies, except for Vertikal Service AS which was acquired in May 2024 and such common policies are currently being implemented. Hence, we have written this report on behalf of all the Group companies.

OUR BUSINESS TO BUSINESS ETHICS AND GOOD GOVERNANCE - ARCHER'S OWN ACTIVITIES

Our Code of Conduct and annual ESG Report are available on our website.

Integrity is one of our core values and conducting business honestly, lawfully, and ethically is fundamental to our continued success. Integrity drives everything we do and is critical to upholding our reputation in the marketplace. Issues like Human Rights infringement, corruption, export control and business ethics are more important than ever in our industry, and issues we take a zero-tolerance approach to. Our aim to deliver value to our shareholders is best accomplished through operating with the highest ethical standards and employing stringent corporate governance. Archer expects and requires that all our employees, contractors, suppliers, partners, and clients observe the highest standards of integrity when conducting business.

Archer is a people business, therefore the social dimension in the ESG framework is very important to us. Creating a sustainable and safe workplace is key to the success of our company. We are fully committed to the principle of equal opportunity, and we comply with the letter and spirit of all laws regarding fair employment practices and non-discrimination, which is outlined in our Human Rights policy and Code of Conduct.

Included within our Human Rights policy is our commitment to respect the principles in the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the ILO Core Conventions on Labor Standards.

Archer complies with established international labor standards and employment legislation where we operate and is committed to the prevention of child and forced labor, non-discrimination in the workplace, the right of freedom of association and assembly, and the right to collective bargaining. Archer is a member of employer associations where applicable. Union agreements have been established with employee unions at locations where required due to union presence.

We perform regular risk-based diligence, analysis, and monitoring of our business activities to ensure compliance, including compliance with Human Rights. Appropriate risk-based communication and training on bribery, corruption, Human Rights, and our Code of Conduct is provided to employees and business partners as part of their on-boarding and ongoing development. Any suspected deviation from our policies, Code of Conduct, or any applicable laws, rules, or regulations is to be reported in accordance with the Code of Conduct through line management or by submitting a complaint through our whistleblower hotline. Reported concerns are evaluated and investigated by our Internal Audit, HR, and/or Legal Department as appropriate. Investigation reports and call statistics, anonymized where appropriate, are shared with the Archer Limited Audit Committee on a quarterly basis. To date, we have not found any actual adverse impacts, nor any significant risks of adverse

impacts through the due diligence of Archer's own business activities.

DESCRIPTION OF ARCHER ROUTINES AND GUIDELINES UNDER THE ACT

Archer has initiated the work of mapping and assessing our suppliers and business partners, developed internal guidelines and a separate Transparency Act procedure, and allocated responsibilities according to a group of employees.

Accountability is set as a tone from the top in Archer, by corporate management. Archer's corporate management has actively decided how to implement the Human Rights accountability in the Archer business.

General measures taken:

- **Code of Conduct:** Sets forth the expectations and requirements from Archer's management to all Archer employees and contractors, including for Human Rights.
- **Supplier Declaration:** This is a code of conduct reflecting the Archer Code of Conduct, amended to apply to third parties. We require that our suppliers adhere to all relevant requirements related to Human Rights. All suppliers who are reviewed through our supply chain platform must accept this document prior to approval.
- **Archer's Supplier Approval Procedure:** Sets forth the approval, due diligence, and quality control process suppliers must undergo in our supply chain before they are approved suppliers, including adherence to our Code of Conduct.
- **Archer's Procedures for the Retention of Third-Party Representatives:** Sets forth an approval and due diligence process before any third-party representative may act on behalf of Archer anywhere, we do business (including our diligence questionnaires, compliance declarations, and business case evaluation tools).
- **Archer Employee Handbook:** Every employee is subject to this, with versions for each country, region, or employee location (onshore or offshore). It addresses equal opportunity, harassment and bullying, collective agreements, performance management, grievance procedures, and adherence to the Code of Conduct.
- **Training of the organization:** Archer has and will continue to provide global training of the organization on Code of Conduct, including Human Rights. This will be applicable to all onshore employees on a global basis and most offshore and field employees. Further Compliance and Code of Conduct

training is provided to suppliers we deem as higher risk

- **Archer's Standard terms and conditions for purchase:** Sets our contractual requirements for suppliers regarding Human Rights. The Supplier warrants to take effective measures to ensure its performance is consistent with the Human Rights, ILO conventions and UN Guiding Principles. We will not accept any alterations to the Human Rights warranties within these standard terms.
- **Whistleblower Hotline:** Available to all persons via Archer's website or internally, to advise of any instances where conduct is in breach of the Code of Conduct or any applicable laws, including those relating to Human Rights.

Specific measures taken:

- **February 2022,** we implemented a new Human Rights Policy establishing the framework for Archer's commitment to Human Rights.
- **July 2022,** we implemented a specific procedure for Archer's compliance with the Act. The procedure informs of the requirements under the Act, gives guidelines on how Archer intends to ensure the obligations according to the law, and the guidelines are based on and aligned with those of "Forbrukertilsynet" and OECD
- **July 2022,** we appointed a single point of contact to handle all compliance requirements under the Act.
- **2022 - 2023,** we developed an internal IT system named "Cascade" to structure input digitally from suppliers through Archer Questionnaires for QSHE, ESG, Norsok S-006 and Human Rights. The Cascade system has also been designed to evaluate the supplier self-assessment response to the Questionnaires specifically to assess supplier risk related to Human Rights and structure Archer follow up where more information is required and if adverse findings are identified. Archer has performed due diligence towards partners and suppliers on a continuing basis in accordance with the OECD Guidelines for Multinational Enterprises.
- **2023- 2024,** we performed due diligence and risk assessments on our supply chain.

SPECIFIC ROUTINES OF DUE DILIGENCE PROCESS OF SUPPLIERS AND BUSINESS PARTNERS - HOW WE PRIORITIZE AND PERFORM

Focus has been on how our business affects people, both inside and outside our business.

We take a risk-based approach to due diligence of our suppliers and business partners under the Act, proportionate to the size of the business, the nature of the business, the context of the business, location, and the severity and likelihood of negative consequences.

We have chosen to focus more detailed on those suppliers and business partners (i) with whom we had the highest spend and were the most critical to our business, and (ii) where the risk was deemed to be greatest, based on product, industry, region of production, and the quality of their responses to our specific targeted questions on Human Rights. This risk based analysis is tracked in Cascade.

Our due diligence of suppliers and business partners focuses on certain potential negative consequences in the questionnaire, the primary focus areas being working conditions, discrimination, living wages, right to organization and collective bargaining, forced and bonded labor, and child labor.

Archer will continually perform risk assessments and due diligence. Such risk analysis and assessments will be performed via:

- ESG Questionnaires sent to suppliers and business partners. This questionnaire includes Human Rights elements.
- Enhanced due diligence Questionnaires sent to those suppliers and business partners deemed to be at higher risk due to business structure, segment, or jurisdiction.
- Risk analysis of the self-assessment of the reports generated by Cascade from the Questionnaires above.

SUMMARY REGARDING ANY POTENTIAL ACTUAL ADVERSE IMPACTS AND SIGNIFICANT RISKS OF ADVERSE IMPACT IDENTIFIED FROM SUPPLIERS AND BUSINESS PARTNERS

404 suppliers have to date completed the ESG Questionnaire from Archer. The Questionnaire contains 15 Human Rights questions, in addition to other ESG, HSE and QA questions, targeted to get an insight into the maturity of our suppliers' quality and compliance focus and due diligence systems related to Human Rights. To date, we have not found any actual adverse impacts, nor any significant risks of

adverse impacts through our due diligence. We have found it advisable to make further risk assessments in writing, to ensure that our suppliers and business partners have a sufficient focus and targeted approach to Human Rights regulations.

To date we have risk assessed 98 suppliers and followed up with email enquiries, where we have expressed concerns or the need to get more info based on their responses. These concerns are not related to actual or potential adverse breaches of Human Rights, but more to the state of their due diligence systems, and Human Rights policies and procedures.

If an adverse potential or actual impact is found, Archer will:

- Engage with supplier to assess the answer and clarify or resolve the issue, inform the relevant suppliers of our expectations, and give them chance to remediate and improve.
- Monitor and follow up.
- If severe or persistent breaches continue, we will consider all measures available including termination of the supplier contract and reporting such findings to any appropriate authority.

We aim to educate and influence culture so that Human Rights breaches are avoided. Site visits and in person meetings will be undertaken depending on the circumstances.

SUMMARY AND GOING FORWARD

Our aim is to avoid any breaches of Human Rights. Our intention is to continue to improve our strong culture with a determined focus on compliance. Based on our business to business ethics and good governance, we will perform regular risk-based diligence, analysis, and monitoring of our business activities to ensure compliance, including compliance with Human Rights.

Through Cascade, we have also strengthened and structured our ability to perform due diligence on our suppliers. This includes key data points on the suppliers' approach to Human Rights, and related practices, policy maturity, and activities to ensure there are no adverse or potentially adverse impacts to Human Rights. The self-assessment in Cascade is reviewed by legal, supply chain, and QHSE, and is followed up based on the reported findings using a risk-based approach.

Archer will continue to perform risk assessments and

take mitigating actions where required. This applies to the entire Archer Group. Archer will also continue to develop ourselves, our employees, and our suppliers and business partners, to ensure understanding of the challenges related to Human Rights.

Archer respects Human Rights and expects all suppliers and business partners to do the same and will not work with those who are not willing to adhere.

Sandnes, 30.06.2024
Archer Norge AS, on behalf of Archer Norge AS and subsidiaries

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