



2023

**Sustainability Report**

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This report, published August 30, 2024, presents the 2023 environmental, social and governance (ESG) performance of Seadrill Limited, together with its consolidated subsidiaries. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Oil and Gas – Services Standard (2023-12) and is prepared in accordance with the GRI Oil and Gas Sector standard. Recommended disclosures of the Taskforce on Climate-related Financial Disclosures (TCFD) are also included.

# Key Performance Summary<sup>1</sup>

**436,729 TCO<sub>2</sub>e**  
GHG emissions (Scope 1 & 2)

**28,560.18**  
Tonnes CO<sub>2</sub>e per contracted rig year  
GHG intensity

**B**  
CDP rating

**2,619**  
Employees

**168,052**  
Training hours completed

**0.11**  
Lost Time Incident Rate (LTIR):

**1**  
ESOS compliance – ESOS Phase 2 compliance period  
Fines or significant environmental incidents

**37/36**  
Diversity (Number of nationalities) onshore/offshore

**19/7**  
Number of rigs owned/managed

**10.8**  
Average fleet age (years)

**96%**  
Technical uptime

**1,374,509 ft**  
Footage drilled

**92**  
Wells drilled

**0**  
Tier 1 well control events

All statistics as of December 31, 2023.

# CEO Statement

**From benign to harsh environments, Seadrill is setting the standard in deepwater drilling operations. With its modern fleet, experienced crews and advanced technologies, Seadrill unlocks oil and gas resources for our clients worldwide. At Seadrill, safety is not just a priority – it is the cornerstone of everything we do. Our teams work daily to deliver safe and efficient operations while navigating the future of offshore drilling with world-class training and education.**

Operating in the dynamic and challenging world of offshore drilling brings with it a great responsibility. Seadrill's license to operate hinges on our ability to deliver results while upholding the highest respect for the environment and the communities where we operate. Our clients rely on us as a critical partner in their success, and we take that responsibility to heart. We are dedicated to providing sustainable solutions, leading the industry in performance, and maintaining the highest standards of ethics and integrity - both onshore and offshore.

Since 2010, Seadrill has reported annually to the Carbon Disclosure Project (CDP), an independent, global initiative that drives companies to transparently disclose their environmental performance. We're proud to have achieved an industry-leading B rating in 2023, reflecting Seadrill's ongoing commitment to reducing our carbon footprint and enhancing our environmental practices.

We continue to support the United Nations 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs). In 2021, Seadrill adopted seven SDGs that best aligned with our operations and values. Today, they remain a key part of our strategy as we work to integrate sustainable practices across all areas of our business.

Seadrill's 2023 Sustainability Report is organized around three areas that reflect our priorities and focus: environmental stewardship, social responsibility and corporate governance.

## Environmental Stewardship

At Seadrill, we are committed to minimizing greenhouse gas emissions in our operations. Across our global fleet, we are implementing robust energy efficiency plans in line with the ISO 5000 energy management standard. Furthermore, we continue to embrace lower-carbon technologies and invest in digitization and analytics to optimize drilling performance. Our approach is rooted in careful planning, ongoing monitoring and proactive mitigation strategies to minimize environmental impact and protect ocean ecosystems. Seadrill's solid CDP rating reflects our sustained effort toward achieving a lower-carbon future for current and future generations.

## Social Responsibility

Seadrill's people possess deep technical and industry knowledge that proves invaluable to our day-to-day operations. We understand that operational excellence is facilitated by embracing diverse backgrounds, identities and perspectives. Seadrill is committed to cultivating a welcoming, inclusive environment where diversity is celebrated and differences are valued. To support our employees' well-being, we prioritize mental health awareness and education, highlighted by our annual observance of World Mental Health Day.

In 2023, Seadrill launched the SHARED Supervision program to strengthen safety leadership and supervision across our operations. Building on a successful 2022 pilot, this program has improved team leadership and engagement, addressing key issues identified in past Health, Safety and Environment (HSE) events. This initiative is a crucial element of our

commitment to social responsibility, ensuring that the well-being and safety of our teams are prioritized in every aspect of our operations.

## Corporate Governance

The Seadrill Board of Directors plays a crucial role in delivering strategic oversight and maintaining robust governance throughout our global operations. Guided by their leadership, Seadrill upholds strong sustainable and ethical business practices. We are in close alignment with the changing expectations of investors and regulators concerning sustainability reporting. Our team is actively preparing for forthcoming requirements from the SEC, the EU's Corporate Sustainability Reporting Directive and the International Sustainability Standards Board.

In 2023, Seadrill reinforced its commitment to cybersecurity and strong corporate governance by launching several key initiatives. We introduced the CyberSafe newsletter during Cybersecurity Awareness Month and rolled out our Digital Security Awareness and Operational Technology (OT) Digital Security programs. These efforts focus on empowering our employees with the knowledge and tools to act as our first line of defense against cyber threats. By promoting strong cybersecurity practices and collaboration across the company, we aim to safeguard our operations and meet the highest standards of digital security.

I am proud of the exceptional results Seadrill achieved in 2023. Throughout the year, we secured key contracts that strengthened relationships with both existing and new clients. These included two three-year contracts for the West Auriga and the West Polaris in Brazil. We also completed 12 driller development programs and two rig senior management courses, further solidifying Seadrill's leadership in training and development. The West Saturn successfully deployed its Advanced Generator Protection (AGP) system, marking Seadrill's first time operating high-voltage electrical switchboards in Closed Bus Tie (CBT) configuration on this rig type.

Lastly, our operational and financial performance was impressive. We accomplished a technical utilization rate of 96% and operating revenues and adjusted EBITDA in line with guidance.

I want to express my deepest gratitude to all of Seadrill's stakeholders for their continued support. Your feedback is invaluable as we strive for continuous improvement and progress. Looking ahead, Seadrill remains firmly committed to our valued clients and to a secure energy future. Together we can go further. Join us in setting the standard.



**Simon Johnson**  
President and CEO

# General Disclosures

# 01

## Basis for Preparation

### General basis for preparation of the sustainability report

Our 2023 Sustainability Report follows International Sustainability Standards Board SASB Standards, Taskforce for Climate-related Disclosures (TCFD) Standards and Global Reporting (GRI) standards.

This report also includes outputs from a double materiality assessment to determine the applicability of the various sustainability topics to our business. The double materiality assessment covers impacts, risks and opportunities in our entire value chain. The relevant sections detail how Seadrill's policies, actions and metrics extend to our value chain.

### Disclosures in relation to specific circumstances

#### Value chain estimation

Seadrill discloses metrics and the basis of preparation using value chain data estimated using indirect sources in the relevant chapters.



“

**Seadrill's license to operate hinges on our ability to deliver results while maintaining the highest respect for the environment and the communities where we operate.**

**Simon Johnson**  
President and CEO

# Sustainability Governance

## The role of the administrative, management and supervisory bodies

The Seadrill Board of Directors are responsible for providing strategic oversight and ensuring effective governance of all company activities worldwide, including matters related to sustainability. Our approach to managing sustainability-related issues is outlined in our management system. The CEO and Vice President of HSE and Sustainability are responsible for ensuring the company's sustainability strategy is implemented across our global organization. The Seadrill Management System, SMS, outlines the requirements of Seadrill employees, helping to achieve adherence. Seadrill's policies that reflect our commitment to ESG (Environmental, Social and Governance) principles include our Health, Safety and Environmental policies, Diversity and Ethical Conduct policies, and Code of Conduct.

These policies are supplemented by various ESG directives and procedures, including:

- Compliance with Anti-Bribery and Corruption Directive
- Reporting Ethical Concerns Directive
- Modern Slavery Act Statement
- Environmental Management Directive
- Energy Efficiency Manual
- Vessel Recycling Directive
- Integrity Channel
- Code of Conduct Training
- Business Partner Review
- Transparency Act Statement

Our ESG initiatives undergo regular review to maintain relevance and must receive top management approval for continued adoption.

Refer to our [Annual Report](#) for comprehensive information about our Board, governance framework and policies.



## Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

### ESG Leadership

Seadrill's Board has oversight of the Company's sustainability strategy, with the CEO being responsible for its implementation. They are supported by the Vice President of HSE and Sustainability, who have responsibility for operationalizing strategy.

### Operational Excellence and Sustainability Committee

The Operational Excellence and Sustainability Committee is the Board Committee with responsibility and oversight of Seadrill's sustainability strategy and activities, including regulatory and voluntary reporting.

### Sustainability Committee

The Vice President of Sustainability, reporting into Seadrill's Executive Committee, is responsible for development and oversight of the sustainability strategy at Seadrill. In their role, they act as the Chair of the Sustainability Committee. The committee, made up of internal function leaders, is responsible for supporting ESG reporting and implementing ESG initiatives across the company.

Initiatives include supporting our CDP reporting process. Preparation includes activities such as carrying out a double materiality assessment to determine what topics are material to Seadrill as it relates to physical impact, financial impact or both.

# Strategy and Business Model

## Strategy, business model and value chain



Seadrill Limited is a world leader in offshore drilling.

## About us

Seadrill is setting the standard in deepwater oil and gas drilling. With its modern fleet, experienced crews, and advanced technologies, Seadrill safely, efficiently and responsibly unlocks oil and gas resources for national, integrated, and independent oil companies.

## Our values

Our core values guide our performance daily:

- Safety Conscious
- Accountable
- Inspirational
- Loyal
- Proactive

These values provide a shared point of reference for every action taken and decisions made in support of safe and responsible operations.

As of May 14, 2024, Seadrill's order backlog stood at approximately \$2.8 billion, including approximately \$108 million in contract additions since February 28, 2024, and a premium customer base. As of December 31, 2023, Seadrill comprised of 2,619 employees and a fleet of 19 owned rigs and seven managed rigs.

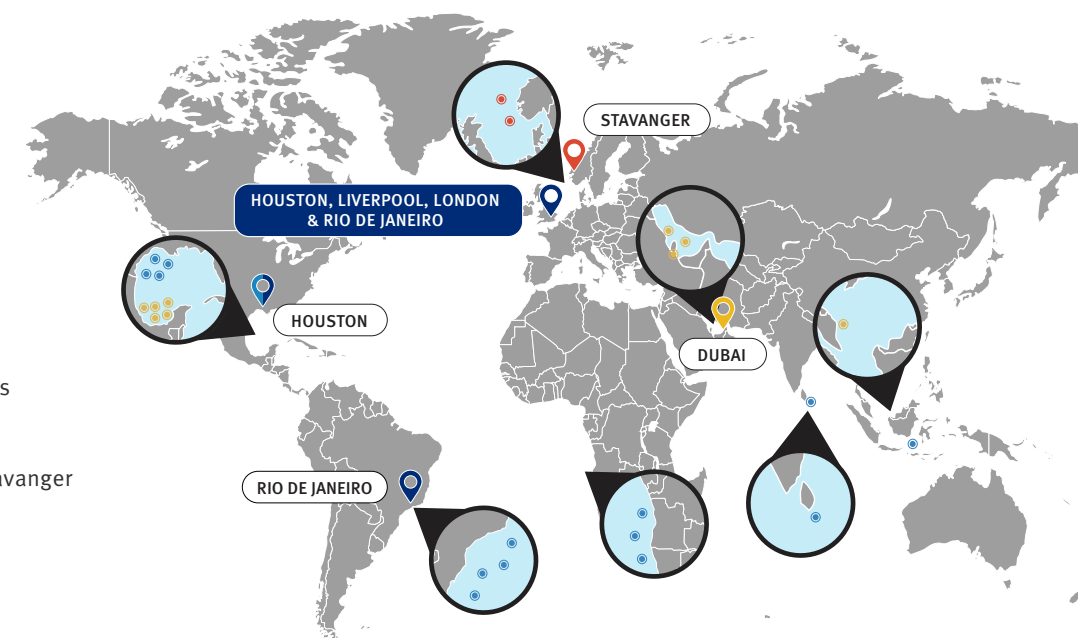
Our goal is to become the preferred supplier for our customers and an industry leader in pioneering sustainable operations in offshore drilling.

## Where We Operate

### Global operating areas

Our deepwater fleet operates in three main areas: Angola, U.S. Gulf of Mexico and Brazil. Our harsh environment fleet operates in Norway.

- Center-led support services
- Floaters OU, Houston
- Harsh environment OU, Stavanger
- Jack-ups OU, Dubai
- Floaters
- Harsh environment
- Jack-ups



## Our Fleet

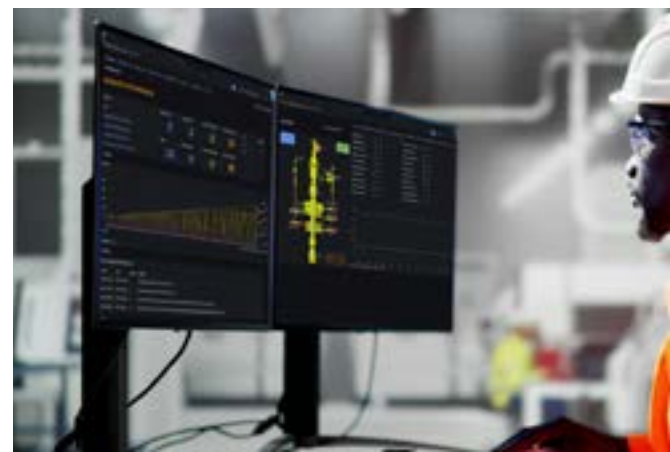
**Our modern fleet boasts an average age of 10.8 years and offers the size, coverage and adaptability necessary to fulfill the requirements of our customers.**

Our business strategy revolves around technological advancements and digital transformation, both core to our operations. By harnessing real-time data from our fleet, we make data-informed decisions that enhance performance, safety and efficiency. Our versatile fleet comprises of drillships, jack-ups and semi-submersibles. We make targeted investments in rig upgrades to provide improved efficiency, reduced emissions and enhanced performance for our customers.

## Efficient and Reliable Operations and Maintenance

ALCM (Asset Life Cycle Management) is a method used to determine the remaining useful life of capital equipment. It involves analyzing operational data and utilizing control systems to assess the work performed by the equipment. By combining condition monitoring results and wear measurements, Seadrill can detect early signs of equipment wear and schedule maintenance accordingly. Seadrill has obtained certification from the American Bureau of Shipping (ABS) as a recognized service supplier in condition monitoring. This certification includes traditional condition monitoring techniques and machine learning methods.

PLATO is Seadrill's comprehensive solution for data acquisition, aggregation, and analytics. This data-rich platform allows us to develop products that can revolutionize the management of operations across our fleet, aligning with our business priorities.



The PLATO EEM screens combine real-time vessel operational data to enable emissions monitoring. This was enabled by upgrades to our vessel management system, giving us access to previously inaccessible data that has driven to rapid advances in our energy efficiency analytical capabilities. The data is live on six of our eight drillships, enabling us to collect real time data such as:

- Diesel engine loading (KW)
- Distribution transformer loading (KW)
- Environmental and vessel data (wind speed, vessel speed, etc.)
- Equipment running statuses
- Fuel tank volumes
- Thruster loading (KW)




Additionally, we have access to data such as power consumption metrics for individual drilling motors (drawworks, top drives, and mud pumps) from the drilling control system. The generation and equipment loading values are passed to our Metrics Generator tool to calculate kilowatt hours for the entire ship.

The combination of this information provides detailed insights into rig energy consumption, allowing us to measure the impact of energy-saving technologies on our vessels. We categorize energy usage into core load groups such as Hotel Load, Propulsion, and Drilling. Our future plans involve delving deeper into individual equipment consumers within these groups.

## Energy Efficiency Program

In 2023, we launched our energy efficiency program. With approximately 75% of our emissions being generated by rig fuel use, we prioritize operating our rigs efficiently and identifying technologies and processes to reduce fuel use. This reduces our carbon footprint and provides added value to our customers by enabling fuel cost savings.

Through building an energy management system to ISO 50001 standards, we are implementing a program of energy efficiency plans in each operating area. These are led by highly experienced technical personnel from the rigs and provide short, medium and long-term frameworks for action. Priorities include focusing on operational changes, changes to maintenance philosophies (e.g. replacing components with high efficiency components as part of ongoing maintenance) and identifying higher CAPEX projects. Combined, these efforts will allow for significant reductions in greenhouse gas emissions from our operational fleet.

	AVERAGE AGE	FLEET TOTAL	
 Drillship	9.67 years	10 owned	2 managed
 Semi subs	12.75 years	4 owned	0 managed
 Jack-ups	11.6 years	5 owned	5 Jack-ups managed under SEAMEX until September 30, 2023

DRILLING UNITS OWNED	DECEMBER 31, 2023
Benign environment drillships	10
Benign environment semi-submersible rigs	2
Benign environment jack-up rigs	4
Harsh environment semi-submersible rig	2
Harsh environment jack-up rig	1
<b>Total drilling units</b>	<b>19</b>

The increase in our owned fleet in 2023 is due to the acquisition of Aquadrill. The decrease in our owned fleet in 2022 was driving the sale of the jack-up rigs to ADES.

The below table shows the number of managed/leased drilling units included in our fleet for each of the periods covered in the report.

DRILLING UNITS MANAGED/LEASED	DECEMBER 31, 2023
<b>MANAGED RIGS</b>	
Floater	2
Jack-ups	5*
<b>Total managed rigs</b>	<b>7</b>
<b>LEASED</b>	
Harsh Environment - Floaters	—
Harsh Environment - Jack-up	—
<b>Total drilling units</b>	<b>—</b>

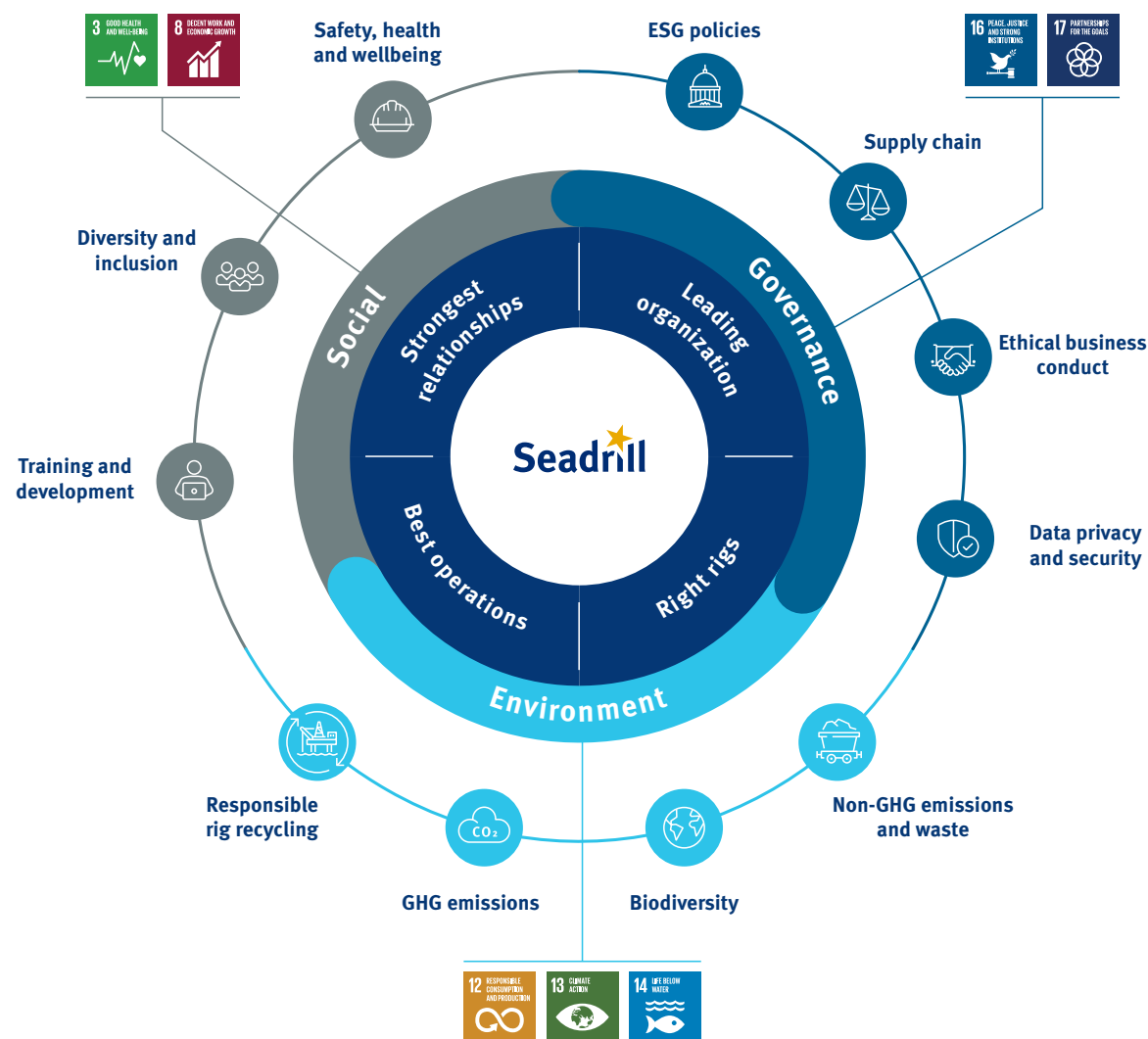
\*These jack-up rigs were no longer managed as of September 30, 2023.

## Our Approach to Sustainability

**Our sustainability approach is linked to our core value creation model. ESG considerations are embedded in the way we operate our business.**

To ensure a sustainable future as a drilling contractor, we prioritize effective management of our ESG topics. By maintaining strong relationships, implementing best-in-class operations and utilizing suitable rigs, we conduct safe, efficient and reliable operations to meet customer requirements, build shareholder value and work responsibly in our areas of operations.

Through active engagement with stakeholders and comprehensive assessments, we have identified our material ESG topics and are taking appropriate actions in response. We maintain transparency by publicly reporting these impacts, our corresponding initiatives, and our progress. Our disclosure around ESG topics, including our contributions towards the United Nations Sustainable Development Goals (SDGs) follows globally recognized sustainability reporting standards.



The United Nations SDGs serve as a collective roadmap for promoting peace, prosperity and sustainability for current and future generations. Comprising of 17 goals, they encompass a wide range of objectives including poverty eradication, improved healthcare and education, reduced inequality, and the fostering of economic growth. Moreover, the SDGs

address pressing issues such as climate change, as well as the conservation of marine resources and biodiversity. We have identified seven goals that directly align with our operations which integrate sustainability into our business practices.

### Environment

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
We are taking meaningful steps to eliminate waste from our value chain and develop circular business models for the resources and materials we consume.

**14 LIFE BELOW WATER**  
We are focused on preventing accidental discharges and operating to the highest environmental standards. We are committed to protecting biodiversity in the marine environments in which we operate.

**13 CLIMATE ACTION**  
Our focus on developing energy efficient operations and reducing our own GHG emissions enables us to contribute to the energy transition. Seadrill is committed to playing its part in achieving the Paris Agreement.

### Social

**3 GOOD HEALTH AND WELL-BEING**  
Health, safety and wellbeing are core to the way we operate. We are committed to creating a healthy and safe environment for our employees, business partners and stakeholders.

**8 DECENT WORK AND ECONOMIC GROWTH**  
Seadrill employs 2,619 people in over 30 countries. We take pride in our inclusive workforce and the economic growth that it enables.

### Governance

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**  
We abide by all local and national regulations. We have clear policies and practices to protect human rights and operate to the highest ethical standards.

**17 PARTNERSHIPS FOR THE GOALS**  
We work with our business partners and others to strengthen relationships and collaborate on the achievement of more sustainable outcomes.

**“We have identified seven goals that directly align with our operations which integrate sustainability into our business practices.”**

### Ocean Titans

In 2024, Reuters featured Seadrill in a new episode on their global docuseries, Ocean Titans. The series focuses on companies across the blue economy that are taking action to be a responsible, successful ocean business in the future. Seadrill is the first Oil and Gas company to be featured. We consider this feature to be a testament to our sustainability commitment, aligning our activities with the United Nations SDGs, and highlights our industry-leading B rating for our submission to the Carbon Disclosure Project (CDP) in 2023.



Visit <https://www.seadrill.com/sustainability/> or scan the QR code with your mobile device to view the Ocean Titans episode.

# Materiality Assessment Process

## Description of the processes to identify and assess material impacts, risks and opportunities

Seadrill undertook our first double materiality assessment (DMA) to clearly identify sustainability topics material to our business.

This involved objectively identifying and scoring impacts, risks and opportunities (IROs) to provide objective information to determine which sustainability matters are most relevant. The assessment was carried out with the assistance of Position Green, a sustainability consultancy.

### Sustainability Matter Identification

We first evaluated the context of Seadrill's activities and business relationships, value chain and affected stakeholders to identify relevant sustainability matters. The analysis included a review of SASB standards relevant to our industry to provide a sector-specific perspective and to allow for the possible inclusion of entity-specific topics. Sustainability topics and sub-topics that were not relevant to our business model were omitted from the review.

### Stakeholder Engagement

Seadrill employees who had subject matter expertise (SMEs) of affected stakeholders and topics provided insights on relevant sustainability matters and to identify and score the IROs.

Interviews with these SMEs were conducted to examine each sustainability matter and identify IROs at a sub-topic level. The engagement included interviews with senior managers representing the following departments across the organization:

- Process Safety and Environment
- Health, Safety and Environment
- Sustainability
- Human Resources
- Quality and Enterprise Risk
- Legal
- Compliance
- Operations
- Supply Chain
- Finance
- Communications

In addition to insights from our internal SMEs, we engaged with external stakeholders to expand our IRO identification and allow for a scoring process from varying perspectives. Additional perspectives included an industry non-governmental organization (NGO) and a key supplier.

The analysis also identified whether financial impacts provided material risks or opportunities.

### Climate-related impacts, risks and opportunities

Seadrill has conducted a climate-related scenario analysis to help identify and assess physical risks, transition risks and opportunities in the short, medium and long term. These climate-related impacts, risks and opportunities were considered as part of the DMA process concerning sustainability matters as they relate to climate change mitigation and adaptation.

### Pollution-related impacts, risks and opportunities

SMEs with detailed knowledge of Seadrill operations, potential environmental impacts and management systems and technologies for preventing and pollution mitigation were used to identify and assess pollution-related impacts, such as pollution of air, water, and living organisms and food resources from Seadrill's fleet. Site-specific locations were not assessed as part of this process.

### Materiality scoring approach

The materiality assessment's scoring methodology and criteria were made in accordance with the requirements in European Sustainability Reporting Standard 1- General Requirements (ESRS 1), applying the principle of double materiality which comprises of:

### Impact materiality

Scale, scope, irremediability and likelihood of impacts (based on whether an impact is positive/negative and actual/potential). The threshold for human rights-related impacts was lowered based on ESRS 1 (45) requirements.



### Financial materiality

Financial magnitude of risk/opportunity, likelihood and the nature of the financial effect.

The scoring metrics for likelihood and financial impact were matched to Seadrill's ERM system with the intent of aligning sustainability-related risks and opportunities with other enterprise-linked risks and opportunities. All IROs were assessed and scored at a gross level. A sustainability matter was deemed material if at least one IRO was above the threshold, indicating either impact materiality, financial materiality, or both. Non-material sustainability matters were those where no IRO was identified and/or all IROs were found to fall below these thresholds.

The IROs and their scoring were evaluated and finalized at a validation workshop with the senior management and SMEs.

### Decision-Making and Internal Controls

Our process involved identifying stakeholder representatives, scoring IROs by stakeholders and drafting a final assessment of sustainability matters. Following our internal controls, a sustainability matter was considered material if it was identified by a stakeholder and had an associated IRO. Each IRO was documented with a detailed description of why it was considered significant.

### Future steps: Integration, monitoring and review

We will maintain and update our DMA considering evolving trends, underlying assumptions, contextual business and regulatory changes. A thorough review of the DMA will be carried out periodically to ensure its continued relevance.

# Material Impacts, Risks and Opportunities

## Material impacts, risks and opportunities and their interaction with strategy and business model

### Sustainability subtopics by materiality

#### Impact

- Working conditions (Workers in the value chain)
- Particular rights of indigenous communities
- Other work related rights (Workers in the value chain)
- Equal treatment and opportunities (Workers in the value chain)
- Direct impact drivers of biodiversity loss
- Impacts and dependencies on ecosystem services
- Microplastics
- Corporate Culture

#### Non material

- Communities' civil and political rights
- Information related impacts for consumers and/or end users
- Personal safety of consumers and or end users
- Social inclusion of consumers and end users
- Impacts on the state of species
- Substances of very high concern
- Water
- Waste
- Resource outflows related to products and services
- Substances of concern
- Pollution of soil
- Management of relationships with suppliers payment practices
- Political engagement and lobbying activities
- Animal welfare
- Responsible tax

#### Double

- Communities' economic social, and cultural rights
- Health and Safety (Own workforce)
- Equal treatment and opportunities for all (Own workforce)
- Working Conditions (Own workforce)
- Climate Change Mitigation
- Energy
- Marine resources
- Resource inflows, including resource use
- Pollution of water
- Pollution of air
- Pollution of living organisms and food resources
- Corruption and bribery
- Protection of Whistleblowers
- Cybersecurity

#### Financial

- Other work-related rights (Own workforce)
- Impacts on the extent and condition of ecosystems
- Climate Change Adaptation

#### KEY

- Social
- Environmental
- Governance

# Environmental Information

## Climate Change

**As an offshore drilling services company, we have a critical role to play in the global energy transition.**

Achieving greenhouse gas (GHG) emission reduction targets necessitates a fundamental focus on decreasing the carbon intensity of the energy sources employed to meet global energy demand. At Seadrill, we are committed to energy efficiency improvements. We employ and invest in innovative technologies that effectively reduce GHG emissions.

### Strategically reducing greenhouse gas emissions

Our focus on GHG emission reduction is embedded in three core strategies:

- Energy efficiency
- Investment in new, more efficient and lower-carbon technologies
- Digitization and real-time monitoring of our operating assets

This approach provides for enhanced visibility into Seadrill's energy use and allows for better operational and investment decision-making.

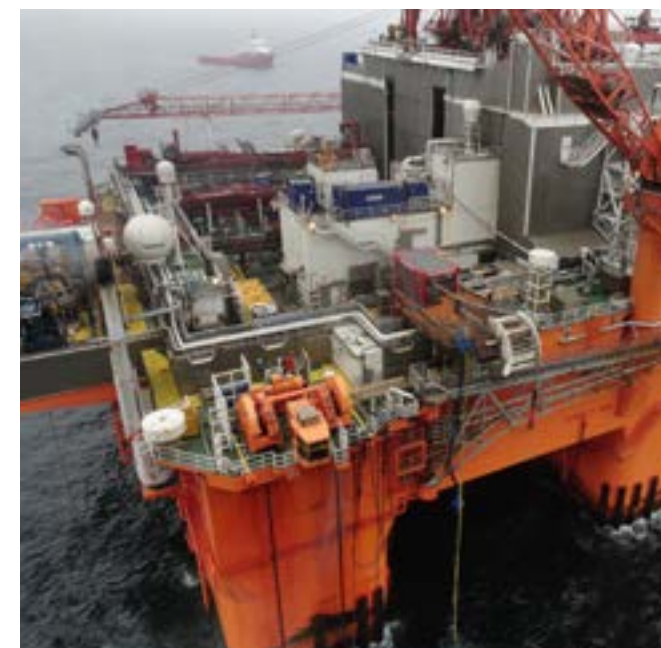
### Utilizing energy efficiently and responsibly

In 2023, we launched our energy efficiency program. With approximately 75% of our emissions being generated by rig fuel use, a priority in reducing our carbon footprint is to operate our rigs efficiently and identify technologies and processes that can be used to improve energy efficiency and reduce fuel use. Not only will this reduce our carbon footprint, but it will provide added value to our customers by enabling fuel cost savings.

Through a data-driven approach, our focus is on implementing measures that reduce fuel consumption and greenhouse gas emissions. This entails optimizing existing equipment, processes and procedures, strategically implementing energy efficiency technologies, and conducting meticulous analyses of fuel consumption across the fleet. These efforts enable us to establish comprehensive and realistic energy efficiency plans which we can use to drive transition to more energy-efficient operations.

Since 2010, we have transparently disclosed our carbon footprint through CDP and consistently improved our carbon management performance. In 2023, we achieved a notable "B" rating, the highest ranking among offshore drilling contractors. Being a frontrunner in emissions reporting via CDP, we possess a comprehensive understanding of our energy baseline and carbon footprint.

By building an energy management system aligned to ISO 50001 standards, we are implementing a program of energy efficiency plans in each operating area. These are led by highly experienced technical personnel from the rigs themselves and provide a short, medium and long-term framework for action focusing on operational changes, changes to maintenance philosophies (e.g. replacing components with high efficiency components as part of ongoing maintenance), and identifying higher CAPEX projects, the combination of which will result in significant reductions in greenhouse gas emissions from our operational fleet.



Case Study

# West Elara Energy Efficiency and NOx reduction



In 2021, the West Elara embarked on a journey to reduce fuel consumption. This initiative was proposed by our client, with an initial goal of a 10% reduction. By 2024, the West Elara project team had achieved a remarkable 22% reduction in fuel consumption, resulting in over 1.5 million liters of diesel savings. This success was driven by a series of innovative initiatives. The installation of the Kongsberg Information Management System enabled real-time monitoring of sensor data, encouraging behavioral changes and identifying further emission reduction opportunities. Fuel flow meters accurately measured fuel consumption, while clamp-on energy loggers allowed for the identification and measurement of equipment efficiency.

Additional measures included the use of variable frequency drives (VFDs) on mud charge pumps, which optimized motor speeds for lower energy consumption, and the implementation of a new soft torque system to enhance drilling efficiency, resulting in 50% more wells drilled within a year. The

automation of hydraulic power units based on demand reduced idle power usage, while ambient temperature sensors for heat tracing significantly cut fuel consumption. Replacing fuel oil separators with advanced filtration units eliminated waste oil discharge and operating with a closed bus tie in the power management system allowed for more efficient engine use.

Emissions control and NOx reduction has been a focus, with the installation of selective catalytic reduction in process of being installed, designed to reduce NOx emissions by 80%+ Nox reduction. In addition to this, exhaust water mist mixers for all engines are also being installed to wash and cool the exhaust for improving the working environment on the rig.

These collective efforts led to fewer emissions, lower fuel costs and a more efficient rig. It showcases the Seadrill team's commitment to energy efficiency and environmental stewardship.

## Embracing energy-efficient and low-carbon technology

We are trialing several technological implementations to improve our energy efficiency. Achieving our energy-efficiency goals requires a combination of operational, procedural, technical and/or engineering interventions. Some of our implementations include:

Fuel Additives – Improving main engine combustion can enable more fuel savings and emissions reduction. Fuel additives

available in the market today advertise improvements in combustion via cetane boosting that not only have the potential to lower fuel consumption and emissions, but also potentially lower maintenance costs. These additives enable a cleaner burn cycle of combustion, thus creating less carbon buildup in the engines. We have researched multiple options in this arena and have developed robust and thorough testing protocols. Hardware and software to support the testing of additives has been ordered to support a 2024 testing plan on the West Jupiter.



Case Study

# West Saturn Achieves Major Technical Milestone

In 2023, the West Saturn furthered its commitment to energy efficiency with the installation of an AGP system. The system enables the West Saturn to run its high voltage electrical switchboards in a closed bus ties (CBT) configuration. As a result, the West Saturn can run with two engines in linear closed bus configuration when in operation and if weather permits. This improves energy efficiency by running fewer engines and at higher loads, resulting in lower fuel consumption and reduced maintenance costs. The installation is the first of its kind for Seadrill on a drillship and on the



**This milestone on the West Saturn represents the single biggest, innovative move that we can make toward energy efficiency.**

**Johnathan Dady**  
Director of Technical Services

## Digitization and real-time monitoring of our operating assets

Acknowledging the profound influence of technological advancements and digitization in our industry, we have prioritized its integration within our core strategy. By enhancing connectivity and embracing digitalization in our workflows, we unlock the potential to gather valuable operational insights that enable real-time monitoring and sharing of performance data across all areas of our business. The immense volume

Himsen (Hyundai) 16-cylinder engine type that is installed on the West Saturn. The implementation of this system further includes drill floor automation technologies, upgrades to the Vessel Management System (VMS) and electrification of the cement unit. This installation represents our commitment to safer, smarter, more efficient rigs. Making our rigs safer, smarter, more efficient and less carbon intensive.

of data generated by our modern fleet amounts to billions of data points daily, presenting an opportunity to extract valuable insights. Leveraging these extensive datasets is crucial for optimizing drilling performance and ensuring efficient equipment maintenance, all while upholding stringent safety standards.

Introducing PLATO, a cutting-edge systems management platform that empowers us to drill with enhanced efficiency and elevate overall operational effectiveness. Leveraging real-time

equipment data, PLATO not only facilitates real-time monitoring of ongoing operations but also enables us to evaluate our performance against predefined Key Performance Indicators (KPIs). By leveraging this data, we gain a comprehensive understanding of how various rigs utilize equipment during routine operations, enabling us to standardize processes across the fleet and drive increased efficiency while maximizing the positive impact on equipment performance.

## We've placed digitization and data analytics at the center of our strategy

### Travel

We leverage technology to minimize business travel and its resulting environmental impact. Web conferencing and digital collaboration tools are prioritized. Onshore employees enjoy flexible work arrangements, combining remote and office-based work. Technology has also decreased travel to offshore installations. Connected video headsets enable remote collaboration with rig teams, eliminating the need for travel for activities like inspections and audits. Our partnership with ATPI, our trusted travel partner, has allowed us to assess our Scope 3 emissions that are related to business travel, providing increased insight into the impact of our indirect emissions. ATPI Halo, a CO2 measurement, reduction and offset service offered by ATPI, provides clients with opportunities to participate in offset projects selected for their quality, integrity and effectiveness in addressing a variety of the most pressing global challenges.

Key programs to highlight include:

**Improved Cooking Practices and Cleaner Air, Nigeria** – In 2023, Seadrill Angola offset 3,923 TCO2e, t. The project manufactures and distributes efficient charcoal cookstoves that replace the inefficient cookstoves currently being used across Nigeria. The project will help thousands of families, small and medium commercial entities to reduce fuel use, lower household pollution and increase household income. By increasing fuel-efficiency, it will contribute to slowing forest degradation. Established in 2017, this program aligns with No Poverty (UN SDG 1), Affordable and Clean Energy (UN SDG 7), and Climate Action (UN SDG 13). See pg. 28 for further details.



**Amayo 40 MW Wind Power Project** – In 2023, Seadrill Brazil offset 2,696 TCO2e, through credits Amayo Wind Power Project. The project is located in southwest Nicaragua, in the Rivas Municipality, and is a Wind Power Class 7 site, the highest rank for wind speed. It generates and delivers renewable, affordable and clean electricity to the Nicaraguan grid and supports local development through national educational site visits and promoting sustainable land use which includes beach clean ups and helping with reforestation. When the project first started, the Nicaraguan grid depended principally on either fuel oil or diesel. The project displaces this old, fuel-based technology, increasing the supply of electricity and reducing rolling blackouts in the country. The enhanced reliability of supply has improved living conditions, stimulated the economy and boosted employment. Established in 2009, this project aligns with Quality Education (UN SDG 4), Affordable and Clean Energy (UN SDG 7), Decent Work and Economic Growth (UN SDG 8), Climate Action (UN SDG 13), Life on Land (UN SDG 15), and Partnerships for the Goals (UN SDG 17).

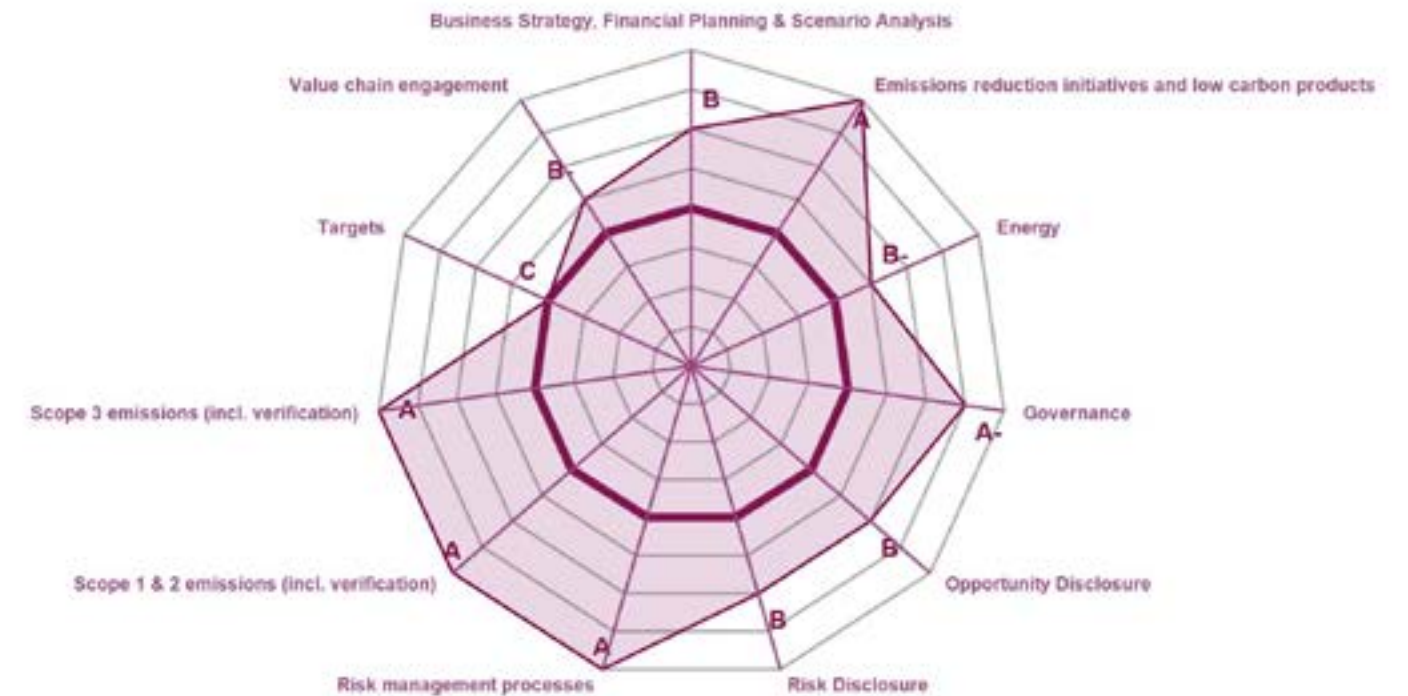
# Our GHG Emissions

## Transparent Disclosure - CDP

CDP is a voluntary program that helps companies measure and understand their carbon footprint. Seadrill has been reporting through CDP since 2010. Seadrill achieved a “B” rating in the CDP in 2023, the highest management category, demonstrating we are assessed externally as understanding and taking active management measures to reduce our carbon emissions, leading the offshore drilling contractor sector.

This transparent reporting allows for the identification of energy efficiency opportunities and climate impact reduction. Maintaining the ranking requires continuous improvement in carbon management. It focuses on emissions reduction, integrating carbon management into strategy and risk management, and engaging with the supply chain. The achievement is the result of a collective effort across all departments, including reporting fuel consumption, tracking business-related travel, freight emissions and participating in employee commuting surveys.

## CDP Score Report | Climate Change 2023 CATEGORY SCORES



## Carbon Footprint

In 2023, we emitted a total of 835,492 metric tonnes of carbon dioxide equivalent (CO<sub>2e</sub>) GHG emissions.

This is broken down into Scope 1 – Direct Emissions; Scope 2 – Purchased Energy Emissions; and Scope 3 – Indirect Emissions. Our calculations utilize an operational control approach.

	SOURCE	TONNES CO <sub>2e</sub>
<b>Scope 1</b>	Fuel Use	436,501
<b>Scope 2</b>	Onshore Electricity Use (market based)	228
<b>Scope 3</b>	Purchased Goods & Services	181,179
	Upstream Transportation & Distribution – Freight	16,759
	Business Travel	12,198
	Employee Commuting	254
	Downstream Leased Assets (Bareship Charter rigs)	188,000
	Waste - offshore & onshore	730
	<i>Total Scope 3 Emissions</i>	<i>399,119</i>
<b>Total</b>	Emissions	835,848

## Absolute Emissions and Rig Emissions Intensity in 2023

The average fleet-wide carbon intensity (a measure of Scope 1 emissions intensity) in 2023 was 28,560.18 Tonnes CO<sub>2e</sub> per contracted rig year, representing a decrease of approximately 7% on 2022 intensity.

The variations in absolute emissions and emissions intensity are due to a combination of factors.

Fuel consumption and emissions are influenced by the size and power of the units, as well as the operating environment.

By their nature, semi-submersibles and drillships use more fuel than jack-up rigs as they use propulsion systems to remain on station. Jack-ups are fixed to the seabed and do not require propulsion energy to remain in place.

Harsh environment jack-up operations, characterized by challenging weather and temperature, use more fuel compared to jack-up operations in milder conditions. The classes of jack-up rigs themselves lead to fuel use differentials due to the rig class. The nature of the operation itself also plays a significant role in fuel usage and emissions. For instance, a drillship operating in a similar climate might consume in the order of 4.5 times more fuel annually than a jack-up rig while a large harsh environment semi-submersible could use in the order of 5.5 times more fuel. Hence changes in activity levels in different parts of the fleet, as well as overall activity level, drives changes in average fleet-wide carbon intensity.

## Base year emissions (2017 <sup>1</sup>) <sup>2</sup>

<b>Direct (Scope 1) GHG emissions <sup>3</sup></b>	696,966.85 TCO <sub>2e</sub>
<b>Indirect (Scope 2) GHG emissions <sup>4</sup></b>	1,998.15 TCO <sub>2e</sub>
<b>Other indirect (Scope 3) GHG emissions <sup>5</sup></b>	566,225 TCO <sub>2e</sub>

<sup>1</sup> 2017 is chosen as a baseline year for CO<sub>2</sub> emissions based on climate criteria and having a reasonable time horizon of five years before present date. This is a common baseline for all scopes.

<sup>2</sup> Standards, methodologies, assumptions, and/or calculation tools include: Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019; IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011; ISO 14064-1; The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).

<sup>3</sup> Rebaselining of Scope 1 (Rig) emissions is conducted when rigs are permanently removed from the fleet, as rigs are defined as Seadrill's significant energy users and account for the majority of Seadrill emissions. Emission factors sourced from IPCC Fifth Assessment Report (AR5 – 100 year).

<sup>4</sup> Emission factors sourced from UK DEFRA emission factors. Standards, methodologies, assumptions, and/or calculation tools include: The Greenhouse Gas Protocol: Scope 2 Guidance.

<sup>5</sup> Methodology for calculating purchased goods and services uses GHG protocol spend-based methodology, using publicly reported supplier scope 1, 2, and upstream scope 3 emissions where available, and US EEIO activity category spend based emissions factors where public supplier data not available.

In 2023, absolute emissions were lower than the previous year and average fleet emissions intensity decreased. Overall fleet activity was lower in 2023 than 2022, with fewer drillships operating along with divestment of jack-ups in Mexico in Q3. This led to lower absolute emissions and lower average fleet emissions intensity.

Global weather and climate conditions also impacted emissions. Adverse weather effects on operations can include increased fuel use in storm avoidance, increased fuel use in station-keeping and dynamic positioning operations, and increased energy demand for offshore heating and cooling.

## Plan for reduction in CO<sub>2e</sub> emissions

We are committed to reducing our CO<sub>2e</sub> emissions by implementing various energy efficiency measures and adopting new technologies. This includes optimizing energy usage in our current equipment, upgrading to more energy-efficient versions and integrating innovative technologies. To effectively reduce our carbon footprint, we are developing energy efficiency plans specifically tailored for our rigs. These plans encompass both supply-side and demand-side interventions to enhance energy efficiency. Additionally, our technical services team has devised a technology plan that utilizes existing technologies to minimize our carbon footprint. Through a combination of operational efficiency measures and major energy efficiency technology interventions on selected vessels, we are driving our sustainability agenda. The insights and experience gained from these interventions will inform a comprehensive fleet-wide energy-efficient technology program, enabling us to achieve consistent and permanent reductions in our carbon emissions.

## Energy consumption within Seadrill<sup>1</sup>

<b>Fuel consumption</b>	1,732,324 MWh
<b>Purchased Electricity consumption</b>	1,435.55 MWh
<b>Cooling consumption</b>	0 MWh
<b>Steam consumption</b>	0 MWh
<b>Total non-renewable fuel consumption</b>	1,732,324 MWh
<b>Total renewable fuel consumption</b>	0 MWh
<b>Total energy consumption</b>	1,733,759.55 MWh
<b>Energy intensity ratio (unit total revenue)<sup>2</sup></b>	0.00115

<sup>1</sup> GHG protocol corporate reporting standard used for calculation. This fuel consumption is converted to Tonnes CO<sub>2e</sub> using recognized emission factors for Diesel (100% Mineral Diesel), which accurately reflects the specification of fuel used on our offshore drilling units. UK Government GHG Conversion Factors for Company Reporting from UK BEIS/DEFRA are used for this conversion.

<sup>2</sup> Energy intensity ratio uses energy consumption within Seadrill and includes fuel, electricity, and heating

## Looking forward

SHORT-TERM 2024-2025	MID-TERM 2025-2030	LONG-TERM 2030+
<b>Fuel consumption tracking</b>	Energy Efficiency	Transition to low/zero-carbon fuels
<b>Energy Efficiency Plans</b>	Energy Efficiency Plans	New/innovative emission reduction initiatives
<b>Data monitoring systems</b>	Data monitoring systems	Develop the "Rig of the Future"
<b>Technology pilot programs</b>	Closed Bus Ties	Hydrogen Methanol Injection Systems



We are committed to reducing our CO<sub>2e</sub> emissions by implementing various energy efficiency measures and adopting new technologies.

# Environmentally sustainable operations

Seadrill's goal is to be an environmental leader in the offshore drilling sector, by reducing our carbon and energy footprint and operating in an environmentally responsible manner. We will achieve this through:

- Assessing all environmental aspects and ensuring that contingency plans are in place
- Applying relevant technologies and processes to prevent pollution, reduce discharges, emissions and environmental impact
- Improving the environmental management system to enhance environmental performance
- Improving energy performance and monitoring and reporting CO<sub>2</sub>e emissions

By implementing measures, we ensure compliance with internal and relevant external requirements.

## Protecting biodiversity

Seadrill is committed to no net loss of biodiversity and avoidance of negative impacts on threatened and protected species, working under the framework of the sustainable development goals. Our environmental management system and operational practices adhere to international and local regulations to minimize our impact on the natural environment and biodiversity. We hold certifications for our policies, directives, and procedures under the International Safety Management (ISM) Code, which is a globally accepted standard for safe vessel management, operation, and pollution prevention established by the International Maritime Organization (IMO) in 1995. We are also certified to the ISO 14001 Environmental Management Standard, the internationally recognized standard for environmental management systems.

To obtain regulatory approval for drilling, our customers are typically required by authorities to conduct an environmental impact assessment or submit an environmental statement that encompasses our rig operations. These assessments, combined with our operational procedures, ensure that our drilling activities align with globally recognized environmental best practices. Within our environmental management system, all of our rigs maintain Environmental Impact and Aspects Registers. These registers ensure we have identified significant environmental aspects of our operations, including that they

are conducted in accordance with environmental management plans mandated by Environmental Impact Assessments, local and international regulations, and customer expectations.

## Spills to the environment

Accidental releases of hydrocarbons and other substances have the potential to cause significant ecological damage and long-term consequences for biodiversity. Such spills can result in the need for extensive recovery efforts, as well as reputational harm and economic penalties. At Seadrill, we handle large volumes of fluids annually and have implemented a comprehensive reporting system to ensure that any accidental discharges are promptly reported and addressed in accordance with local and international regulations.

Within Seadrill's environmental management system, all spills to the environment are thoroughly investigated to determine the root cause of the incident and take appropriate corrective actions to prevent recurrence. Adhering to internationally recognized practices in environmental management, we employ the 'hierarchy of controls' approach to minimize the use of harmful substances and seek less detrimental alternatives. This principle extends to fluid management and other aspects of health, safety, and the environment.

For example, we prioritize the use of low-toxicity and highly biodegradable fluids, such as BOP fluid, whenever feasible. Even though the discharge of BOP fluid is permitted under regulatory consent, any unplanned releases are considered spills and undergo a comprehensive investigation to ensure that valuable lessons are learned. Our steadfast adherence to the hierarchy of controls allows us to manage all fluids safely and mitigate their impact on the environment.

## 2023 Loss of Containment to the Environment

Seadrill measures loss of containment to the environment – spills and unplanned discharges overboard, as a company KPI.

In 2023, there were 6 loss of containment to the environment events, a reduction of 68% compared to 2022.

CONSEQUENCE		NUMBER OF EVENTS
>0 litre and ≤ 10 litres	●	2
> 10 litres ≤ 500 litres	●	2
> 500 litres ≤ 10,000 litres	●	2
> 10,000 litres ≤ 50,000 litres	●	0
> 50,000 litres	●	0

The two higher category events were:

- 1,590 L water-based mud spilled on the West Elara. While a loss of containment to the environment, the rig has a consent for planned discharge of water-based mud, however, as this discharge was unplanned due to an overflow of the trip tank, it is considered a loss of containment to the environment.
- 9,063 L of calcium bromide brine was discharged overboard on the West Saturn. The dump valve from a chemical tank was opened instead of the intended valve from the slug pit, resulting in a discharge to the waste tank, with excess discarded overboard as the waste tank reached capacity. Calcium bromide brine is not considered toxic to fish, and is immediately buffered on mixing with seawater.

None of these spills are assessed as environmentally significant. There were no reported incidents related to our operations in marine protected areas or areas with protected conservation status in 2023.

## Ballast water management and hull cleaning

Seadrill adheres to the regulations outlined in the International Convention for the Control and Management of Vessel Ballast Water and Sediments (BWM Convention) to ensure proper handling of ballast water. Our rigs have comprehensive ballast water management plans in place, aligned with the IMO's BWM Convention, to prevent the introduction of marine organisms and pathogens into coastal waters, safeguarding marine ecosystems.

Unregulated discharge of ballast water can potentially carry aquatic organisms or pathogens that pose risks to the environment, human health, property, resources, and biodiversity in marine and freshwater environments. It can also disrupt legitimate uses of these areas. In 2023, we maintained a clean record with no incidents of ballast water discharge.

To further protect sensitive ecological areas, we conduct hull cleaning to remove marine growth before entering these regions, ensuring that our operations have minimal impact on the environment.

## Waste water and oily water management

Seadrill adheres to the regulations set forth by the International Convention for the Prevention of Pollution from Ships (MARPOL), which encompasses the proper management of oily water, sewage and garbage. In 2023, we had a clean record with no incidents or events concerning the management of wastewater and oily water.

# Reducing emissions and minimizing waste

We are committed to minimizing waste and reducing emissions to the air. We ensure full compliance with international and national environmental regulations, encompassing air emissions, waste handling and disposal, and the responsible recycling of rigs. Our primary objective is to minimize emissions and eliminate waste whenever feasible.

Collaboration with our suppliers has been instrumental in reducing packaging materials for items transported to the rigs. We are actively exploring opportunities to replace single-use packaging with reusable alternatives, working closely with our suppliers to achieve this transition. Our reusable containers are equipped with radio-frequency identification (RFID) tags and barcodes, enhancing our ability to monitor stock levels, manage waste, and reduce the environmental impact associated with single-use packaging across our operations.

## We're working with suppliers to determine how we eliminate single-use packaging.

In 2023, the fleet consumed 96.79 tonnes of single use plastics. This comprised of:

- 76 tonnes of single use drinking water bottles
- 21.63 tonnes single use catering items
- 0.9 tonnes miscellaneous single use plastics

We are actively working with our catering contractors to remove single-use plastics from service wherever possible.

## Air emissions

Our state-of-the-art fleet adheres to all technical air emission and environmental regulations, meeting rigorous industry standards. To specifically address NOX emissions, we have implemented Selective Catalytic Reduction technology on a harsh environment semi-submersible operating on the Norwegian Continental Shelf.

Our comprehensive air emissions reduction program encompasses a strong emphasis on reducing CO<sub>2</sub>e emissions, which in turn results in reductions of NOX and methane emissions resulting from fuel combustion. Furthermore,

compliance with International Maritime Organization (IMO) requirements has contributed to the reduction of SO<sub>2</sub> emissions, achieved through the global limitation of sulphur in marine fuel to a maximum of 0.50%.

TONNES	2020*	2021*	2022	2023
CO <sub>2</sub> e	716,530.00	575,829.00	586,063.19	436,486.51
CO <sub>2</sub>	711,673	567,836.35	577,928.49	431,009.16
NOX	9,876.58	7,937.17	8,078.24	5,429.56
Methane	69.03	55.47	56.46	47.80

\* The data collection process for fuel data has been refined and enhanced substantially over the past 4 years to provide significantly more accurate fuel data. Calculation methodologies have also been updated, to use UK DEFRA GHG emission factors (2023 condensed set, Diesel, 100% mineral oil). Whilst CO<sub>2</sub>e emissions have been externally verified to ISO 14064-3, changes in calculation methodology has resulted in different methodologies being applied to different years. Figures are updated using verification statements for 2020-2023, and emissions breakdowns updated using UK DEFRA Emissions Factors 2023 to ensure figures for the previous 3 years are calculated using the 2023 emissions factors using the same methodology for consistency.

## Waste

The prevention of pollution by solid waste from ships and offshore platforms is regulated by MARPOL's Annex V6 which prohibits the discharge of most waste into the sea. Regulated waste which is separated for recycling and accumulated aboard a rig is disposed of at designated port reception facilities and, where port facilities allow, eligible and separated waste materials are recycled.

Waste data is recorded by rigs in the IMO garbage record. Waste is transferred ashore for final disposal, which is determined by available port waste reception facilities.

YEAR	2021	2022	2023
Total Waste (metric tonnes)	3,665	3,104	1,604
Waste Diverted	212	214	189
Residual Waste Disposed	3,443	2,890	1,415

## Case Study

# West Elara Coveralls



Last year, one of Seadrill's employees put our values to action and demonstrated an innovative commitment to upcycling. Antonis Iliopoulos, the Project Manager for Energy Efficiency upgrades on the West Elara, saved 17 coveralls from being sent to a landfill. Organized personally, Antonis saved and transformed the old clothing into 101 bespoke toiletry bags. A local designer was hired to bring this vision to life and designed these bags with efficiency in mind as no new materials were utilized and each bag features an external pocket and is double layered for robustness. Best of all, each bag only costs €20 to produce! We congratulate Antonis on taking the initiative to develop a creative solution for reducing our biodiversity impact and creating a useful item for those offshore.

## Case Study

# Life Cycle Extension (LCE) Guidelines Introduced



In 2023, Seadrill introduced the Life Cycle extension (LCE) guidelines in continuation of our efforts to decrease waste through proper resource utilization measures. The guidelines optimize our process of recovering fully functional decommissioned components that may still be utilized on other rigs. This initiative intends to extend the operational life of equipment, reduce our waste, and increase cost efficiency. It will ensure that valuable resources are utilized to their maximum potential by transferring LCE items between rigs that may still have use for the equipment. With the LCE guidelines, we may further reduce procurement costs and improve Seadrill's financial performance.

## Responsible rig recycling

We are committed to the sustainable and socially responsible recycling of rigs in accordance with our Vessel Recycling Directive. Safeguarding the environment and human health and safety are our priorities at Seadrill, and we ensure these priorities are maintained when a rig is recycled.

No rigs were recycled during this period.



## Social Information



# Our Own Workforce and All Who Work With Us

## Health Safety and Environmental Management

Seadrill is dedicated to establishing a secure work environment where effective barriers to control the hazards in our operations manage risk and everyone’s well-being is prioritized. The health, well-being, and safety of our employees, service providers, customers, third parties and the stakeholders our operations directly affect are of utmost significance to us. We strive to be a beacon of excellence, setting an example for the offshore drilling industry through our comprehensive health, safety and environmental management system.

HEALTH AND SAFETY	2021	2022	2023	IADC INDUSTRY AVERAGE 2023
Total Recordable Incident Rate (TRIR)	0.28	0.41	0.42	0.33
Lost Time Incident Rate (LTIR)	0.03	0.14	0.11	0.08
Fatalities	1	1	0	4



**Our employees and their well-being are the core of Seadrill, and of everything we do. Our value of being Safety Conscious sets a guiding principle for caring for one another, and that is why, as an organization, we are striving to set the standard in well-being.**



**Do the right thing, the right way, EVERY TIME.**

Seadrill has an impressive record in health and safety management, but we strive for continual improvement by sharing good practice and lessons learned. Our philosophy, which supports the achievement of industry leading safety performance, is based on every employee and service provider being actively committed to our value of Safety Conscious, and our core objective of Always Safe to enable safe, reliable and efficient operations.

We use human and operational performance principles to apply a systematic approach to planning, identifying hazards, mitigating risk, disciplined execution and debriefing to share lessons learned and effectively manage risk, both from major accident hazards, and occupational hazards inherent in our daily operations.

The well-being, safety, and security of our workforce and the communities where we operate, as well as our commitment to environmental responsibility, are paramount to us. We remain vigilant, disciplined and constantly watchful over one another’s well-being. At Seadrill, everyone is responsible for actively contributing to our core value of safety conscious.

## Building a safety culture through continual improvement

All HSE incidents, including near misses, are investigated to identify learnings to enable us to strengthen and improve barriers and controls to manage hazards and mitigate risk to an acceptable level to enable safe, efficient and reliable operations.

## Operational Safety and Major Accident Hazard Management

At Seadrill, we prioritize the integration of human and operational performance considerations into our safety systems to ensure the well-being of our workforce and safe, efficient and reliable operations. We have established robust barriers and control measures to manage major accident hazard risk; our safety critical activities and safety and environmental critical elements are clearly identified and build into our barrier management process; and we clearly define barrier responsibilities within our organization.

Our approach to occupational safety also integrates human and operational performance considerations into our risk assessment process, with our PIMED process – Plan,

Identify, Mitigate, Execute, Debrief – being integral to task implementation. Our comprehensive program of HSE supervision includes training our supervisors in HSE leadership through our Shared Supervision program, and all crews participate in Start-Safe seminars as part of ensuring all personnel are aware and follow our HSE management system. Supporting this, we have an active program of HSE observation and assessments, and coaching.

In drilling operations, our Standard Operating Manual is built on human reliability and crew resource management principles, with clearly identified safety-critical tasks. Managing Drilling Operations involves managing drilling and well control hazards, our biggest major accident hazards. The human reliability and crew resource management approach of the Standard Operating Manual means we build in the principles of human performance into our procedures and ensure these are robust and repeatable to consistently manage our operational risks.

By continual evaluation in of the effectiveness of our controls, through debriefs, star observations, audits and, if things go wrong, incident investigations. We build lessons learned into the processes that control our operations for safe, efficient and reliable operations and a proactive safety culture.



Case Study

Shared Supervision



Past investigations into HSE events at Seadrill identified supervision as a frequently recurring root cause. However, actions often did not reflect what is needed to address this specific human performance issue.

Administrative actions were often taken without addressing the core issues of human and operational performance. Notably, Seadrill lacked formal training in Safety Leadership for all supervisors. In response, a pilot program, “Safety Leadership for Supervisors and Managers,” was launched in Q1 2022 aboard the West Titania and West Neptune. This program aimed to provide formal training for rig management and supervisors on effective work planning and team management, incorporating both theoretical and practical sessions delivered on the rig to avoid impacting crew off-time.

Initial feedback from the pilot program was positive, though challenges such as language barriers and terminology differences were noted. The program emphasized interactive and practical learning, with the goal of enhancing engagement; safety leadership; situational awareness; learning from normal work and learning from events; and safe work planning for safe, efficient and reliable operations. Building on this pilot, the SHARED Supervision program commenced in Brazil in June 2023, to build capacity and consistency in safety leadership and effective supervision across Seadrill’s operations. The program included six one-hour interactive sessions and practical exercises, with participants sharing their experiences to improve team capabilities. Positive feedback highlighted the program’s effectiveness in improving team leadership and engagement, with high levels of participant engagement and implementation of new learnings reported.



Our safety culture is integral to how we work every single day.

Health and well-being

Maintaining a healthy workforce and supporting well-being are key to how we operate.

We continue to see the protection of the health and well-being of our people as a key priority. We have developed additional health campaigns (see BeWell page oo) and mental health programs that are beacons of excellence in the industry. Through them we ensure that our people receive the best preventative care, both mentally and physically.

Our Health Policy states that our goal is to obtain a workforce fit for duty and a working environment that provides job satisfaction and good health conditions.

We achieve this by:

- Adopting a health management system to assure a fit and healthy workforce
- Maintaining a safe and inspiring working environment
- Monitoring our workers health in regard to occupational risks
- Promoting sustainable health and lifestyle behaviors to improve the well-being of our people
- Enforcing a zero-tolerance attitude to intoxication in the workplace and substance abuse



We go beyond just focusing on physical wellness, providing our employees with a holistic approach that encompasses the mind, body, environment. By taking this holistic approach, we aim to cultivate a happy, healthy, balanced and more productive workforce.



Case Study

# Healthy Work Survey



“

**In today’s rapidly evolving and often demanding work environments, the importance of understanding and managing workplace well-being is paramount. Being a leader in the offshore industry, Seadrill recognized the need to prioritize the well-being of our workforce, a commitment that is not only crucial for the health and satisfaction of our employees, but also integral to Seadrill’s overall performance and success.**

**Dr. Marelize Sirgel**  
Company Medical Director

As part of our ongoing efforts to engage with our employees, we released a Healthy Work Survey in September of 2023. This assessment was conducted in partnership with International SOS and aims to use the results of this survey to identify any potential risks in the workplace that could affect mental and physical health and wellbeing. The anonymous survey is used to collect responses of employees who will have the most personal understanding of work offshore. The results are then utilized to identify areas of improvement for employee wellbeing and working conditions. By understanding the challenges that our employees face, we can create a more positive and supportive work environment for everyone at Seadrill.



Case Study

# World Mental Health Day

As part of our ongoing efforts to ensure Mental Health is recognized and fully integrated in Seadrill’s company culture, we have taken the initiative by launching a five-week BeWell Campaign that highlights five fundamental approaches to boost mental health and wellbeing. Each week will include a different focus area, that represents a strategy anyone can easily incorporate into one’s daily life. The focus areas are shared offshore on posters, table toppers, and in weekly safety meetings. They are shared onshore via SeaNet and Viva Engage.



**The overall objective of World Mental Health Day is to raise awareness of mental health issues around the world and to mobilize efforts in support of mental health. The day provides an opportunity for all stakeholders working on mental health issues to talk about their work, and what more needs to be done to make mental health care a reality for people worldwide.**

World Health Organization (WHO)



## Emergency response

**To prepare and respond effectively, we continually plan and train for emergency situations.**

Offshore drilling necessitates the careful management of numerous major accident hazards associated with both drilling and marine operations. As an organization in a High Reliability Industry, Seadrill employs a comprehensive multi-barrier approach to effectively address these hazards.

This starts with the Major Accident Hazard Risk Assessment, which is conducted to identify credible potential hazards that could result in a major accident if control is lost. Through the utilization of bow tie analysis, we ensure clear identification of the barriers in place to manage the causes and consequences of incidents, safeguarding against any loss of control. A pivotal component of Seadrill's risk mitigation strategy is its emergency response system, which acts as a crucial barrier in mitigating incident consequences.

Standardization is key to reducing variability in operations. The same is true of emergency response. Each installation has a detailed Emergency Response Plan that addresses all standardized major accident hazard scenarios identified in the Major Accident Hazard Risk Assessment, along with the corresponding response actions required for effective management. These response scenarios are presented in simplified flow charts with checklists for key actions, enabling rapid and effective responses during real emergency situations.

Scheduled emergency drills cover the full range of emergency scenarios, including major accident hazards, SOLAS and marine drills, and well control drills, meeting the requirements set by Seadrill's internal system, as well as regulatory and customer demands. By regularly practicing the defined Emergency Response Plans, drill debriefs enable the evaluation of emergency response against clear performance standards set out in the Emergency Response Plan, enable continual improvement of the response system, including response times, and overall emergency response capabilities across the fleet.

## Secure Operations



At Seadrill, the safety and security of our crews and the smooth execution of our operations are of utmost importance. To achieve this, we conduct thorough site risk assessments in alignment with the International Ship and Port Facility Security (ISPS) code. These assessments

enable us to identify and address potential security threats based on the internationally defined Maritime Security (MARSEC) threat levels. Our dedicated Company Security Officer (CSO) collaborates closely with Ship Security Officers (SSOs) to ensure the efficient maintenance of Ship Security Plans (SSPs) by the SSOs. This diligent approach allows us to effectively manage security risks and create a secure operating environment for our crews.



## Case Study

# Houston Employees Become CPR Certified

Our commitment to safety doesn't just take place offshore. In June of 2023, Houston employees were provided the opportunity to attend a class on First Aid training and Cardiopulmonary Resuscitation (CPR), afterward receiving an official CPR certification. The trainings focused on providing our employees with hands-on First-Aid skills and automated external defibrillator (AED) training. We believe this training enables Seadrill employees to swiftly identify cardiac arrest and operate AEDs. This course is highly effective at imparting the confidence to handle stressful emergencies.



**CPR is an emergency lifesaving procedure performed when the heart stops beating. Immediate CPR can double or triple chances of survival after cardiac arrest.**

American Heart Association (AHA)



## Employee Engagement: Our employees are key to our future success

Our primary objective is to establish and maintain an inclusive and supportive work environment that values and appreciates our colleagues, enabling them to contribute to their fullest potential. Leveraging technology, we harness online collaborative workspaces to connect colleagues across different time zones and regions, fostering a global sense of community. At Seadrill, our employees are pivotal to our future achievements, and we have consistently strived to be an organization where individuals desire to work and feel like a part of the “Seadrill family.” Engaging our employees effectively is of utmost importance to us as we endeavor to create a work environment in which they thrive.

To gain insights into the priorities of our employees, we conduct a biannual employee engagement survey called “Your Voice Matters.” This survey employs a blend of research methodologies and cutting-edge technology to identify opportunities for driving positive behavioral changes within the organization. It involves regular six-monthly surveys, evidence-based nudges to enhance individual and team behaviors, and pulse-check polls for feedback. In 2023, an impressive 78% of our workforce provided their valuable insights on how to further improve Seadrill as a workplace.

We provide employees, whether they are located offshore or onshore, with various communication channels to actively engage them in the business and recognize their accomplishments. These platforms facilitate knowledge-sharing, celebrate successes and promote two-way communication within the organization. Among our communication channels is Viva Engage, an internal social network that has been implemented across the entire company, along with our intranet site, SeaNet.

To foster transparency and engagement, we conduct regular ‘Ask the Team’ town hall meetings, which are now held virtually on Microsoft Teams since March 2020. These town halls are hosted by the executive committee and serve as an opportunity for open dialogue.

We strive to keep our colleagues informed and inspired through various internal and external publications and multimedia content. Our quarterly ‘World of Seadrill’ magazine aims to engage both onshore and offshore colleagues by sharing news and updates from across the organization. Complementing this, we distribute a monthly ‘Know the drill’ email newsletter, as well as share podcasts and videos through email, SeaNet, SeadrillTV, Viva Engage and social media platforms. Additionally, we organize virtual and in-person ‘Lunch and learn’ sessions, known as Bit Bites, to educate our colleagues on key initiatives taking place offshore and onshore.



“

**We provide employees, whether they are located offshore or onshore, with various communication channels to actively engage them in the business and recognize their accomplishments.**



## Case Study

# Calendar Competition

When it comes to safety, we hold everyone at Seadrill to the highest standard. Every single one of us has the right, but most importantly, the obligation to stop the job and call a Time Out For Safety (TOFS) when a risk is identified. For our 2024 Calendar Competition, we asked our employees to submit photos that represent an example of one of our Seadrill TOFS. The 12 winners of our competition have captured why we call TOFS and the moments at home (or on the rig and at the office) when we need to call TOFS. Congratulations to our 12 winning entries!



	<30	30-50	>50	MALE	FEMALE	ONSHORE	OFFSHORE
<b>Number of new employee hires during reporting period</b>	163	563	115	718	123	209	632
<b>Rate of new employee hires during reporting period</b>	19.4%	66.9%	13.7%	85.4%	14.6%	24.9%	75.1%
<b>Number of employee turnover during reporting period</b>	94	839	250	1,065	118	238	945
<b>Rate of employee turnover during reporting period</b>	7.9%	70.9%	21.1%	90.0%	10.0%	20.1%	79.9%



In 2023, over 1,000 of Seadrill's offshore employees participated in RigRun, an international offshore competition designed to improve the physical, mental and social health of offshore workers. RigRun brings together crews from all over the offshore industry to engage in a 6-week Cup Challenge. Teams compete together to score points by exercising and completing regular workouts. The team on the West Gemini achieved first place in the International Fitness Competition, competing against over 80 rigs across the world. Additionally, the team on the West Jupiter placed third in the overall RigRun competition. We are astounded by the participation and motivation of our offshore crews and wish to extend thanks to everyone who made every minute of exercise count. We hope you continue your fitness journeys!

“

**RigRun harnesses the power of sport to inspire and unite people. It's a curated experience for all and helps to make exercising more enjoyable.**

RigRun



Case Study

Starlink Live



As of July 2023, Sonangol Libongos, Sonangol Quenguela, and the West Gemini have access to Starlink internet access. Currently there are nine rigs in our fleet with Starlink access. The implementation of internet access for offshore employees is significant, as it allows unlimited satellite internet access for offshore employees who are often away for long periods of time. Internet access enables our employees to connect with friends and family onshore, something that significantly improves everyday life at sea. We applaud the ISIT team for this implementation and wish to recognize the great work and cross-functional collaboration by Rig Operations, Rig Managers, ESVs, ETs, TSLs, Global Logistics, Operations, Supply Chain, Accounts Payable, and Legal in making this implementation possible.



“

**It will be of particular benefit to our crews during seasonal holidays when they can have FaceTime calls with their loved ones when off duty, when it can normally be more difficult being offshore and feeling detached at those times. This should help with better morale at those times and subsequently allow the crew to concentrate and focus more on their responsibilities when they are on duty.**

**John McLean**  
Rig Manager

Diversity and inclusion

Seadrill is committed to creating a diverse and inclusive workplace for all of its employees



We are dedicated to cultivating an inclusive workplace that recognizes and values diversity, allowing every employee to nurture their skills and abilities in alignment with our core values.

inclusion agenda, we prioritize raising awareness and fostering a culture of inclusivity throughout the organization.

We understand that mere words and principles are not enough to promote greater diversity, and thus, we consistently take tangible and ongoing actions to achieve a more balanced and diverse workforce. By promoting our approach to diversity and monitoring all aspects of our practices, we ensure continuous improvement in this area.

At Seadrill, our hiring, promotion and recognition practices are based on individuals' capabilities and qualifications. We firmly believe that diversity lies at the heart of our principles of fairness and respect, driving creativity, innovation and strategic decision-making. As we strive to broaden our diversity and



ITEM	2023 (#)	2023 (%)	TOTAL IN CATEGORY
<b>Total Workforce (including CWKs)</b>	2,619	100%	2,619
<b>DEMOGRAPHICS - FEMALE</b>			
<b>Onshore (% female)</b>	198	37%	538
<b>Offshore (% female)</b>	39	2%	2,081
<b>All Employees (% female)</b>	237	9%	2,619
<b>Senior Management L4+ (% female)</b>	1	7%	15
<b>Board (% female)</b>	2	22%	9
<b>AGE BREAKDOWN - ALL</b>			
<b>&lt;30 Years</b>	211	8%	2,619
<b>30-50 Years</b>	1,831	70%	2,619
<b>&gt;50 Years</b>	577	22%	2,619
<b>AGE BREAKDOWN - ONSHORE</b>			
<b>&lt;30 Years</b>	68	13%	538
<b>30-50 Years</b>	349	65%	538
<b>&gt;50 Years</b>	121	22%	538
<b>AGE BREAKDOWN - OFFSHORE</b>			
<b>&lt;30 Years</b>	143	7%	2,081
<b>30-50 Years</b>	1,482	71%	2,081
<b>&gt;50 Years</b>	456	22%	2,081
<b>NATIONALITIES</b>			
<b>Nationalities - All</b>	47	100%	47
<b>Nationalities - Onshore</b>	37	79%	47
<b>Nationalities - Offshore</b>	36	77%	47

On March 8, 2023, Seadrill celebrated International Women’s Day (IWD), with a special focus on the campaign theme #EmbraceEquity. This theme encourages the world to start dialogue around why, in order for equal opportunity to be effective, inclusivity is required. We strive to cultivate a workplace that maintains a positive atmosphere built on shared values and respect. Included in our World of Seadrill article, were several of our female colleagues who took the time to explain why IWD is impactful and how the drilling industry can improve. One of our colleagues, Monique Cruz, was featured in an episode of our Day in the Life Of series and provided insight

to her life on and offshore. Monique joined Seadrill in 2013 as an Engine Room Operator (ERO) on the West Taurus. Over the course of her 10-year journey at Seadrill, Monique also worked on a few sister rigs like the West Carina and the West Saturn, and now works as an Assistant Technical Section Leader (ATSL) onboard the West Carina. On March 20, 2023, Monique earned the opportunity to work as the first TSL in Seadrill for a few days. We wish to thank Monique for her dedication to Seadrill and express gratitude to her for paving the way for other females in the industry.

## Training and development

### We are committed to investing in and developing the capabilities and skills of our people.

We are dedicated to enhancing the capabilities, skills, and competencies of our workforce. Our focus on providing valuable training programs enables us to nurture and retain our valuable human resources. From the initial onboarding process to formal training and on-the-job learning, we consider our investments in training and development as vital for fostering a culture of continuous learning among our employees.

Our offshore personnel benefit from immersive simulator training, which replicates the rig environment they encounter in a realistic manner. This immersive training allows our employees to safely practice and acquire the necessary skills to operate our rigs efficiently and securely. Our training opportunities encompass various areas such as immersive

simulator-managed pressure drilling (MPD) training, enhanced well control training, performance management training, data-driven performance training and rig integrity training. By leveraging cutting-edge immersive training, we equip our teams with the knowledge and experience to handle critical tasks, challenging situations, and diverse conditions encountered on the rig, ensuring their preparedness for any circumstances.

In addition to industry-specific training, we also offer Seadrill-specific training programs to our workforce. These encompass compliance, ethics and governance training, well-being and mental health training, as well as data and cybersecurity training. By addressing these specific areas, we ensure that our employees possess the necessary knowledge and competencies to uphold our values, prioritize their well-being, and safeguard sensitive information in an ever-evolving digital landscape.

Compliance with this ESG-related training is at over 90% across the company.



## Developing human capital

As of December 31, 2023, we employed 2,619 people worldwide. We remain dedicated to our longstanding commitment of recruiting, developing, and employing local personnel in the regions where we operate worldwide.

To identify and attract the best talent, our global employee value proposition (EVP) plays a crucial role. Through a combination of internal and external interviews, focus group workshops, and written feedback, we conducted thorough research to validate our EVP themes with target recruitment markets. As a result, our EVP strapline, 'Own the Opportunity,' resonates across borders and serves as the foundation for the meaningful work carried out by our global workforce.

## The best talent in the industry

Seadrill is built on the passion and talent of our people, which is why we are committed to attracting and retaining the best in the industry.

We empower our employees to take responsibility and ownership of their careers and support them to do this by:

- Hiring the right people for the right roles
- Fostering performance through our objective and performance management processes
- Supporting our people to fulfill their potential and build their careers through training and personal development planning
- Rewarding our people thanks to competitive, credible and consistent policies

## Enhanced Well Control Training

Our industry-leading well control training sets the standard for comprehensive instruction. In collaboration with the International Well Control Forum (IWCF), we have developed a training program that incorporates advanced technical and behavioral simulations.

This comprehensive training is now implemented worldwide across our fleet. Our goal is to internally train and develop all our drillers to meet the IWCF standard, and we are making steady progress toward achieving this objective.

TRAINING DATA	2020	2021	2022	2023
Total Hours Classroom Training	42,200	42,192	127,206	168,052
Total Hours Internal E-learning	15,500	22,000	30,076	23,998
Safety Training Hours	9,352	11,760	57,096	87,520
Average Hours Per Employee	18.6	18.3	51.69	60.80



**We have always aspired to be a place where people want to work and feel a part of the Seadrill family.**



## Case Study

# Drillers Development Academy

We are proud to debut the brand-new Seadrill Development Academy, an enhanced drilling simulator that provides trainees with a fully immersive simulator suite, mimicking the very challenges faced by offshore drillers. The simulator allows us to create a completely customized course for the Drillers Development Program, the Rig Senior Management Program, and drilling personnel who have achieved toolpusher or above. This simulator gives us a state-of-the-art facility at our disposal, enabling us to learn from mistakes from previous operations or precisely plan operationally difficult wells, thus furthering our objective of continuous improvement.



# Workers in the Value Chain

## Human Rights

**Seadrill is committed to recognizing human rights on a global basis.**

Our conduct is informed by the United Nations Guiding Principles on Business and Human Rights, Universal Declaration of Human Rights and in compliance with the Norwegian Transparency Act. In 2022 we published our [Human Rights Due Diligence Report](#), which, to the extent applicable under the Act, sets out the steps that Seadrill has taken and continues to take, to ensure that proportionate and risk-based human rights due diligence occur within our business and towards our suppliers and business partners. We prohibit any form of forced, indentured, or involuntary labour, discrimination, human trafficking and child labour regardless of where we conduct our business.

We ensure fair labour practices and comply with local laws regarding employment, working hours and wages and respect our employees' rights and freedom to associate and collective bargaining in a manner that is consistent with applicable laws.

We respect the rights of local communities wherever we operate, and we will do business only with those who respect human rights and uphold labour laws. Our Code of Conduct confirms our zero-tolerance attitude towards human rights violations, modern slavery, and human trafficking.

To support our approach to human rights Seadrill issues annual statements on Modern Slavery, along with our Human Rights Due Diligence Report. These are available on our website at [Seadrill.com](https://www.seadrill.com).



**At Seadrill, each interaction, each decision we make, must reflect the fact that integrity is our highest priority.**

**Simon Johnson**  
President and CEO

# Affected Communities

## Community impact

**We recognize that our actions have a wider impact beyond our business operations, and we are committed to being responsible corporate citizens.**

By engaging with the community, we are building strong relationships, contributing to overall well-being, and enhancing our reputation. This approach aligns with our sustainability strategy and creates a mutually beneficial relationship. We understand that a thriving community is essential for our own success, and by supporting businesses throughout our value chain, and creating job opportunities, we contribute to economic growth and stability.



## Every community is unique.

Our approach helps us identify potential risks and opportunities, ensuring that our actions are responsible, mutually beneficial, and reflective of our dedication to long-term success, responsible practices, and contributing to the sustainable development of the communities we are part of.

## Case Study

# Bring Your Kid to Work Day



Seadrill's Angola office held a Bring Your Kid to Work Day event, where Angola employees brought their children into the office for a day of play, adventure, and thought exercises hosted by the future leaders of tomorrow. Workspaces were transformed into playgrounds, conference rooms became artistic havens, and the boardroom became a ball pit. We congratulate the Angola office on facilitating an event that reminds us all how imagination goes a long way in shaping a dynamic workplace. Let's continue to bring that spark of youthful energy into our professional journeys!

# Governance Information

## Business Conduct

### Policies and directives

The Seadrill Board of Directors holds the responsibility of providing strategic oversight and ensuring effective governance of all company activities worldwide, including matters related to sustainability. Our approach to managing sustainability-related issues is outlined in our management system. The CEO and Vice President of Sustainability are responsible for ensuring the company's sustainability strategy is implemented across the organization globally.

Our SMS sets out what's required of everyone who works for Seadrill and delivers on our promises to stakeholders. We have consolidated Seadrill's promises into 12 policy statements to reflect our enduring business priorities:

- Operations Policy
- Health Policy
- Safety Policy
- Environmental Policy
- Quality Policy
- Ethical Conduct Policy
- Diversity Policy
- Code of Conduct
- Communications Policy
- Enterprise Risk Policy
- Information Services Governance Policy
- Training and Competence Development Policy



These policies are supplemented by various ESG (Environmental, Social, and Governance) directives and procedures, including:

- Compliance with Anti-Bribery and Corruption Directive
- Reporting Ethical Concerns Directive
- Modern Slavery Act Statement
- Integrity Channel
- Code of Conduct Training
- Business Partner Review
- Transparency Act statement
- Environmental Management Directive
- Vessel Recycling Directive

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**We have consolidated Seadrill's promises into 12 policy statements to reflect our enduring business priorities.**

## Ethical business conduct

### Seadrill operates to the highest ethical business standards.

Our commitment to anti-corruption and upholding high standards of business and personal ethics is clearly articulated in our Code of Conduct and Ethical Conduct Policy. At Seadrill, we have zero tolerance for any form of corruption or bribery, including the acceptance, offering, or facilitation of bribes, kickbacks, or other illicit payments and benefits.

To reinforce our dedication to compliance and ethics, we introduced the Compliance Charter in 2021. This charter

establishes clear accountabilities and responsibilities for Compliance and Ethics within Seadrill, and it serves as a comprehensive framework guiding our ethical practices. By integrating compliance into our daily business activities and strategic planning, the charter fosters a culture of integrity throughout the organization.

The Compliance Charter established the Ethics and Compliance Committee, which consists of executive committee members and is chaired by our Chief Compliance Officer (CCO). This committee plays a vital role in supporting the CCO in implementing and maintaining the Ethics and Compliance framework, ensuring its effectiveness across all areas of our operations.

### Case Study

## Code of Conduct Refresh

Continuous improvement doesn't just happen in our operations. It is a principle that extends even to how we manage engagement with our Code of Conduct. In November of 2023, the Seadrill Compliance team announced the availability of a refreshed Code of Conduct and Business Partner Code of Conduct. These codes are available to all Seadrill employees, partners, suppliers, vendors and contractors and is available in English, Norwegian, and Portuguese. It is important that we regularly review and refresh our company policies and codes to account for changes in the world around us. Our Code is our guide to assess our decisions and actions that help us to live up to our values.



**The Code applies equally to us all, no matter what we do or where we work, and we are all equally responsible for upholding its standards in all we do.**

## Anti-corruption training

Our approach to tackling bribery and corruption is comprehensive, involving not only our employees but also our business partners and suppliers. We recognize that addressing systemic integrity challenges requires a collective effort. To ensure clarity and compliance, we have established the Company's Directive on Compliance with Anti-Bribery and Corruption, which provides clear requirements and guidance.

Regular training is a crucial component of our anti-bribery and compliance efforts. We conduct both online and in-person training sessions that cover various topics, including the Code of Conduct, anti-bribery and corruption, and data protection.

To facilitate and streamline our compliance processes, Seadrill has implemented the Seadrill Compliance Portal. This centralized platform offers modules that encompass business partner review, investigations, business hospitality and charitable donation requests, an 'Ask Compliance' feature, Commercial intermediary, and Campaigns module. The Campaigns module allows us to deliver e-training sessions, awareness materials, and informational videos to all employees. The completion of training within this module is tracked in the system, enabling us to identify participants and provide management with valuable metrics.

## Whistleblowing mechanism

Violations of our Code of Conduct or our Ethical Conduct Policy can be reported via an independently operated [integrity hotline](#). All reporters have the option to keep their identity confidential. All reports made via the integrity hotline are investigated under the oversight of the CCO in accordance with established guidelines and processes.



### Case Study

## World Whistleblower Day



**If you see the wrong thing, do the right thing.**

On June 23, 2023, Seadrill promoted #WorldWhistleblowerDay, by emphasizing the importance of reporting unethical or unlawful behavior and the assurances offered by our non-retaliation policy and our Investigative Directive to protect those who speak up and report integrity concerns in good faith. Join us in upholding integrity and accountability by reporting any concerns through the Seadrill Integrity Channel.



## Supply Chain Management

**Our suppliers are required to operate to our high environmental, social, and governance standards.**

We expect our suppliers to operate to the same environmental, social and governance standards as our own. These standards are set out in our Supplier Code of Conduct and are aligned to the Ethical Trade Initiative (ETI) and International Labour Organization (ILO) Conventions, and require that:

- Local laws are respected
- Employment is freely chosen
- Child labor shall not be used
- Illegal labor shall not be used
- Appropriate wages are paid
- Working hours are not excessive
- The right to collective bargaining is respected
- Working conditions are safe and hygienic
- No discrimination is practiced
- No harsh or inhumane treatment
- Businesses operate ethically
- No unauthorized sub-contracting

## Business partner review

Prior to onboarding and entering into contracts with any new business partners we carry out a business partner review to identify and assess any ethical, social and environmental risks. All service providers working with Seadrill, whether they be suppliers of goods, services, brokers, agents, or partners are assessed as to the level of compliance risk they pose and are reviewed for suitability prior to being added onto the Seadrill approved suppliers and manufacturers list. Suppliers are monitored for their ongoing compliance and are required to enter into agreements that include anti-bribery terms. We take our responsibilities relating to modern slavery seriously and ensure that modern slavery or human trafficking is not taking place within our business or our supply chain. We are committed to improving our practices to combat slavery and human trafficking. Over the years, we have worked to enhance our supplier relationships by embedding human rights elements into the new supplier prequalification review process within the Seadrill Compliance Portal and reviewing and strengthening our anti-slavery clauses in our supply chain contracts with all suppliers.



**We expect our suppliers to operate to the same ethical, social and environmental performance standards as our own.**

## Data privacy and security

**At Seadrill, we prioritize safeguarding our assets, including our people, reputation, and customers, while emphasizing human safety.**

Our well-established risk management program spans from board directors to the enterprise risk management and cybersecurity departments. We continually assess risks and have developed programs to manage and mitigate them effectively. Operating globally, we consistently comply with legal, regulatory, and compliance requirements, maintaining an unblemished record of data security with no reported breaches.

In the realm of cybersecurity, we employ a multi-layered approach, encompassing governance, process, technology, and people. Each layer consists of modules catering to specific digital security requirements. The governance layer sets directives and organizational structure for managing digital security risks, while the process layer defines core digital security processes executed by digital security and IT teams. Standard Operating Procedures delineate repeatable process steps, and the technology layer identifies key capabilities for operational management and automated threat detection. The people layer emphasizes the role of employees in nurturing a security culture through continuous awareness and education.

Our commitment to cybersecurity extends to rigorous testing and evaluation of people, processes, and technology to ensure preventive controls are in place and can effectively protect against threats. We also evaluate reactive controls to ensure readiness for incident response and recovery. As part of our dynamic approach, we continually monitor the ever-changing cyber landscape to adapt and respond to new requirements, such as regulatory changes. We actively engage with the cyber community, collaborating with peers, clients, competitors, and classification societies to collectively combat cyber threats.



In a proactive effort to enhance our cybersecurity posture, we have launched a major Operational Technology (OT) security program in line with internationally recognized standards, including NIST, IEC 62443, and ISO 27001. This program covers cybersecurity comprehensively across the Identify, Protect, Detect, Respond, and Recover core functions. We are also partnering with vendors to review Master Service Agreements (MSAs) and establish a set of cyber requirements. This initiative is significant in our ongoing efforts to enhance risk management, protect our sensitive data, ensure the confidentiality of our critical information, and ensure that vendors align with our security standards, fortifying our overall security posture. Additionally, we are planning to improve risk management with a focus on zero-trust technologies. Enhanced threat detection and response mechanisms will be integrated, along with robust crisis and incident management protocols, including periodic table-top exercises and recovery planning.

At Seadrill, we take pride in our position at the forefront of the cybersecurity landscape. Our unwavering commitment to evolution in this field is driven by our dedication to protecting our assets and stakeholders. With a comprehensive and adaptive approach, supported by a resolute security culture, we stand as leaders in the continuous battle against cyber threats, ensuring the security of our most prized assets and the trust of our valued stakeholders.



Case Study

Securing the digital frontier – Cybersecurity



In October, we recognized Cybersecurity Awareness Month and announced the introduction of our quarterly CyberSafe newsletter, introduced by the ISIT team. The ever-changing landscape of cyberspace carries with it ever-evolving risks. It is our responsibility to protect our most valuable assets in the face of such risks. Part of this responsibility includes reinforcing our six pillars of information security and promoting strong cybersecurity practices across the company. We firmly believe that when battling cyber-attacks, a little knowledge, combined with critical thinking skills, can make a significant difference. Our people are our first line of defense against cybersecurity risks and must be equipped with the tools and knowledge to ensure such risks are prevented from materializing.

We have taken further steps to ensure strong cybersecurity by introducing our Digital Security Awareness Program and Operational Technology (OT) Digital Security Program. Our Digital Security Awareness Program intends to enhance collective cybersecurity through training, resources and awareness campaigns, empowering all employees to recognize and address cyber risks. Our OT Digital Security Program has been developed to focus on people, processes and technology to meet internal standards, regulatory requirements and client expectations. It is a non-negotiable commitment to safeguard our operational technology. Collaboration across our organization is essential, and we will strengthen our defenses for the safety and resilience of our operations.

- Password**: Use strong passwords and keep them secret.
- Click**: Think before you click on links.
- Discretion**: Be careful who you give information to.
- Clear & Lock**: Keep desk clear and lock your screens and drawers.
- Storage**: Store our information correctly.
- Detect & Respond**: Report any incidents.

Enterprise Risk Management (ERM)

Enterprise Risk Management helps identify hazards and manage risk across the business.

The processes we have in place are designed to identify and manage risks associated with our business. This includes climate risk as a principal enterprise risk which is managed as part of the overall process.

Indices



**APPENDIX**  
**SASB**

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	2023 DATA
<b>Emissions Reduction Services &amp; Fuels Management</b>	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	Quantitative	Gigajoules (GJ), Percentage (%)	Not applicable Partial relevance - we report rig fuel. % for on-road/off-road equipment is not relevant to Seadrill
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Discussion and Analysis	n/a	Page 28
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	Quantitative	Percentage (%)	Not applicable Not relevant - relates to vehicle engines and is a US standard for land vehicles
<b>Water Management Services</b>	(1) Total volume of fresh water handled in operations, (2) percentage recycled	Quantitative	(m <sup>3</sup> ), (%)	Not applicable/ No freshwater abstracted. Not relevant - offshore operations either bunker water or generate through water makers - volumes are not recorded
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	Discussion and Analysis	n/a	Not applicable Not relevant - offshore discharge of sewage/ greywater as per IMO requirements
<b>Chemicals Management</b>	Volume of hydraulic fracturing fluid used, percentage hazardous	Quantitative	(m <sup>3</sup> ), (%)	Not applicable as we are generally not fracking wells, and this is a client owned activity
	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	Discussion and Analysis	n/a	Page 26 - 28
<b>Ecological Impact Management</b>	Average disturbed acreage per (1) oil and (2) gas well site	Quantitative	Acre (ac)	Not applicable Not relevant - relates to onshore drilling
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	Discussion and Analysis	n/a	Page 26
<b>Workforce Health &amp; Safety</b>	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Quantitative	Rate	(1) TRIR: 0.42 (2) Fatality Rate: 0 (3) Serious near miss rate (SNN-R): 0.34 (4) TVIR: N/A (5) 87,520 hours, total
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Discussion and Analysis	n/a	Page 8, 32 - 40

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	2023 DATA
<b>Business Ethics &amp; Payments Transparency</b>	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Reporting currency	Not applicable
	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	Page 54
<b>Management of the Legal &amp; Regulatory Environment</b>	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	Page 53
<b>Critical Incident Risk Management</b>	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and Analysis	n/a	Page 38

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	2023
<b>Number of Active Rig Sites</b>	Quantitative	Number	16
<b>Number of Active Well Sites</b>	Quantitative	Number	92
<b>Total Amount of Drilling Performed</b>	Quantitative	Meters (m)	418,950 meters or 1,374,509 ft or 260 miles
<b>Total Number of Hours Worked by all Employees</b>	Quantitative	Hours	10,581,146 hours

**APPENDIX**  
CLIMATE RISK STATEMENT

This summary statement of Seadrill’s climate-related risks has been prepared in alignment with the Taskforce for Climate-related Financial Disclosures’ (TCFD) recommendations.

	RISK DESCRIPTION	RESPONSE
<b>GOVERNANCE</b>	1 Describe the Board’s oversight of climate-related risks and opportunities	In 2021, Seadrill undertook a Climate Risk Review, specifically examining risk categories described in the TCFD framework – namely, physical, regulatory, market, technology and reputation risks (and opportunities). The documented review was presented to the Board. The Board now regularly reviews climate-related risks and opportunities as part of its overall responsibility for risk governance.
	2 Describe management’s role in assessing and managing climate-related risks and opportunities	Management regularly reviews climate-related risks and opportunities, on an ongoing basis, as part of its responsibility for enterprise risk management. Risks identified and described in the recently-completed Climate Risk Review are incorporated into the enterprise risk management system, where appropriate, and will continue to be regularly reviewed and updated. Management develops work programs to address specific climate-related risks and opportunities, including creating specialized management roles with responsibility for delivering those critical work programs. Management regularly engages with industry experts in developing recommendations for the Board on climate-related risks and opportunities, including those listed in the table following.
<b>STRATEGY</b>	3 Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	See separate risks and opportunities table following.
	4 Describe the impact of climate-related risks and opportunities on the organization’s business, strategy and financial planning	See separate risks and opportunities table following.
	5 Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2 degree C or lower scenario	Seadrill has completed an analysis which includes a range of climate scenarios – ranging from business-as-usual to 2 degree C or lower. Included in the scenario analysis is the reduction pathways required to achieve various climate goals, including the IMO’s and the Paris Agreement’s current 2030 and 2050 climate targets. Strategy is evolving in response to the range of various future climate scenarios, with the aim to adapt as required and ensure resilience is built in.

	RISK DESCRIPTION	RESPONSE
<b>RISK MANAGEMENT</b>	6 Describe the organization’s processes for identifying and assessing climate-related risks	A formal Climate Risk Review process, including management workshop, expert independent advisory and ongoing development has been used to identify and assess climate-related risks. Outputs from the Climate Risk Review process are elevated to Executive management for further assessment and validation.
	7 Describe the organization’s processes for managing climate-related risks	A range of management approaches are used for addressing climate-related risks, including monitoring, mitigation and adaptation. Risks are integrated into the Enterprise Risk Management system, as appropriate, and where required, work programs are established to manage the risks.
	8 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management	Risk management approach to climate-related risks has been updated and incorporated into Board and management processes.
<b>METRICS AND TARGETS</b>	9 Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	GHG emissions are measured in carbon dioxide equivalents. Other metrics are being developed for risk measurement.
	10 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	See climate and emission reporting in the Environmental section of this sustainability report on pages 14-23.
	11 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	GHG footprint is comprehensively assessed to enable management of climate impact. Energy Efficiency plans are under development, which will enable SMART GHG emissions reduction targets to be developed. Performance information reported on pages 14-23.

**APPENDIX**  
CLIMATE RISK STATEMENT (CONTINUED)

	RISK DESCRIPTION
<b>PHYSICAL RISKS</b>	<ul style="list-style-type: none"> <li>• Extreme weather / increased frequency of extreme weather and related knock-on effects e.g. increased wave height</li> <li>• Extreme weather-related spill events and rig damage</li> <li>• Damage / disruption to operations i.e. rig installation and operation</li> <li>• Health and safety impacts on work force of extreme weather events e.g. ability of workforce to access and operate in certain areas, including onshore areas</li> <li>• Infrastructure adaptations required, new or different investments required.</li> </ul>
<b>REGULATORY RISKS</b>	<ul style="list-style-type: none"> <li>• Regulations are increasing and some evidence that they are becoming more aligned (to Paris Agreement) from country to country</li> <li>• Carbon taxes and tariffs present regulator risks in countries, areas of operations and flag states</li> <li>• Low-carbon regulatory requirements for self-propelled vessels requiring additional investment in technologies, systems and operational management approach</li> <li>• Regulatory-related reductions in demand for oil and gas</li> <li>• Regulated requirements for carbon budgets and project budgets</li> <li>• Risk of non-licensing of E&amp;P blocks e.g in US Gulf</li> <li>• Impacts of speed of regulatory shift on business planning, strategy and cost structures to comply with new and additional regulations.</li> </ul>
<b>MARKET RISKS</b>	<ul style="list-style-type: none"> <li>• Changing customer requirements and contract risks – meeting market expectations</li> <li>• Being able to demonstrate measurable performance requirements</li> <li>• Impacts on business planning, strategy and cost structures to meet new and evolving market requirements</li> <li>• Carbon intensive industries may have difficulty accessing capital, with a higher cost of capital</li> <li>• Customers are developing their ESG frameworks for the next 5–10 years. Need to align with their framework, including with their climate-related goals. Risks and opportunities involved: <ul style="list-style-type: none"> <li>– Unknown timelines or requirements for customer ESG plans and targets (creates alignment risks)</li> <li>– Known that it is not a matter of ‘if’ but ‘when’</li> </ul> </li> <li>• Country by country low-carbon transition approaches – need to follow a suitable pathway to meet customer and jurisdictional requirements</li> <li>• Shift from CDP (passive) disclosure requirements to demonstration of an action-oriented approach</li> <li>• Lenders and finance providers are setting higher ESG standards, including low-carbon requirements. Shifting to becoming owners with equity and wanting more board representation and influence.</li> </ul>
<b>TECHNOLOGY RISKS</b>	<ul style="list-style-type: none"> <li>• Offshore marine engine, fuel and systems technology-risks of being applicable and fit for purpose</li> <li>• Capex impacts and linking to customer commitments, with new operating models required</li> <li>• Number of people in workforce reduced through technology</li> <li>• Risks associated with the development and deployment of new technologies.</li> </ul>
<b>REPUTATION RISKS</b>	<ul style="list-style-type: none"> <li>• Reputational effects related high carbon intensity</li> <li>• Reputational impacts related to upstream and downstream value chains</li> <li>• Follow on effects with recruiting and retaining employees i.e. seen as carbon intense industry</li> <li>• Third party risks – works both ways i.e. risks created and managed through relationships with third parties</li> <li>• Retro-active versus proactive approach to reputation management.</li> </ul>
<b>OPPORTUNITIES</b>	<ul style="list-style-type: none"> <li>• Becoming the recognized low carbon operator of choice</li> <li>• Low carbon access to green debt and lowering of cost of capital</li> <li>• Repositioning for provision of green energy services</li> <li>• Access to new green activity markets</li> <li>• Adaptation leading to increased operational performance</li> <li>• Attraction and retention of people committed to high ESG performance</li> <li>• High ESG performance driving an enhanced reputation</li> <li>• Accessing government funding / grants for new green technology</li> <li>• The opportunity exists to stay ahead of regulation and define / maintain a high ESG standard which presents market and reputational benefits</li> <li>• Technology opportunities are emerging to address and reduce GHG, NOX, SOX and PM emissions</li> <li>• Technology opportunities e.g. Carbon Capture Utilisation and Storage (CCUS)</li> <li>• Technology opportunities for improving (increasing efficiency) onboard systems, including alternative fuels and hybrids</li> <li>• Some climatic changes may present access or easier access to new exploration areas.</li> </ul>

**APPENDIX**  
GRI

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
<b>GRI 2: Universal Standards</b>	2-1	2-1 Organizational details	<a href="#">Annual Report</a> pg. 1, 21
	2-2	2-2 Entities included in the organization’s sustainability reporting	Pg. 2 <a href="#">Form-4</a> exhibit 21.1
	2-3	2-3 Reporting period, frequency and contact point	Pg. 2
	2-4	2-4 Restatements of information	Pg. 24
	2-5	2-5 External assurance	<a href="#">Annual Report</a> pg. 62 c.i., pg. 81 C and Item 16A, pg. 82 Item 16C and 16G, and F2-5. External assurance complies with paragraph (c)(7)(i) of Rule 2-01 of Regulation S-X Limited verification to ISO 14064-3:2019 was conducted on the company's carbon footprint.
	2-6	2-6 Activities, value chain and other business relationships	IP – 4-8, 13-16, 20. 22, 36-37 <a href="#">Annual Report</a> pg. 6-7, 9-30, 31-44
	2-7	2-7 Employees	Pg. 32, 43
	2-8	2-8 Workers who are not employees	Pg. 50
	2-9	2-9 Governance structure and composition	<a href="#">Annual Report</a> Item 16G and pg. 59-60 Bye-Laws 38.1, 39, and <a href="#">Form-4</a> . The Seadrill Board of Directors are responsible for the strategic oversight and governance of all company activities globally, including for sustainability-related matters.
	2-10	2-10 Nomination and selection of the highest governance body	Bye-Laws 38.1, pg. 22-25, and pg. 28-29 <a href="#">Annual Report</a> pg. 62-66
	2-11	2-11 Chair of the highest governance body	<a href="#">Annual Report</a> Item 6
	2-12	2-12 Role of the highest governance body in overseeing the management of impacts	<a href="#">s.172 Statement</a> Bye-Laws pg. 44, 45, 48 Pg. 8
	2-13	2-13 Delegation of responsibility for managing impacts	<a href="#">s.172 Statement</a> Pg. 8
	2-14	2-14 Role of the highest governance body in sustainability reporting	The highest governance body is responsible for reviewing and approving the reported information, including Seadrill's material topics, following a drafting process that passes through internal controls. The reported information is published pending Board approval.
	2-15	2-15 Conflicts of interest	<a href="#">Annual Report</a> pg. 62 C.3.i, Bye-Laws pg. 30, Code of Conduct - pg. 13, Item 6.A.1 - pg. 58

**APPENDIX**  
**GRI (CONTINUED)**

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
GRI 2: Universal Standards	2-16	2-16 Communication of critical concerns	Page 53
	2-17	2-17 Collective knowledge of the highest governance body	<a href="#">s.172 Statement</a>
	2-18	2-18 Evaluation of the performance of the highest governance body	<a href="#">s.172 Statement</a> (E) (Board Processes)
	2-19	2-19 Remuneration policies	<a href="#">Annual Report</a> pg. 61 B.3, 62 B.3, 66 B.2 and Bye-Laws pg. 26, 30
	2-20	2-20 Process to determine remuneration	<a href="#">Annual Report</a> pg. 61 B.3, 62 B.3, 66 B.2 and Bye-Laws pg. 26, 30
	2-21	2-21 Annual total compensation ratio	N/A
	2-22	2-22 Statement on sustainable development strategy	Page 12
	2-23	2-23 Policy commitments	Page 53
	2-24	2-24 Embedding policy commitments	Code of Conduct, Ethical Conduct Policy, and Compliance with Anti-Bribery and Corruption Laws Directive. Seadrill provides training and certification for a number of policies. Seadrill Executive Management Team and other classes of employees designated by the CCO must certify their compliance on a regular basis to ensure comprehension of the relevant directive.
	2-25	2-25 Processes to remediate negative impacts	Page 53
	2-26	2-26 Mechanisms for seeking advice and raising concerns	Code of Conduct pg. 5-8, 13-16, 19, 20. See also Integrity Channel
	2-27	2-27 Compliance with laws and regulations	Page 53
	2-28	2-28 Membership associations	International Association of Drilling Contractors (IADC)
	2-29	2-29 Approach to stakeholder engagement	<a href="#">s.172 Statement</a>
2-30	2-30 Collective bargaining agreements	<a href="#">Annual Report</a> pg. 63	

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
GRI 3 Series: Universal Standards	3-1	3-1 Process to determine material topics	Page 15
	3-2	3-2 List of material topics	Page 17
	11.1.1	3-3 Management of Material Topic – GHG emissions	Page 19
	11.2.1	3-3 Management of Material Topic – Climate adaptation, resilience, and transition	Page 19
	11.3.1	3-3 Management of Material Topic – Air emissions	Page 28
	11.4.1	3-3 Management of Material Topic – Biodiversity	Page 26
	11.5.1	3-3 Management of Material Topic – Waste	Page 28
	11.6.1	3-3 Management of Material Topic – Water and effluents	Page 26
	11.7.1	3-3 Management of Material Topic – Closure and rehabilitation	Page 26, 30, 51
	11.8.1	3-3 Management of Material Topic – Asset integrity and critical incident management	Page 26, 32, 38
	11.9.1	3-3 Management of Material Topic – Occupational health and safety	Page 26
	11.10.1	3-3 Management of Material Topic – Employment practices	Page 48
	11.11.1	3-3 Management of Material Topic – Non-discrimination and equal opportunity	Page 50, 53, 56
	11.12.1	3-3 Management of Material Topic – Forced Labor and modern slavery	Page 50, 53, Code of Conduct, Modern Slavery Act Statement, Human Rights Due Diligence
11.13.1	3-3 Management of Material Topic - Freedom of association and collective bargaining	Page 50	
11.14.1	3-3 Management of Material Topic - Economic impacts	Page 51	

## APPENDIX

### GRI (CONTINUED)

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
GRI 3 Series: Universal Standards	11.15.1	3-3 Management of Material Topic - Local communities	Page 51
	11.16.1	3-3 Management of Material Topic - Land and resource rights	Page 51, 53
	11.17.1	3-3 Management of Material Topic - Rights of indigenous peoples	Page 51, 53
	11.18.1	3-3 Management of Material Topic - Conflict and security	Page 32, 35, <a href="#">Code of Conduct</a>
	11.19.1	3-3 Management of Material Topic - Anti-competitive behavior	Page 53, <a href="#">Code of Conduct</a>
	11.20.1	3-3 Management of Material Topic - Anti-corruption	Page 53, <a href="#">Code of Conduct</a>
	11.21.1	3-3 Management of Material Topic - Payments to governments	Page 53, 54, <a href="#">Code of Conduct</a>
	11.22.1	3-3 Management of Material Topic - Public policy	Page 53, <a href="#">Code of Conduct</a>

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
11.1 GHG emissions	11.1.2	302-1 Energy consumption within the organization	Page 11, 19, CDP
	11.1.3	302-2 Energy consumption outside of the organization	Page 22, 25, CDP
	11.1.4	302-3 Energy intensity	Page 25, CDP
	11.1.5	305-1 Direct (Scope 1) GHG emissions	Page 24, CDP
	11.1.6	305-2 Energy indirect (Scope 2) GHG emissions	Page 24, CDP
	11.1.7	305-3 Other indirect (Scope 3) GHG emissions	Page 24, CDP
	11.1.8	305-4 GHG emissions intensity	Page 24, CDP
	11.2 Climate adaptation, resilience and transition	11.2.2	201-2 Financial implications and other risks and opportunities due to climate change
11.2.3		305-5 Reduction of GHG emissions	Page 25
11.2.4		Additional	<a href="#">Annual Report</a>
11.3 Air emissions		11.3.2	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions
	11.3.3	416-1 Assessment of the health and safety impacts of product and service categories	N/A
11.4 Biodiversity	11.4.2	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 26. Seadrill acts in compliance with IMO guidance.
	11.4.3	304-2 Significant impacts of activities, products and services on biodiversity	Page 26
	11.4.4	304-3 Habitats protected or restored	N/A
	11.4.5	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A

**APPENDIX**  
**GRI (CONTINUED)**

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
<b>11.5 Waste</b>	11.5.2	306-1 Waste generation and significant waste-related impacts	Page 27, 28
	11.5.3	306-2 Management of significant waste-related impacts	Page 27, 28
	11.5.4	306-3 Waste generated	Page 28
	11.5.5	306-4 Waste diverted from disposal	Page 28, 29
	11.5.6	306-5 Waste directed to disposal	Page 28
	<b>11.6 Water and effluents</b>	11.6.2	303-1 Interactions with water as a shared resource
11.6.3		303-2 Management of water discharge-related impacts	Page 26
11.6.4		303-3 Water withdrawal	N/A
11.6.5		303-4 Water discharge	Page 26
11.6.6		303-5 Water consumption	N/A
<b>11.7 Closure and rehabilitation</b>		11.7.2	402-1 Minimum notice periods regarding operational changes
	11.7.3	404-2 Programs for upgrading employee skills and transition assistance programs	Page 47-48
	11.7.4	List the operational sites that: Have closure and rehabilitation plans in place Have been closed Are in the process of being closed	No sites to report.
	11.7.5	List the decommissioned structures left in place and describe the rationale for leaving them in place.	N/A
	11.7.6	Report the total monetary value of financial provisions for closure and rehabilitation made by the organization, including post-closure monitoring and aftercare for operational sites.	N/A
	<b>11.8 Asset integrity and critical incident management</b>	11.8.2	306-3 Waste generated
11.8.3		Report the total number of Tier 1 and Tier 2 process safety events, and a breakdown of this total by business activity (e.g., exploration, development, production, closure and rehabilitation, refining, processing, transportation, storage).	2, 25

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
<b>11.9 Occupational health and safety</b>	11.9.2	403-1 Occupational health and safety management system	Page 32, 35
	11.9.3	403-2 Hazard identification, risk assessment, and incident investigation	Page 33
	11.9.4	403-3 Occupational health services	Page 32
	11.9.5	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 35, 36, 41
	11.9.6	403-5 Worker training on occupational health and safety	Page 40, 48
	11.9.7	403-6 Promotion of worker health	Page 30-37
	11.9.8	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 50
	11.9.9	403-8 Workers covered by an occupational health and safety management system	N/A
	11.9.10	403-9 Work-related injuries	Page 32
	11.9.11	403-10 Work-related ill health	Page 35
	<b>11.10 Employment practices</b>	11.10.2	401-1 New employee hires and employee turnover
11.10.3		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
11.10.4		401-3 Parental leave	N/A
11.10.5		402-1 Minimum notice periods regarding operational changes	Requirements vary by region
11.10.6		404-1 Average hours of training per year per employee	Page 48

## APPENDIX

### GRI (CONTINUED)

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
11.10 Employment practices	11.10.7	404-2 Programs for upgrading employee skills and transition assistance programs	Page 47, 48
	11.10.8	414-1 New suppliers that were screened using social criteria	<a href="#">Human Rights Due Diligence Report</a>
	11.10.9	414-2 Negative social impacts in the supply chain and actions taken	N/A
11.11 Non-discrimination and equal opportunity	11.11.2	202-2 Proportion of senior management hired from the local community	N/A
	11.11.3	401-3 Parental leave	N/A
	11.11.4	404-1 Average hours of training per year per employee	Page 48
	11.11.5	405-1 Diversity of governance bodies and employees	Board of Directors: 2 Female, > 50 7 Male, >50 Page 46
	11.11.6	405-2 Ratio of basic salary and remuneration of women to men	N/A
	11.11.7	406-1 Incidents of discrimination and corrective actions taken	N/A
	11.12 Forced labor and modern slavery	11.12.2	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor
11.12.3		414-1 New suppliers that were screened using social criteria	<a href="#">Human Rights Due Diligence Report</a>
11.13 Freedom of association and collective bargaining	11.13.2	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None
11.14 Economic impacts	11.14.2	201-1 Direct economic value generated and distributed	<a href="#">Annual Report</a>
	11.14.3	201-2 Financial implications and other risks and opportunities due to climate change	See Climate Risk Statement, CDP
	11.14.4	203-1 Infrastructure investments and services supported	N/A
	11.14.5	203-2 Significant indirect economic impacts	See Climate Risk Statement, CDP
	11.14.6	204-1 Proportion of spending on local suppliers	N/A

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
11.15 Local communities	11.15.2	413-1 Operations with local community engagement, impact assessments, and development programs	Page 9, 12-15
	11.15.3	413-2 Operations with significant actual and potential negative impacts on local communities	Page 16, 17
	11.15.4	Report the number and type of grievances from local communities identified, including: Percentage of the grievances that were addressed and resolved Percentage of the grievances that were resolved through remediation	No grievances identified
11.16 Land and resource rights	11.16.2	List the locations of operations that caused or contributed to involuntary resettlement or where such resettlement is ongoing. For each location, describe how peoples' livelihoods and human rights were affected and restored.	No. This has not been applicable to the activities of Seadrill
	11.17.2	411-1 Incidents of violations involving rights of indigenous peoples	None
11.17 Rights of indigenous people	11.17.3	List the locations of operations where indigenous peoples are present or affected by activities of the organization.	None
	11.17.4	Report if the organization has been involved in a process of seeking free, prior and informed consent (FPIC) from indigenous peoples for any of the organization's activities, including, in each case: Whether the process has been mutually accepted by the organization and the affected indigenous peoples Whether an agreement has been reached, and if so, if the agreement is publicly available.	No. This has not been applicable to the activities of Seadrill
11.18 Conflict and security	11.18.2	410-1 Security personnel trained in human rights policies or procedures	Page 50
11.19 Anti-competitive behavior	11.19.2	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
11.20 Anti-corruption	11.20.2	205-1 Operations assessed for risks related to corruption	Page 53-55
	11.20.3	205-2 Communication and training about anti-corruption policies and procedures	Page 55, <a href="#">Code of Conduct</a>
	11.20.4	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption
	11.20.5	Describe the approach to contract transparency, including: Whether contracts and licenses are made publicly and, if so, where they are published If contracts or licenses are not publicly available, the reason for this and actions taken to make them public in the future.	We have no plans to make contracts/licenses public
	11.20.6	List the organization's beneficial owners and explain how the organization identifies the beneficial owners of business partners, including joint ventures and suppliers	<a href="#">Annual Report</a>

## APPENDIX

### GRI (CONTINUED)

	GRI NO.	GRI DISCLOSURE DESCRIPTION	SEADRILL REFERENCE
11.21 Payments to governments	11.21.2	201-1 Direct economic value generated and distributed	<a href="#">Annual Report</a>
	11.21.3	201-4 Financial assistance received from government	<a href="#">Annual Report</a>
	11.21.4	207-1 Approach to tax	<a href="#">Tax Strategy</a>
	11.21.5	207-2 Tax governance, control, and risk management	<a href="#">Tax Strategy</a>
	11.21.6	207-3 Stakeholder engagement and management of concerns related to tax	<a href="#">Tax Strategy</a>
	11.21.7	207-4 Country-by-country reporting	<a href="#">Annual Report</a>
	11.21.8	For oil and gas purchased from the state, or from third parties appointed by the state to sell on their behalf, report: Volumes and types of oil and gas purchased Full names of the buying entity and the recipient of the payment Payments made for the purchase	Not applicable to the business of Seadrill
11.22 Public policy	11.22.2	415-1 Political contributions	<a href="#">Code of Conduct</a>

## APPENDIX

### OMISSION STATEMENTS

GRI REF	REASON	EXPLANATION
2-21	Information unavailable	We do not disclose this information as it is not materially relevant to our business or stakeholders.
416-1	Not applicable	The information requested is not applicable to our business.
303-3	Information unavailable	We do not disclose this information as it is not materially relevant to our business or stakeholders. Our operations are not significantly impactful in this regard.
303-5	Information unavailable	We do not disclose this information as it is not materially relevant to our business or stakeholders. Our operations are not significantly impactful in this regard.
11.7.6	Information unavailable	This data is not tracked but we follow all applicable requirements in the event of closure or rehabilitation. Further information may be found on pg. 28-29.
403-8	Not applicable	Occupational health and safety management systems vary by region of operation and worker type.
401-3	Not applicable	Type and length of parental leave varies by location. Seadrill has made it standard practice to adhere to all jurisdictional requirements.
414-2	Information unavailable	Page 56 states our policies relating to suppliers. We are continuously improving our methods for supplier screening to ensure negative social impacts do not occur in our supply chain. Quantitative data relating to supplier social risk is incomplete.
202-2	Information unavailable	We aim to hire locally when possible, but the nature of our business requires highly technical expertise and international sourcing of talent to maintain our standards of our safety and quality. As such, we do not track this data.
405-2	Information unavailable	We do not have this information available and cannot provide a ratio. We do not have a timeline for when this data will be made available.
406-1	Information unavailable	This information is not disclosed.
204-1	Information unavailable	We aim to use our procurement budget on local suppliers when possible but we do not track the percentage of products or services that are purchased locally.



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