



2025

Sustainability
Report

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This report presents the environmental, social, and governance (ESG) performance of Seadrill Limited, together with its consolidated subsidiaries, along with its management approach to material sustainability topics, for the 2025 calendar year. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Oil and Gas – Services Standard and is prepared in accordance with the GRI Oil and Gas Sector standard.

The report has been structured to include a sustainability statement and has been guided by the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). A Double Materiality Assessment (DMA) in alignment with the requirements set out by the ESRS has been completed. Seadrill is currently not required to comply with the ESRS, but the intent of this sustainability statement is to advance Seadrill’s sustainability reporting efforts toward compliance.



CEO Statement

In 2025, the sustainability landscape continued to evolve. Still, expectations around transparency, robust data, and responsible operations remain firmly in place. At Seadrill, we reaffirm our commitment to transparency and compliance in reporting in the jurisdictions we operate in.

ACHIEVEMENTS THROUGHOUT 2025

We continued to make solid progress within the sustainability space during 2025.

In June 2025, Seadrill achieved ISO 50001 certification, marking an important milestone in our systematic approach to energy management and operational efficiency. We continue to invest in digital tools that improve data quality across our rigs, enabling informed decisions and targeted efficiency improvements.

We also demonstrated proactive compliance with local environmental regulations, including securing hull cleaning licenses in Brazil and we completed the infrastructure required for the West Jupiter Fuel Additive project, ensuring readiness for robust evaluation based on operational data.

We maintained our B rating for both our carbon footprint and water resource management reporting under the CDP this year, demonstrating our commitment to environmental transparency and accountability.

Our people are the foundation of Seadrill’s success. Engagement with our employee well-being program, BeWell, increased significantly during the year, signaling a positive shift in how well-being is embedded in our culture. We also recognize the West Gemini crew for winning the 2025 RigRun Cup—an achievement that reflects teamwork, pride, and operational excellence.

Safety remains our core value. Continued investment in operational safety training, coaching, and safety leadership assessments, delivered jointly by Operations, HSEQ, and HR, supports sustained safety performance across the fleet. We also expanded access to continuous learning, including LinkedIn Learning, reinforcing our commitment to competence, development, and resilience at all levels of the organization.

We remain actively engaged with industry initiatives, including co-chairing the IADC Sustainability Committee, to support alignment and readiness for future regulatory requirements.

LOOKING AHEAD

Looking forward, our focus remains on safe, efficient and reliable operations, and continual improvement. We will continue to strengthen our data foundations, support our people, and collaborate across the organization and with industry partners. A full review of our double materiality assessment is planned for 2026 to ensure our sustainability focus remains robust and relevant as expectations continue to evolve.

I would like to thank our employees, customers, and partners for their continued commitment and trust. The progress outlined in this report reflects the collective effort of our teams across the organization, and I am confident in Seadrill’s ability to navigate change while delivering safe, efficient and reliable operations.



Simon Johnson
President and CEO

General

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About the sustainability statement

This Sustainability Report for January 1 to December 31, 2025, is guided by the EU’s Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) requirements, as well as the International Sustainability Standards Board (ISSB)’s IFRS S1 and IFRS S2 standards. Our sustainability statement has been prepared on a consolidated basis, aligning with the scope of the financial report for 2025.

The statement addresses all operations and upstream value chain. Given the nature of Seadrill’s operations (the construction of wells for hydrocarbon extraction by customers), the use of the product (the well) is considered as solely in the customer’s value chain. As such, downstream value chain activities in the hydrocarbons sector, apart from end-of-life assets (rig) recycling, are not considered material due to the nature of the business.

Strategy, business model and value chain

BUSINESS MODEL

Seadrill is a leading offshore drilling contractor that provides oil and gas drilling services to the global energy industry. Seadrill specializes in drilling in ultra-deepwater environments, offering the technical expertise and equipment required to support offshore oil and gas exploration and production.

The scope of our services and the markets we serve remained consistent during the reporting period, with total revenues of USD 1.437 billion generated from activities within the fossil fuel sector in 2025.

Each drilling project depends on a global and interdependent supply chain that includes rig manufacturers, equipment and spare-part suppliers, marine logistics partners, and providers of fuel and maintenance services.

In the oil and gas value chain, Seadrill is an upstream service provider, positioned between equipment manufacturers and energy companies. Our customers include both Private Energy Companies and Parastatal Energy Companies engaged in offshore oil and gas extraction.

STRATEGY

Core objectives of business strategy

With regards to Seadrill’s overall business strategy, The Executive Committee has established our Focus on the Drill bit objectives and aligned the ambition to deliver safe, efficient and reliable operations:

ALWAYS SAFE	Every Seadriller ends their workday in the same or better state of physical and mental health as they started it. Our safety tools are clear and concise and accessible to everyone. Our safety culture emphasizes team and individual accountability so that everyone is always safe.
COMPETITIVE	Seadrill’s value proposition to customers, employees, candidates, and investors is clear and the resources required to achieve and sustain that proposition are appropriately allocated. Our performance culture is underpinned by setting clear objectives and working efficiently to achieve them.
COLLABORATIVE	Success at Seadrill is achieved through cross-functional collaboration and the proactive efforts of our team members. We deliver on our commitments by embracing diverse perspectives and developing a sense of shared purpose by getting offshore colleagues to the office and office-based colleagues to the rigs.
COST-CONSCIOUS	As a cost-conscious organization, we tirelessly question the status quo and seek to understand the ‘why’ behind our actions. We constantly seek to simplify administration and bureaucracy with the two-fold goal of improved outcomes and lower cost.

These objectives guide our approach, aligning individual and team goals with the broader mission of delivering safe, efficient and reliable operations.

Sustainability strategy

Seadrill’s sustainability strategy supports Seadrill’s Core Objectives and is based on an evaluation of the current energy market, regulations on climate change and greenhouse gas (GHG) emissions, and environment, social, and governance (ESG) issues in the various jurisdictions across the world in which we operate.

FOCUS AREAS FOR SUSTAINABILITY ARE:

- Open and transparent sustainability reporting, aligned with international standards and applicable regulations in our areas of operation.
- Working with customers to provide value added services to enable the reduction of energy demand and GHG emissions from customer projects.
- Using a data driven approach to improve overall energy performance across the Seadrill fleet.
- Through a robust Major Accident Hazard (MAH) management system, ensure enterprise level environment and sustainability risks are fully assessed, monitored and managed.
- Monitoring performance of material sustainability topics in operations, considering core issues of climate change, pollution, water resources, biodiversity and ecosystems, circular economy, our own and service providers workforce, and business conduct.





CASE STUDY

Focus on the Drill Bit: 2025 Objectives

The drill bit symbolizes the reason why we come to work every day: to set the standard in drilling. In 2024, we launched Focus on the Drill Bit as our guiding objective and in 2025 we continued to build on that focus. By most measures, 2025 was a successful year for Seadrill. We achieved many of the objectives we set for ourselves tied to the four Focus on the Drill Bit priorities:

1. ALWAYS SAFE
2. COMPETITIVE
3. COLLABORATIVE
4. COST-CONSCIOUS

The brightest spot of the year was our safety performance, which improved every quarter and ended with Seadrill significantly outperforming our IADC peer set. We achieved a year-end TRIR of 0.17 against the industry average of 0.37. While we always strive for no one to get hurt, we can be proud of our performance relative to our peers.

Other highlights included improvements to our operational efficiency where our heightened focus on reducing unplanned BOP pulls resulted in only two events, versus eight events in 2023. We significantly enhanced the visibility of Seadrill's technology and mental health support through industry event spotlights and strategic corporate communication. We also identified ways to reduce administrative burden on the rigs, including reducing the number of controlled documents in SMS.

We achieved an enormous amount in 2025. Our teams around the world, onshore and offshore, delivered every single day for our crews and our customers.

We will maintain our commitment to Focus on the Drill Bit with the same four priorities as last year. Our objectives are meant to be tiered and cascade from our high-level priorities to the individual goals of each employee.

1. At the top, we have our four Focus on the Drill Bit focus



Focus on the Drill Bit

areas: Always Safe, Competitive, Collaborative, and Cost-Conscious.

2. Supporting those, the Executive Committee has updated its Objectives & Key Results (OKRs) aligned to each priority.
3. Supporting the ExCo objectives, functional leaders have created function-specific OKRs to guide respective parts of the business.
4. All develop and document individual annual objectives with their line manager in My Seadrill.

This cascading of objectives is intended to increase organizational alignment on priorities and focus us all on what truly matters to Seadrill: the drill bit.

Sustainability governance

GOVERNANCE STRUCTURE

The Seadrill Board of Directors consists of nine independent, non-executive members, including two women and seven men (Gender ratio: 0.29). In connection with Board appointments or changes, the Board assesses whether it collectively possesses the competencies required to oversee Seadrill’s material sustainability impacts, risks and opportunities. This evaluation forms part of the nomination and election process and helps identify any skills gaps to be addressed through board development or the selection of new members.

Overall responsibility for Seadrill’s sustainability strategy and target setting rests with the Board of Directors, while the CEO is accountable for implementing the strategy. Execution is supported by the EVP Chief Technology & Sustainability Officer, and the Vice President of HSEQ & Sustainability, who are responsible for operationalizing the strategic direction across the organization.

To support effective governance, the Board has delegated detailed oversight of sustainability strategy and reporting to the Operations Excellence and Sustainability Committee, comprising three board members. At the management level, to support the EVP Chief Technology & Sustainability Officer, the Vice President of HSEQ & Sustainability chairs the internal Sustainability Committee. This committee, made up of functional leaders from across the business, coordinates ESG reporting and drives implementation of sustainability initiatives.

Sustainability considerations are integrated into Seadrill’s strategic and investment decision-making processes, where material, and are assessed alongside financial and other decision criteria.

POLICIES TO GOVERN SUSTAINABILITY

To govern sustainability, Seadrill has implemented a set of policies that are described below. These are elaborated by directives and procedures that further substantiate our approach to various topics related to sustainability. Thus, they are also described here.

Policy	Description
Health Policy	This policy sets out Seadrill’s commitment to maintaining a workforce that is fit for duty; and a working environment that supports good health and well-being. It establishes Seadrill’s approach to promoting occupational health through the adoption of a comprehensive health management system, monitoring health risks related to work activities, supporting workers health and well-being, and maintaining a zero tolerance approach to intoxication and substance abuse in the workplace.
Safety Policy	This policy sets out Seadrill’s commitment to safe operations, the protection of worker health, and the prevention of major accidents. It establishes Seadrill’s approach to managing safety risks through a strong safety culture, effective hazard identification and risk control, maintenance of critical safety and environmental barriers, continual improvement of competence and management systems, and compliance with applicable internal and external safety requirements.
Environment and Energy policy	This policy sets out Seadrill’s commitment to being an environmental leader in the offshore drilling sector by reducing its carbon and energy footprint and operating in an environmentally responsible manner. The policy establishes Seadrill’s approach to managing environmental and energy-related impacts arising from offshore drilling activities, with a focus on pollution prevention, reduction of discharges and emissions, improved energy performance, and compliance with applicable environmental requirements.
Diversity Policy	This policy sets out Seadrill’s commitment to fostering a diverse and inclusive work environment. It establishes Seadrill’s approach to valuing diversity and ensuring equal opportunity for all employees, with the objective of attracting and developing a diverse range of talent and enabling individuals to develop skills and potential in line with Seadrill’s values, regardless of personal characteristics.
Ethical Conduct Policy	This policy sets out Seadrill’s commitment to conducting business in accordance with applicable laws and the highest ethical and moral standards. It establishes Seadrill’s approach to promoting integrity and transparency in business conduct, preventing bribery and corruption, ensuring accurate and honest business records, and addressing alleged breaches of ethical conduct in a consistent and appropriate manner.

Policy	Description
Training and Competence Development Policy	This policy sets out Seadrill’s commitment to ensuring that employees have the skills and competence required to perform their roles effectively. It establishes Seadrill’s approach to developing competence through education, training and workplace experience, and to maintaining appropriate qualifications and certifications to support safe and effective operations in line with role requirements.
Code of Conduct	The Code of Conduct sets out Seadrill’s expectations for ethical, lawful and responsible conduct and establishes a common framework for decision-making and behavior, covering areas such as integrity, compliance with laws, respect for people and human rights, prevention of bribery and corruption, protection of company assets and information, and the reporting and handling of concerns regarding potential misconduct.
Sustainability Strategy Directive	This directive embeds ESG considerations into its core value creation model, linking safe, efficient operations with environmental responsibility, stakeholder engagement, transparent reporting, and alignment to relevant UN SDGs. It defines sustainability through material topics identified by Double Materiality Assessment and climate scenario analysis, then sets approaches across environment, social and governance areas, including GHG reduction, pollution prevention, workforce and supply chain responsibility, community impacts, ethical conduct and risk management, supported by policies, functional ownership and Board-level oversight.
Sustainability Reporting Directive	This directive sets out requirements for sustainability reporting as an integrated, ESG-based process aligned with regulatory and voluntary standards including ESRS, CSRD, , GRI, TCFD, TNFD, CDP and IFRS/SASB. It sets a materiality-led approach using Double Materiality Assessment to determine reportable topics, then establishes requirements for environmental, social and governance data collection, verification, tools, audit, oversight and functional accountability. Overall, it positions sustainability reporting as a company-wide, risk-based and externally verifiable reporting process supporting risk management and financial and corporate reporting.
Environmental Management Directive	This directive establishes Seadrill’s approach to identifying, managing and controlling environmental aspects and impacts in order to prevent environmental incidents, reduce emissions and discharges, support improved environmental and energy performance, and ensure compliance with applicable environmental and regulatory requirements across the geographies in which it operates.
Energy Management Directive	This directive establishes Seadrill’s approach to energy management certified to the ISO 50001 Energy Management Standard through the identification, monitoring and management of energy use, supporting the implementation of the Environment and Energy Policy and ensuring compliance with applicable energy-related legal and other requirements across the geographies in which it operates.
Major Accident Hazard Management Directive	This directive establishes Seadrill’s approach to identifying, assessing and managing major accident hazards throughout the lifecycle of its installations, with the objective of preventing major accidents and ensuring that associated risks are reduced to as low as reasonably practicable, in compliance with applicable regulatory requirements in the operating areas.
Vessel Recycling Directive	This directive establishes Seadrill’s approach to managing vessel recycling activities in a manner that prevents harm to people and the environment, ensures compliance with applicable international conventions and local regulations governing waste and ship recycling, and safeguards Seadrill’s reputation across the geographies in which such activities take place.
Employee Well-being Directive	This directive sets out the framework for promoting and supporting employee well-being as part of Seadrill’s responsibilities as an employer. It establishes Seadrill’s approach to embedding well-being into workplace culture and practices, supporting physical, mental, social and financial well-being, and fostering an inclusive and supportive working environment, in alignment with Seadrill’s Health Policy and applicable well-being-related standards and expectations.
Reporting & Investigating Integrity Concerns Directive	This directive sets out the requirements for raising, reporting and investigating actual or suspected integrity concerns within Seadrill’s operations. It establishes Seadrill’s approach to ensuring that concerns related to unethical or unlawful conduct can be reported in good faith, investigated in a consistent and confidential manner, and addressed without retaliation, thereby supporting compliance with the Code of Conduct and applicable legal and regulatory requirements across the geographies in which Seadrill operates.
Personal Data Protection Directive	This directive establishes Seadrill’s approach to protecting personal data by setting out requirements for lawful, fair and secure processing, safeguarding the rights of data subjects, managing cross-border data transfers and responding to personal data breaches, in compliance with applicable data protection laws and regulatory requirements

INCENTIVE SCHEMES

The Board of Directors receives cash-based fees and time-based restricted stock units (RSUs) that vest annually. The Management Incentive Plan provides executives with a range of equity based performance incentives to strengthen retention, drive alignment with shareholder value, and encourage long-term performance.

The Employee Short-Term Incentive Plan (STIP) is a global plan based on five key metrics: EBITDA, levered free cash flow, HSEQ performance

(Considering Recordable Injuries, High-Potential incidents, Dropped Objects and Loss of Containment to the Environment events), technical utilization, and individual performance. HSEQ performance is included to incentivize safe, efficient and reliable operations.

The Employee Long-Term Incentive plan applies to key staff and is based on long-term company performance to strengthen retention, drive alignment with shareholder value, and encourage long-term performance.

RISK MANAGEMENT IN SUSTAINABILITY REPORTING

Seadrill applies structured risk management and internal control procedures to ensure the completeness, accuracy and integrity of its sustainability disclosures. Seadrill uses a dedicated reporting tool to manage sustainability data, ensuring that required datapoints are captured and that each entry is traceable to its original source and contributor.

Where estimates are required, Seadrill clearly discloses the methodologies used and the limitations associated with them. This transparency helps ensure that any uncertainties are understood and addressed early, preventing inaccuracies from carrying through to the final report.

Stakeholder engagement

Stakeholder engagement is central to how we prioritize and operationalize our ESG commitments. Through regular interactions with these groups and participation in collaborative efforts, Seadrill gathers valuable insights that inform our sustainability strategy, business model, and action plans. Below, we present a summary of our key stakeholders and our understanding of their interests.

Stakeholder group	Seadrill’s understanding of their interests
Customers	Customers prioritize safe, reliable and cost-competitive offshore operations, underpinned by leading HSEQ performance, high operational uptime and efficiency. They expect full regulatory, class and flag compliance, strong audit readiness, clear accountability across operations, and responsiveness to tenders and customer requirements. Customers increasingly value energy efficiency and credible, structured ESG reporting to support their own due diligence and sustainability commitments.
Employees	Employees value a safe and supportive working environment, job security and stability, and opportunities for skills development and individual growth.
Investors	Investors focus on long-term value creation, high returns and business resilience. Key priorities include high asset utilization and day-rates, high backlog, disciplined capital and debt structure, predictable cash flows, and effective management of legal and one-off risks. Credible ESG reporting is also valued for investment due diligence and risk assessment.
Regulatory authorities	Regulators expect robust prevention of major accident hazards, with systematic, effective HSEQ management beyond paper compliance. Priorities include alignment with national and international standards, audit readiness, transparent incident and event reporting, strong health, safety and environmental risk and emissions management, sound governance, employee protection, and zero tolerance for corruption, modern slavery and child labor. Regulators value credible ESG reporting fully aligned with regulatory requirements.
Suppliers	Suppliers value clear and predictable engagement, efficient and transparent procurement processes, and being treated as long-term, preferred partners. Key expectations include streamlined onboarding and approval cycles, prompt and reliable payment, and fair, objective vendor performance monitoring. Suppliers recognize growing ESG data requirements and expect clear guidance on what data is required, how it is used, and minimal administrative burden in providing it. A collaborative, low-bureaucracy approach to resolve issues and continuous improvement is seen as critical to maintaining productive supplier relationships.



Materiality

DOUBLE MATERIALITY ASSESSMENT

Description of process to identify and assess material impacts, risks and opportunities

In 2024, Seadrill conducted a double materiality assessment (DMA) to identify and assess material impacts, risks, and opportunities (IROs) and the related sustainability matters to be reported in the sustainability statement. The DMA was carried out in collaboration with an external consultant and followed the principles of the ESRS, covering both impact materiality and financial materiality.

The assessment considered Seadrill's own operations and, where relevant, upstream and downstream value chain activities. The process was informed by internal documentation, interviews with internal stakeholders, and was validated with senior management.

Process and decision-making steps

The DMA followed a four-step process:

1. MOBILIZATION AND SCOPING

2. IDENTIFICATION OF IMPACTS, RISKS AND OPPORTUNITIES

3. ASSESSMENT AND PRIORITIZATION

4. VALIDATION AND DOCUMENTATION

An initial scoping exercise was performed to identify sustainability topics considered not relevant to Seadrill's business model. This step established a more targeted basis for identifying potentially material sustainability matters.

IROs were identified through interviews with internal stakeholders representing key external stakeholder groups, supported by a review of selected internal documents. The process focused on identifying significant IROs across Seadrill's operations, with particular attention to high-impact areas, such as pollution, workforce health and safety, and anti-corruption measures.

The following internal stakeholders were consulted:

- Health, Safety, Environment and Quality
- Sustainability
- Human Resources
- Internal Audit & Enterprise Risk Management
- Legal
- Compliance
- Operations
- Supply chain
- Finance
- Communications

The identified IROs were assessed and prioritized using ESRS-aligned criteria.

- Impacts were assessed based on scale, scope, irremediability, and likelihood.
- Risks and opportunities were assessed based on likelihood and potential consequence.

Scoring thresholds were applied to determine whether an IRO was material. This qualitative scoring, along with the thresholds, were used to prioritize IROs and determine which sustainability matters were considered as material for reporting. Where relevant, alignment with Seadrill's enterprise risk management (ERM) system was considered to support consistency across risk assessment processes.

A validation workshop with senior management was conducted to review and confirm the materiality assessment, including the completeness of identified IROs and the resulting material sustainability matters. All IROs were documented to support transparency, governance review, and future updates.

The results of the DMA were communicated to senior management and the Board to inform decision-making at both operational and strategic levels.



Update of the Double Materiality Assessment in 2025

In 2025, Seadrill performed a targeted review of the DMA to improve relevance to the business model and reflect updated guidance from EFRAG. The update was built on the 2024 assessment and focused on a top-down review of existing impacts, risks, and opportunities.

As part of the update, IROs were reviewed and re-assessed where appropriate to improve consistency. This resulted in an updated and sharper set of material sustainability matters and IROs that more accurately reflect Seadrill's most significant impacts, risks, and opportunities for the reporting period, aligned with updated guidance from EFRAG on the DMA process.

Identification and assessment of material topics

In 2024, Seadrill conducted a climate scenario analysis to assess climate-related risks and opportunities across the value chain. The scenario analysis followed the International Finance Reporting Standard (IFRS) and considered three distinct scenarios – Net Zero Emissions by 2050 (1.5°C), Announced Pledges (1.7-2°C), and Stated Policies (2.4-3°C). These are transition scenarios defined by the International Energy Agency (IEA) in their 2023 World Energy Outlook (WEO). The business-as-usual physical scenario published by the Intergovernmental Panel on Climate Change (IPCC) in their 6th Assessment Report (AR6) was also considered.

SEADRILL’S MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Based on the DMA, the following IROs were identified as material.

Name	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstrveam	Short-term	Medium-term	Long-term
ENVIRONMENT							
Climate change							
Physical climate risks to offshore fleet	Physical Risk		✓			✓	✓
Operational and financial risks from weather-related delays	Physical Risk		✓			✓	✓
GHG emissions from offshore-drilling operations	Potential negative impact		✓		✓	✓	✓
Transition risk from fossil fuel phase-out	Transition Risk		✓			✓	✓
CCS participation	Transition Opportunity		✓			✓	✓
Alignment with customer carbon requirements	Transition Opportunity		✓		✓	✓	✓
High energy consumption in offshore drilling operations	Actual negative impact		✓		✓	✓	✓
Increasing fuel costs	Transition Risk		✓			✓	✓
Pollution							
Air pollution from fuel use in Seadrill's operations	Actual negative impact		✓		✓	✓	✓
Severe air pollution from potential oil blowout	Potential negative impact		✓		✓	✓	✓
Financial risk from severe air pollution from oil blowout	Risk		✓		✓	✓	✓
Severe water pollution from potential blowout	Potential negative impact		✓		✓	✓	✓
Water pollution from mishandling of ballast water	Potential negative impact		✓		✓	✓	✓
Pollution on living organisms and food resources from potential spill	Potential negative impact		✓		✓	✓	✓

Name	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstrveam	Short-term	Medium-term	Long-term
Biodiversity							
Loss of marine biodiversity from potential oil spill from blowout	Potential negative impact		✓		✓	✓	✓
Risk from major biodiversity loss due to spill	Risk		✓		✓	✓	✓
Introduction of invasive species	Potential negative impact		✓		✓	✓	✓
Risk from introduction of invasive species	Risk		✓		✓	✓	✓
Major spill affecting fishing communities			✓		✓	✓	✓
Waste							
Operational waste	Actual negative impact		✓		✓	✓	✓
End-of-life treatment of assets	Potential negative impact		✓			✓	✓
Improper waste management	Risk		✓		✓	✓	✓
SOCIAL							
Own workforce							
Work-life balance, mental well-being, and offshore living conditions	Potential negative impact		✓		✓	✓	✓
Occupational health and safety risks for offshore workforce	Potential negative impact		✓		✓	✓	✓
Major accident hazard exposure for offshore workforce	Potential negative impact		✓		✓	✓	✓
Major accident hazard leading to threat of right to operate	Risk		✓		✓	✓	✓
Occupational health and safety incidents affecting commercial performance	Risk		✓		✓		
Gender-based discrimination and exclusion in offshore operations	Actual negative impact		✓		✓	✓	✓
Workers in the value chain							
Work-life balance and mental well-being of offshore workers in the value chain	Potential negative impact	✓			✓	✓	✓

Name	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short-term	Medium-term	Long-term
Occupational health and safety risks in offshore operations	Potential negative impact	✓			✓	✓	✓
Major accident hazard (MAH) exposure for value chain workers	Potential negative impact	✓			✓	✓	✓
Major accident hazards leading to threat of right to operate (value chain workers)	Risk	✓			✓	✓	✓
Occupational health and safety incidents involving value chain workers	Risk	✓			✓	✓	✓
Gender-based discrimination and exclusion in offshore operations (value chain workers)	Actual negative impact	✓			✓	✓	✓
Forced labor among value chain workers	Potential negative impact	✓			✓	✓	✓
GOVERNANCE							
Business conduct							
Incident of corruption among own employees	Risk		✓		✓	✓	✓
Leak of private information	Potential negative impact	✓	✓	✓	✓	✓	✓
Lack of whistleblower protection	Potential negative impact	✓	✓	✓	✓	✓	✓

INFORMATION MATERIALITY

To determine the content of the sustainability report, aligning with CSRD requirements, Seadrill assessed the full set of ESRS disclosure requirements and identified the information relevant to its material impacts, risks, and opportunities (IROs). A top-down approach was applied, starting with the exclusion of immaterial topical standards,

followed by non-relevant disclosure requirements and, where applicable, individual datapoints. The objective of this process was to ensure that the sustainability statement includes information that provides a fair, relevant, and sufficient explanation of Seadrill’s material IROs and how they are managed.



RESILIENCE ANALYSIS

In 2024, Seadrill conducted a climate scenario analysis, previously outlined in the section “Identification and assessment of material topics.”

Physical climate risks, including weather-related disruptions to onshore and offshore operations and indirect impacts from damage to port infrastructure, were assessed as having low or very low financial effects in the short to medium term, but require ongoing monitoring due to the potential for increased frequency of extreme weather events. Seadrill has some resilience to physical risk through an ability to move assets to avoid extreme weather, and to financial risks through insurance. However, the insurance policies and contractual rights may not always adequately cover losses, and we do not have insurance coverage or rights to indemnity for all risks. In addition, partial reliance on self-insurance for physical damage caused by named windstorms in the US area of operations means that Seadrill retains some level of risk here.

Transition risks, such as carbon pricing, reduced offshore licensing, shifting demand for deepwater drilling and evolving customer

preferences, may have a greater potential effect on Seadrill than physical risks, particularly under the Net Zero Emissions by 2050 and Announced Pledges scenarios. Seadrill also identified transition opportunities related to Carbon Capture and Storage (CCS) participation and improved emission performance.

The climate scenario analysis indicates that climate-related risks and opportunities may affect Seadrill’s operational, strategic, and financial aspects. Seadrill is evaluating these risks in relation to its overall strategy and financial planning. The assessment confirms that Seadrill’s current fleet is fit to remain active over the next 15 years and that Seadrill does not expect, in the near or medium term, to invest in newbuild rigs. As a result, Seadrill’s existing fleet may need to be retrofitted to adapt to evolving customer requirements and regulatory developments. The results from the climate-related scenario analysis and workshop were presented to the Board of Directors and are used on an ongoing basis by the Board and Executive Committee to support informed decision-making on climate-related risks and opportunities.

Basis for preparation

Value chain data has been estimated for parts of Scope 3 Cat. 1. For more information on this, see accounting principles in the Climate Change chapter.

Methodologies, assumptions, and emission factor sources are applied consistently across reporting periods and are transparently disclosed.

Seadrill intends to improve data quality over time by increasing the use of activity-based and supplier-specific information for material categories. Unless otherwise disclosed alongside the relevant topical disclosures, no additional reliefs, options, or specific provisions under ESRS 1 General Requirements have been applied.

Environment

02



Climate Change

Climate change is a material sustainability topic to Seadrill given the energy-intensive nature of offshore drilling, the challenging environments in which we operate, and the influence of evolving climate policy and customer expectations. We address climate-related risks and impacts through operational controls, energy efficiency measures, and ongoing monitoring of risks and opportunities across our fleet and value chain.



Emissions are managed through Seadrill’s Energy Management System certified to ISO 50001, with efficiency initiatives implemented in collaboration with customers where applicable. Key climate-related challenges include energy use and fuel costs, as well as the potential impacts of extreme weather on offshore operations. Energy use, emissions, and climate-related risks are tracked using established metrics and operational processes to support internal oversight and decision-making.

TRANSITION PLAN

Seadrill does not have a transition plan for climate change mitigation. Our Energy Management System, outlined under the actions section in this chapter, reflects our efforts to reduce emissions in the longer term, as well as the short term.

IMPACTS, RISKS AND OPPORTUNITIES

We have identified the following material IROs within this topical area.

Identified IRO	Type	Description
CLIMATE CHANGE ADAPTATION		
Physical climate risks to offshore fleet	Risk	Seadrill’s deepwater drillships operate in harsh offshore environments and are increasingly exposed to the physical impacts of climate change, including more intense storms, higher waves, and more frequent extreme weather events. These conditions can accelerate wear and tear on hulls, mooring systems, and critical equipment, increasing the likelihood of damage and unplanned outages. Over time, heightened physical climate exposure may result in more frequent repairs, higher maintenance and inspection costs, and reduced asset availability, ultimately shortening the economic useful life of the fleet. Seadrill is directly exposed to this risk through ownership and operation of offshore drilling assets in climate-vulnerable regions. The operational assets exposed to this physical climate risks are located in Angola, Brazil, Norway, and the United States of America.
Operational and financial risks from weather-related delays	Risk	Increasingly extreme and unpredictable weather conditions in Seadrill’s operating regions may disrupt offshore drilling activities by restricting safe operating windows, delaying rig moves, and interrupting marine logistics and supply chains. Weather-related disruptions can lead to lost operating days, increased standby and mobilization costs, schedule overruns, and potential contractual penalties or renegotiations with clients. These impacts may negatively affect revenue generation, profitability, and asset utilization. The operational assets exposed to this physical climate risks are located in Angola, Brazil, Norway, and the United States of America.
CLIMATE CHANGE MITIGATION		
GHG emissions from offshore-drilling operations	Potential negative impact	Seadrill’s offshore drilling operations generate greenhouse gas (GHG) emissions through the consumption of fossil fuels for power generation, propulsion, and auxiliary systems. These emissions contribute to climate change and associated global environmental impacts. As a capital-intensive offshore drilling contractor, Seadrill contributes to these impacts directly through its operational activities and energy use. Seadrill is therefore linked to climate change mitigation challenges through its operational footprint and reliance on fossil fuel-based energy sources.
Transition risk from fossil fuel phase-out	Risk	Seadrill’s offshore drilling fleet and supporting infrastructure, in common with the rest of the marine industry, are not readily convertible to low-emission or non-fossil fuel uses. As global climate policies tighten and the transition away from fossil fuels accelerates, demand for offshore drilling services is expected to decline over the medium to long term. Without timely fleet upgrades, alternative use cases, or strategic repositioning, Seadrill may face reduced utilization, shortened asset lifetimes, early decommissioning, or asset impairments. This transition risk is compounded by the limited availability of scalable, cost-effective low-carbon fuels and supporting infrastructure for offshore operations, which constrains Seadrill’s ability to decarbonize its existing fleet.
CCS participation	Opportunity	Seadrill can leverage its offshore drilling expertise, technical know-how, and existing rig infrastructure to participate in the growing carbon capture and storage (CCS) market. Seadrill’s assets can be deployed for drilling CO₂ injection wells, and providing well services for storage sites. As governments and energy companies expand CCS deployment to meet net-zero targets, demand for specialized offshore drilling capabilities is expected to increase. Participation in CCS projects presents an opportunity for Seadrill to diversify its revenue base, reduce exposure to declining hydrocarbon exploration demand, and position itself as a key enabler of the low-carbon energy transition.
Alignment with customer carbon requirements	Opportunity	Customers in the offshore energy sector are increasingly integrating carbon performance requirements into procurement and tendering processes, including the use of carbon annexes to assess contractor emissions and energy efficiency. By aligning its operations with customer carbon expectations and implementing clear, auditable energy efficiency programs, Seadrill can enhance its competitiveness and secure additional contracts. This creates an opportunity to strengthen customer relationships, protect market access, and differentiate Seadrill.

ENERGY		
High energy consumption in offshore drilling operations	Actual negative impact	Seadrill's offshore drilling operations, as well as elements of its upstream value chain, require high levels of energy to operate. This energy demand is met through the combustion of fossil fuels, resulting in significant greenhouse gas and air pollutant emissions. The energy-intensive nature of offshore drilling increases the overall environmental impacts associated with fuel extraction, transport, and combustion. Seadrill contributes directly to these impacts through its operational energy use and indirectly through its reliance on energy-intensive suppliers and marine logistics.
Increasing fuel costs	Risk	Fuel represents a significant operational input for Seadrill's offshore drilling activities. Rising fuel prices may substantially increase operating costs for customers. Sustained increases in fuel costs could compress customer profit margins with knock-on effects that and negatively affect Seadrill's financial performance. Seadrill is exposed to this risk through its dependence on fuel-intensive offshore operations.

POLICIES

Our policies are described on page 10. The table below demonstrates our policy coverage of IROs within material topics in this chapter.

	CLIMATE CHANGE ADAPTATION	CLIMATE CHANGE MITIGATION	ENERGY
Environment and Energy Policy		Reduce emissions and environmental impact	
Environment and Energy Policy	Assessing environmental aspects and ensuring that contingency plans are in place	Improve energy performance	
Energy Management Directive		Reducing CO2 through rig management	
Energy Management Directive			Continual improvement of energy management on installations
Major Accident Hazard Directive	Includes management of major accident hazards that could be associated with extreme weather		

ACTIONS

Energy efficiency plans

During 2025, Seadrill gained ISO 50001 Energy Management certification, which recognizes that the Energy Management System is aligned with internationally recognized good practices in managing energy across active rigs. The program covers the identification, prioritization and implementation of practicable and cost-effective measures to reduce fuel consumption and Scope 1 GHG emissions. Actions implemented during the year included behavioral and operational improvements, targeted equipment upgrades, and customer co-funded investments in energy-efficient technologies.

Seadrill will continue implementing energy efficiency plans across active rigs and work with customers to scale higher-impact energy efficiency and decarbonization initiatives. As fuel costs are borne by customers, the scaling of these actions depends on customer investment or incentive mechanisms that enable fuel-cost savings to be realized.

CASE STUDY

Seadrill Achieves ISO 50001 Certification



Seadrill has successfully achieved ISO 50001 certification, which is an internationally recognized standard for energy management systems. This accomplishment is a major step forward in our commitment to sustainability, operational efficiency, and alignment with our customers' energy and carbon reduction goals.

By aligning with ISO 50001, Seadrill demonstrates its commitment to structured and effective energy management—meeting regulatory requirements and customer expectations through a globally recognized standard. This standardization strengthens our ability to deliver safe, efficient, and reliable operations.

“This achievement reinforces our Focus on the Drill Bit strategy and directly reflects our core values of safety, competitiveness, collaboration, and cost-consciousness,” - Peter Smith, Head of Environment and Sustainability Reporting.

We extend our appreciation to the energy coaches, technical experts, rig crews, offshore installation managers, rig managers, and operations leaders across the fleet whose collaboration and dedication were instrumental in this achievement.



Fuel use accounts for more than 99% of our fleet direct carbon emissions. Accurate measurement and reporting of fuel use is key to understanding our energy demand and carbon impact.



Efficient operation of well-maintained engines is critical to energy management.

TARGETS

Seadrill has not set measurable, outcome-oriented targets for its material climate-related impacts, risks and opportunities, reflecting Seadrill’s limited direct control over fuel consumption and emissions outcomes. Instead, climate change mitigation is managed through the Energy Management Program, which provides the framework for implementing and evaluating energy efficiency and decarbonization actions.

Effectiveness is monitored through benchmarking against a 2017 baseline, using externally verified, normalized emissions data, and through sustainability performance indicators including Scope 1, Scope 2 and material Scope 3 emissions, energy consumption by activity type, carbon intensity per unit of revenue, and carbon and fuel intensity per contracted rig day.

METRICS

GHG emissions

Source	2022	2023	2024	2025
	Tonnes CO2e	Tonnes CO2e	Tonnes CO2e	Tonnes CO2e
SCOPE 1				
Rig Fuel Use	586,023.88	436,486.51	436,323.84	460,055.12
Office Gas Use	39.31	14.78	31.87	23.88
Scope 1 Total	586,063.19	436,501.30	436,355.71	460,079.00
SCOPE 2				
Onshore Electricity Use*	669.80	466.34	765.05	459.05
SCOPE 3				
Purchased Goods & Services	170,850.18	181,277.03	417,958.63	206,451.99
Upstream Transportation and Distribution – Freight	39,889.39	16,759.18	16,610.18	45,816.76
Waste – Offshore	783.45	726.06	481.10	580.64
Waste – Onshore	4.40	3.71	7.57	6.93
Business Travel	17,407.85	12,197.18	16,474.41	16,060.62
Employee Commuting	685.15	253.57	480.98	519.91
Downstream Leased Assets (Bareship Charter rigs)	41,404.99	187,999.54	82,087.13	N/A
Scope 3 Total	271,025.41	399,216.73	534,028.83	269,436.85
TOTAL	858,341.65	836,792.06	971,481.96	729,974.90

*Restatement of historical emissions to correct methodological error in previous years’ calculations

Fleet average energy performance

Rig Type	Base Year (2017) Average M3 Fuel/ CRD-operations	2024 Average M3 Fuel/ CRD-operations	2025 Average M3 Fuel/ CRD-operations
Drillship	40.02	38.68	37.09
Harsh Environment Jack Up	18.82	16.82	15.90

GHG Intensity

Rig Type	Base Year (2017) Average TCO2e/ CRD-operations	2024 Average TCO2e/CRD-operations	2025 Average TCO2e/CRD-operations
Drillship	106.52	102.95	98.72
Harsh Environment Jack Up	50.09	44.77	42.32

Carbon credits

Seadrill uses voluntary carbon credits to compensate for Scope 3 aviation emissions where Seadrill currently has limited ability to directly reduce or mitigate these emissions. During the reporting period, 8,685 tonnes of CO₂e of voluntary carbon credits were canceled, representing Seadrill’s Scope 3 business travel emissions

for operations in Angola and Brazil (this represents 54% of total business travel). All credits were verified under the Gold Standard. Seadrill has not made any public claims of GHG neutrality involving the use of carbon credits.

Internal carbon pricing

Seadrill is piloting an internal carbon pricing in Angola and Brazil as a management tool to support decision-making related to business travel emissions. The internal carbon price is applied based on the prevailing market price of certified voluntary carbon credits.

ACCOUNTING PRINCIPLES

Energy Consumption	Energy consumption is determined through a system-supported annual assessment of operational ESG data. Energy use on rigs is calculated from fuel use in m3, and forms the basis for Scope 1 GHG emissions calculations. Scope 2 GHG emissions calculations are based on electricity use onshore, measured in kWh.
Organizational Boundary (Offshore)	Includes all offshore rigs where Seadrill has operational control, regardless of ownership. During 2025, the maximum fleet comprised 14 rigs operating across five geographical areas.
Operational Boundary (Offshore)	Energy consumption arises from fuel used for drilling and marine operations.
Rig Operational Status	Energy consumption is included for operational and warm-stacked rigs during periods of engine or system use. Cold-stacked rigs that are fully shut down are treated as non-operational with no energy consumption during shutdown periods.
Offshore Energy Measurement	Offshore energy consumption is calculated from daily fuel use records extracted from RIMMarine daily reports and aggregated to annual totals.
Onshore Boundary	Onshore operations include leased offices, a drilling simulator, and Seadrill-operated support yards. The Bermuda registered office is excluded due to immateriality of emissions. More than 95% of onshore energy consumption is captured.
Onshore Energy Sources	Onshore energy consumption relates to electricity and gas used in leased offices and support yards.
Onshore Data Collection	Energy data are based on metered utility bills or landlord statements where available.
Onshore waste data	Collected 2023 onwards - estimated for 2022 based on onshore headcount (2022=666, 2025=416)
Scope 1 Emissions	Scope 1 emissions consist entirely of fuel combustion from offshore rigs. Emissions are calculated from daily fuel use using DESNZ UK Government GHG Conversion Factors (2025 v1.0).
Scope 2 Emissions	Scope 2 emissions arise from electricity and gas consumption at onshore facilities. Both location-based and market-based calculation approaches are applied depending on data availability. Historical emissions have been restated in 2025 to correct methodological error taking into account too much electricity consumption for some buildings in previous years' calculations.
Scope 3 - Energy-Related Activities	Only material Scope 3 emissions are calculated Scope 3 Category 1 (Purchased Goods and Services) emissions are calculated using a hybrid methodology in line with the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions. Where primary activity-based or supplier-based data is not available, estimated value chain data is used. For approximately 66% of Scope 3 Category 1 emissions, Seadrill applies spend-based emission factors derived from the US Environmentally Extended Input–Output (EEIO) Supply Chain GHG Emission Factors to procurement spend by category. These factors reflect average upstream emission intensities and are used for screening and prioritization purposes. As spend-based estimates rely on sector averages rather than supplier-specific data, they are subject to higher uncertainty and are considered to have a low to medium level of accuracy, with indicative uncertainty of approximately ±50% to ±100%. Scope 3 Category 4 (Upstream transportation and distribution) emissions are calculated using an emission per tonne/km of freight transported methodology Scope 3 Category 5 (Waste) emissions are calculated using standard emissions factors for waste types Scope 3 Category 7 (Employee Commuting) emissions are calculated using a survey-based methodology. Scope 3 Category 13 (Downstream Leased Assets) emissions were not material in 2025, with no downstream leased assets



Pollution

Pollution is a material consideration for Seadrill given the nature of offshore drilling and the potential environmental impacts associated with both routine operations and low-probability, high consequence events. Seadrill’s approach focuses on preventing pollution of air, water, and the marine environment through established safety systems, operational controls, and compliance with applicable international environmental standards.



Pollution risks are addressed within Seadrill’s HSEQ management system, with particular attention to spill prevention, barrier integrity, and emergency response preparedness. While high consequence events such as blowouts are extremely rare, they could result in significant environmental, financial, and reputational impacts and are therefore a key consideration in risk management. Pollution performance is monitored using defined metrics, including the Loss of Containment to the Environment rate (LOCE-R), to support oversight and internal accountability.

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
POLLUTION OF AIR		
Air pollution from fuel use in Seadrill's operations	Actual negative impact	Fuel consumption from Seadrill’s offshore drilling operations results in the emission of air pollutants, including carbon dioxide (CO ₂), nitrogen oxides (NO _x), and particulate matter. These emissions contribute to climate change and can negatively affect local air quality in offshore operating areas. Seadrill contributes directly to these impacts through the routine operation of its drilling units and associated power generation systems.
Severe air pollution from potential blowout	Potential negative impact	A blowout, defined as the total loss of well control resulting in an uncontrolled release of hydrocarbons, could lead to severe air pollution. Such an event may generate emissions of volatile organic compounds (VOCs), particulate matter, and greenhouse gases, including through the combustion of oil undertaken to limit further environmental spread. These emissions could have acute and significant impacts on air quality and contribute to broader atmospheric pollution. Seadrill could be linked to these impacts through its involvement in offshore drilling operations where a blowout occurs.
Financial risk from severe air pollution from potential blowout	Risk	If a blowout were to occur, the uncontrolled release and potential combustion of hydrocarbons could result in severe air pollution and trigger legal, regulatory, and financial consequences for Seadrill. Such an event may lead to regulatory investigations, fines, penalties, or litigation, including allegations of non-compliance with environmental and safety obligations, not withstanding contractual risk-sharing arrangements with operators. In addition, the high visibility of air pollution impacts from a blowout could cause significant reputational damage, undermining stakeholder trust and public perception of Seadrill.
POLLUTION OF WATER		
Severe water pollution from potential blowout	Potential negative impact	If a blowout resulted in an oil spill, it could cause severe pollution of marine waters through the spread of hydrocarbons across the sea surface and into the water column. This contamination could degrade water quality, disrupt oxygen levels, and harm aquatic organisms. Even where response and containment measures are implemented, oil residues may persist in the marine environment, making full remediation challenging and increasing the likelihood of long-term environmental impacts. Seadrill may be linked to these impacts through its offshore drilling operations.
Financial risk from water spills from potential blowout	Risk	A spill resulting from a blowout could expose Seadrill to significant legal, regulatory, and reputational risks. Such an incident may erode trust with clients, regulators, and other stakeholders, potentially affecting future business relationships. Depending on jurisdiction and severity, Seadrill could face fines, enforcement actions, mandatory investigations, or claims related to environmental damage. In certain regions, serious non-compliance could also jeopardize operating permits or contractual approvals, creating additional legal and operational exposure.
Water pollution from mishandling of ballast water	Potential negative impact	Improperly treated ballast water discharged from offshore units may contain pathogens, suspended sediments, organic matter, and chemical residues. If released without adequate treatment, these substances can degrade water quality by increasing turbidity, altering nutrient balances, and introducing contaminants into the marine environment. Such pollution may disrupt local water chemistry, reduce dissolved oxygen levels, and negatively affect nearby aquatic habitats. Seadrill could contribute to these impacts through incorrect ballast water management practices associated with its offshore operations.
POLLUTION OF LIVING ORGANISMS AND FOOD RESOURCES		
Pollution on living organisms and food resources from potential spill	Potential negative impact	In the event of a blowout, the release of hydrocarbons into the marine environment could contaminate the water column and seabed, exposing marine organisms to toxic substances. Such contamination may harm fish, shellfish, plankton, and other marine species, including those that form critical components of marine food resources. Impacts may include mortality, reduced reproductive success, and longer-term ecological disruption. Seadrill could be connected to these impacts through its offshore drilling activities where a blowout occurs.

POLICIES

Our policies are described on page 10. The table below demonstrates our policy coverage of IROs within material topics in this chapter.

	Pollution of air	Pollution of water
Environmental Policy	Reduction of NOX and SOX, exploration of viable emissions reduction technologies	Advanced hull cleaning measures, handling of harmful discharges
Safety policy	Maintenance of environmentally critical barriers	Maintenance of environmentally critical barriers

ACTIONS

Seadrill has implemented pollution prevention measures through the application of advanced technologies and operational controls, within the framework of its environmental and HSEQ management system and in compliance with applicable international standards, including ISO 14001, the IMO ISM Code, and MARPOL.

Advanced technologies

In Norway, Selective Catalytic Reduction (SCR) technology continued to be operated on West Elara, supported by funding from the Norwegian NOx Fund, to reduce air pollutant emissions. Operation of this technology will continue in 2026.

Operational controls

Pollution risks are mitigated through the implementation of operational control measures designed to prevent pollution events and minimize routine environmental impacts from operations. These controls include requirements for incident reporting, investigation, corrective actions, and the maintenance of preventive barriers, and address key pollution pathways across the fleet. Control measures include mud management systems, discharges to sea (including bilge water, ballast water, sewage and grey water treatment and discharge, overboard discharge valves and drains, and non-overboard drains), air and carbon emissions management, and waste management. These measures are applied on an ongoing basis as part of normal operations.

TARGETS

Seadrill has set a measurable, outcome-oriented, and time-bound target to reduce loss of containment to the environment (LOCE), focusing on preventing spills and minimizing pollution in air and water. The 2025 target for the LOCE rate (LOCE-R) is below 0.85.

METRICS

Loss of containment to the environment events

	2024	2025
»0 litre <=10 litre	4	8
»10litre <=500 litre	5	3
»500 litre <=10,000 litre	2	1
»10,000 litre<=50,000 litre	0	0
»50,000 litre	0	0
	None of these spills were assessed as environmentally significant, and there were no reported incidents in marine protected areas or conservation zones.	None of these spills were assessed as environmentally significant, and there were no reported incidents in marine protected areas or conservation zones.

Loss of containment to the environment rate

	2024	2025
LOCE-R	0.19	0.20

Direct rig emissions

TONNES	2021	2022	2023	2024	2025
CO2e	575,829.00	586,063.19	436,486.51	436,323.84	460,055.12
CO2	567,836.35	577,928.49	431,009.16	430, 853.30	454,287.04
NOx	7,937.17	8,078.24	5,429.56	5,423.00	5,717.96
Methane	55.47	56.46	47.80	47.54	50.13

ACCOUNTING PRINCIPLES

Pollution Metric (LOCE-R)	Pollution performance is measured as a Loss of Containment to the Environment rate (LOCE-R), calculated as (Number of LOCE events × 200,000) / Hours worked. The metric measures the frequency of loss of containment incidents only and does not reflect event severity, which is recorded separately through Seadrill's HSEQ event reporting processes.
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WATER MANAGEMENT DATA

Row Labels	Sum of Item Used M3 2025	Sum of Item Used M3 2024
Brine	92,165	63,628
Drill Water	174,607	171,213
Potable Water	276,383	241,940
Bulk Water Total	543,155	476,781
Packaged Water Use	2,100	1,589
Total Fleet Water Consumption	545,255	478,370

CASE STUDY

Consistent progress through transparency and discipline.



“Our focus remains on improving data robustness, strengthening risk management, and positioning Seadrill for future progress as expectations rise.”

Seadrill continues to demonstrate disciplined and transparent environmental management, maintaining a **B rating for both climate change and water security** in the 2025 CDP assessment.

Retaining these scores reflects the strength and consistency of our climate and water governance, particularly as CDP expectations continue to evolve and reporting standards become more rigorous across industries.

Understanding the CDP

The CDP (formerly the Carbon Disclosure Project) is a globally recognized environmental disclosure system that assesses how companies manage climate change, water security, and environmental risks. Seadrill has reported to CDP since 2010, using the framework to strengthen transparency, data quality, and decision-making across our operations.

Maintaining a B rating for both climate change and water security assessments highlights our continued focus on emissions tracking, operational efficiency, climate risk assessment, and responsible water management.

“Sustaining our CDP scores reflects the collective effort across the organization to embed climate and water considerations into how we operate,” says Peter Smith, Head of Environment and Sustainability Reporting. “Our focus remains on improving data robustness, strengthening risk management, and positioning Seadrill for future progress as expectations rise.”

As we look ahead, Seadrill remains committed to continual improvement in climate and water performance, aligning environmental responsibility with safe, efficient, and reliable operations.

Biodiversity and ecosystems

Seadrill’s offshore operations take place in marine environments where interactions with biodiversity and ecosystem services can occur. Seadrill does not have a transition plan for biodiversity and ecosystems. Seadrill’s focus is on understanding and managing potential impacts following recognized good practice where they may arise.



Biodiversity-related risks and opportunities are mainly linked to marine vessel operations, including the potential introduction of invasive species, and to low-probability, high-consequence events such as oil spills associated with a loss of well control. Day-to-day, offshore drilling and vessel movements may interact with marine ecosystems through pathways such as ballast water discharge and transport of biofouling. While major incidents are unlikely, they could have significant and long-lasting effects on marine biodiversity, which is why they remain an important consideration in how we manage environmental risk.

We address biodiversity risks through operational controls, safety barriers, and compliance with environmental and maritime regulations. This approach reflects a focus on managing risk and reducing disturbance, rather than setting outcome-based biodiversity targets.

TRANSITION PLAN

Seadrill does not have a transition plan relating to biodiversity and ecosystems.

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
DIRECT IMPACT DRIVERS OF BIODIVERSITY LOSS		
Introduction of invasive species	Potential negative impact	Seadrill’s offshore activities have the potential to introduce non-native aquatic species into new marine environments through vessel movements, preload water, or improperly treated ballast water. The introduction of invasive species can disrupt local ecosystems by outcompeting native organisms, altering food webs, and reducing biodiversity. Once established, invasive species can spread rapidly and are difficult to eradicate, leading to long-term ecological imbalance. Seadrill could be linked to these impacts through its offshore operations and associated marine vessel activities.
Loss of marine biodiversity from oil spill from potential blowout	Potential negative impact	A potential blowout resulting in an uncontrolled release of oil into the marine environment could have severe negative impacts on marine biodiversity. Oil contamination can spread across large areas, causing toxic exposure to marine organisms and damaging habitats such as coral reefs, seagrass meadows, and coastal ecosystems. Impacts may include mortality of fish, seabirds, marine mammals, and plankton, as well as reduced species abundance, disrupted food webs, and long-lasting ecological degradation. Seadrill could be connected to these impacts through its offshore drilling activities where a blowout occurs.
Risk from major biodiversity loss due to spill	Risk	A blowout leading to a major oil spill and extensive biodiversity loss could expose Seadrill to significant legal, regulatory, and reputational risks. Severe ecological damage may trigger regulatory investigations, substantial environmental fines, compensation claims, and long-term legal liabilities. Given the high public visibility and sensitivity associated with marine biodiversity impacts, such an event could also undermine customer confidence and stakeholder trust, potentially affecting future contract awards and commercial relationships. These combined effects could result in substantial financial exposure for Seadrill.
Risk from introduction of invasive species	Risk	If Seadrill’s operations result in the introduction of non-native aquatic species through vessel movement, preload water, or ballast water discharge, Seadrill may face financial and regulatory risks. The establishment of invasive species can lead to non-compliance with ballast water management requirements, regulatory investigations, fines, or penalties. Authorities may also require costly monitoring, mitigation, or habitat restoration measures. In addition, ecological and societal impacts associated with invasive species may give rise to liability claims from affected stakeholders, increasing Seadrill’s financial exposure.

IMPACTS AND DEPENDENCIES ON ECOSYSTEM SERVICES

Major spill affecting fishing communities	Potential negative impact	A major oil spill resulting from a MAH event could severely pollute marine and coastal environments, disrupting marine food chains and degrading ecosystem services that support fishing activities. Contamination of fish stocks and marine habitats may reduce the availability and safety of seafood resources, adversely affecting fishing communities that depend on healthy marine ecosystems for their livelihoods. Such impacts could persist over extended periods, given the long-term nature of ecological recovery following major spills. Seadrill could be linked to these impacts through its offshore drilling operations in the event of a MAH event.
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POLICIES

Our policies are described on page 10. The table below demonstrates our policy coverage of IROs within material topics in this chapter.

	Direct impact drivers of biodiversity loss	Impacts and dependencies on ecosystem services
Environment and Energy Policy	Prevent pollution, reduce discharges and environmental impact	Prevent pollution, reduce discharges and environmental impact
Safety policy	Maintenance of environmentally critical barriers	Maintenance of environmentally critical barriers



ACTIONS

Ballast Water Management

In 2025, Seadrill strengthened ballast water management by updating and standardizing Ballast Water Treatment System operating steps within the Marine Standard and conducting a review of relevant SMS directives to maintain alignment with evolving regulatory requirements.

At rig level, Ballast Water Management Plans continued to govern ballast water operations, including ballasting, sampling, sediment removal, crew training, and record-keeping. These plans are supported by installed treatment systems, such as BIO-SEA UV treatment systems. Internal regulatory briefings were also used to communicate updated Ballast Water Record Book requirements and

IMO guidance for operations in challenging water quality, supporting informed voyage planning.

These actions support consistent and safe ballast water operations, strengthen regulatory compliance, and improve operational planning and audit readiness.

Biofouling Management

Seadrill carries out hull cleaning prior to transit and entry into sensitive areas as a standing operational practice to reduce the risk of invasive species transfer. Brazil-specific hull cleaning requirements were embedded in SMS practices to strengthen regional biofouling controls.

TARGETS

Seadrill has not set measurable, outcome-oriented targets related to its material impacts, risks and opportunities concerning biodiversity and ecosystems. Seadrill is focused on regulatory compliance for these issues, meeting industry standards, and maintaining operational licenses and stakeholder trust.



Circular economy

Seadrill’s activities generate waste through offshore drilling operations and, over the full asset lifecycle, through the eventual end-of-life of drilling rigs. From a circular economy perspective, this means focusing on how operational waste streams are managed and how assets are handled when they reach the end of their useful life.



In general, offshore operations generate both hazardous and non-hazardous waste, which requires appropriate handling, treatment, and disposal. Our circular economy-related impacts and risks are managed through established waste management practices, regulatory compliance, and adherence to vessel recycling requirements, rather than through outcome-based targets.

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
WASTE		
Operational waste	Actual negative impact	Seadrill's offshore operations generate various types of waste, including hazardous and special-treatment waste streams. Examples include client activity waste such as drill cuttings, spent drilling muds, oily sludges, operational waste such as lubricants, filters, rags, packaging materials, and domestic waste produced on drilling rigs. The generation and handling of these waste streams constitute an actual negative impact on the natural environment by increasing waste volumes and placing pressure on waste treatment, disposal systems, and surrounding ecosystems.
End-of-life of assets	Potential negative impact	Seadrill has a potential negative impact on the natural environment through the end-of-life management of its assets, offshore drilling rigs. The decommissioning phase involves following the waste management hierarchy. This involves sale of asset for continued drilling or other use if feasible, the removal and reuse, resale, repurposing or disposal of equipment where practicable, dismantling, recycling, and disposal of large-scale steel structures and other associated equipment. These activities generate significant quantities of waste and increase demand for material processing, waste handling, and disposal capacity, contributing to pressures on ecosystems and natural resources. Seadrill is directly linked to these impacts through decommissioning of its owned offshore assets at the end of their operational life.
Improper waste management	Risk	If waste generated from Seadrill's operations is handled or disposed of improperly, Seadrill could face legal, regulatory, and reputational risks. Improper waste management may result in non-compliance with environmental regulations, leading to fines, penalties, enforcement actions, or increased scrutiny from authorities. In addition, waste-related incidents could damage Seadrill's reputation among regulators, customers, and other stakeholders.

POLICIES

Our policies are described on page 10. The table below demonstrates our policy coverage of IROs within material topics in this chapter.

Waste	
Vessel Recycling Directive	Process for recycling vessels and all their content
Environment and Energy Policy	Reduce environmental impact
Environmental Management Directive	Requirements for managing waste generation and disposal

ACTIONS

In the reporting year, there were no end-of-life assets. In the medium-long term, our plans include life extension of existing assets as far as practicable, with assets that cannot be life-extended or sold being recycled as per best practice and international and national regulatory requirements set out in the Vessel Recycling Directive. With expected asset lifespans of approximately 25 years, significant fleet life extension, replacement, or retirement of end-of-life assets is not anticipated for the next several years. The timing and extent of such activities may change depending on technological developments, market dynamics, and other influencing factors.

TARGETS

Seadrill has not set measurable, outcome-oriented targets related to its material impact concerning waste. In the absence of targets, Seadrill tracks the effectiveness of its climate-related policies and actions through assessing compliance with the requirements of the Vessel Recycling Directive.

METRICS

Year	2021	2022	2023	2024	2025
Total Waste (metric tonnes)	3,665	3,104	1,604	3,440	2,920
Waste Diverted	212	214	189	447	128
Residual Waste	3,443	2,890	1,415	2,993	2,719.5

ACCOUNTING PRINCIPLES

Accounting principle	
Waste Indicators	Waste performance is measured as the amount of waste generated from offshore operations and onshore activities, and the associated climate impact expressed in tCO ₂ e.
Rig Recycling Effectiveness	No vessel recycling occurred during this reporting period



Social

03



Own workforce

Seadrill’s operations rely on a skilled offshore and onshore workforce working in demanding environments, where health and safety, working conditions, and equal treatment are central considerations. Offshore activities involve inherent risks, including routine occupational hazards, low-likelihood but high-severity major accident hazards, and challenges linked to well-being and offshore living conditions.



We address these impacts and risks through established safety systems, workforce engagement, and policies focused on health, safety, well-being, and inclusion. Occupational health and safety performance is monitored on an ongoing basis, and major accident hazards are managed through dedicated management systems and safety leadership. Workforce-related impacts connected to well-being, safety, and equal treatment are addressed through employee engagement, grievance mechanisms, and policies supporting diversity, equality, and inclusion.

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
WORKING CONDITIONS		
Work-life balance, mental well-being, and offshore living conditions	Potential negative impact	Within Seadrill’s own operations, there is a potential negative impact on offshore workers related to the combined effects of offshore living and working conditions. Long shifts, extended periods away from home, and limited flexibility can contribute to fatigue, stress, and challenges in sustaining personal and family relationships, affecting mental well-being and job satisfaction. Although Seadrill maintains a high standard of living onboard, variations in tolerance for offshore conditions mean that some workers may still experience discomfort or reduced morale. Overall, these factors influence quality of life for offshore personnel and can lead to recurring challenges if not proactively managed.
Occupational health and safety risks for offshore workforce	Potential negative impact	Within Seadrill’s own operations, there is a potential negative impact on offshore workers related to occupational health and safety incidents. Although Seadrill maintains safety systems, the offshore environment still presents routine operational hazards that can lead to injuries, or even fatalities, such as slips, trips, falls, or equipment-related incidents. The boundary between an occupational safety event and a major accident hazard event in terms of affected people is 4 people. If there are 5 or more people involved, it is defined as a major accident hazard.
Major accident hazard exposure for offshore workforce	Potential negative impact	Seadrill has a potential negative impact on its offshore workforce related to major accident hazards (MAHs). Strong safety management systems and regulatory oversight are designed to manage the risk of offshore operations that inherently involve very low-likelihood but high-severity risks such as loss of well control, fire and explosion, and structural or position-keeping failures. If such an event were to occur, there is the potential for very high consequences for personnel on board, including potential mass casualty scenarios involving severe and life-changing injuries, and potential fatalities. The extreme nature of MAH-related incidents means that, although rare, the potential health and safety impact on the workforce is severe and far-reaching.
Major accident hazard leading to threat to right to operate	Risk	Within Seadrill’s own operations, there is a financial risk associated with major accident hazards (MAH), such as loss of well control, fire or explosion, or loss of position (sinking). These hazards are considered extremely severe due to their potential to cause catastrophic harm to people, the environment, and assets. Although the likelihood of occurrence is very low due to the management of operations and a robust major accident hazard management system, the consequences could be extreme, and realization of a major accident hazard event is an enterprise level risk that could pose an existential threat to Seadrill.
Occupational health and safety incidents affecting commercial performance	Risk	Within Seadrill’s own operations, there is a financial risk that occupational health and safety incidents may contribute to reputational concerns and liabilities for Seadrill. Incidents can influence customer confidence and contracting preferences, which over time may affect Seadrill’s ability to secure or renew certain contracts. This could have knock-on effects on revenue generation and day-rate outcomes across offshore operations.
EQUAL TREATMENT AND OPPORTUNITIES		
Gender-based discrimination and exclusion in offshore operations	Actual negative impact	Gender-based discrimination and exclusion in Seadrill’s offshore operations is an actual negative impact. The offshore environment is male-dominated, increasing vulnerability to harassment, unequal treatment, and exclusion from development opportunities. Such behaviors can undermine psychological safety, reduce morale, and create barriers to career progression for affected workers. These dynamics may weaken team cohesion and communication in safety-critical settings, heightening operational and safety risks. They can also erode trust in reporting channels and contribute to underreporting of harmful behavior. Additionally, discriminatory incidents have the potential to damage Seadrill’s reputation and influence customer confidence. If unaddressed, these risks may hinder Seadrill’s ability to attract and retain diverse talent, compromise commitments to equal opportunity, and expose the company to compliance and human-rights-related scrutiny.

POLICIES

Our policies are described on page 10. The table below demonstrates our policy coverage of IROs within material topics in this chapter.

	Working conditions	Equal treatment and opportunities
Code of Conduct	Commitment to health and safety	Commitment to diversity, equality and inclusion
Employee Well-being Directive	Actively support well-being, mental health, etc.	Inclusive culture
Diversity Policy		Equal opportunities regardless of age, gender, religion, nationality or ethnic background
Health Policy	Working environment that provides job satisfaction and good health conditions	
Safety Policy	Protecting safety of workers Preventing and managing Major Accident Hazards	
Training and Competence Development Policy	Ensuring, at all times, that employees have the necessary qualifications and certificates to perform their work	
Major Accident Hazard Management Directive	Handling of Major Accident Hazards	

CASE STUDY

Seadrill Communications Team Wins Unily’s Cultural Impact Award

We’re proud to share that our communications team has won Unily’s Cultural Impact Award in the small and medium-sized business category for its work supporting mental health and well-being across our offshore workforce. The recognition highlights how SeaNet, hosted by Unily, has been used to share well-being resources, elevate employee voices, and strengthen community. What stood out to the judges was not just the team members’ commitment, but the clear, measurable impact of their work. They also praised the team for helping make mental health conversations part of everyday life in an industry often seen as tough and isolating. Congratulations to everyone involved!



PROCESS FOR ENGAGEMENT AND REMEDIATION

Process for engagement with own workforce

Seadrill engages directly with its own workforce to understand employee perspectives and to manage actual and potential impacts related to working conditions, health and safety, well-being, and inclusion. Engagement is conducted through a combination of structured feedback mechanisms, ongoing dialogue, and internal communication platforms, covering both offshore and onshore employees.

To gain insight into workforce perspectives, including those of potentially vulnerable or marginalized groups, Seadrill conducts regular employee engagement surveys under the “Your Voice Matters” program. The survey combines structured research methodologies with ongoing pulse-check tools to capture employee feedback on workplace culture, leadership, safety, well-being, and inclusion. In 2025, the survey achieved an 82% participation rate, providing a broad and representative input into workforce priorities. Survey results are reviewed by management and used to inform decisions related to workplace practices, leadership development, and improvement initiatives. Additional insights are gathered through exit surveys for departing employees and direct engagement between office-based employees, Human Resources Business Partners, and line managers.

Seadrill further engages its workforce through multiple communication and dialogue channels, including Viva Engage, Seadrill intranet (SeaNet), and regular “Ask the Team” town hall meetings hosted by the executive committee. These town halls, conducted virtually, provide opportunities for open dialogue and two-way communication between employees and senior leadership.

Operational responsibility for workforce engagement lies with the Human Resources Department, including the Vice President of Human Resources. Engagement processes and outcomes are subject to internal review. Seadrill does not have a Global Framework Agreement with workers’ representatives; however, engagement with the workforce is maintained through established and recurring dialogue mechanisms, and in various jurisdictions maintains full compliance with requirements for engagement with workers’ representatives.

Channels for raising concerns and grievance mechanisms

Seadrill has established formal grievance and reporting channels that enable employees to raise concerns confidentially and without fear of retaliation. These include the Seadrill [Integrity Channel](#) which is available to all employees, and also external stakeholders, and allow concerns to be submitted anonymously or identifiably.

Concerns raised are reviewed and addressed in a timely and appropriate manner and, where required, are subject to formal investigation by the Human Resources or Compliance teams in accordance with the Reporting and Investigating Integrity Concerns Directive. Information about these channels is communicated to employees through onboarding, training, and ongoing internal communications.

In addition to formal channels, employees may also raise concerns directly with their line manager, senior management, Human Resources, or the Compliance team.

The effectiveness of grievance and reporting mechanisms is monitored through key performance indicators, internal audits, case

management data (including Synergi), and periodic management reviews, in line with ISO 9001:2015 and Seadrill’s management system requirements.

Remediation of impacts on own workforce

When Seadrill identifies that it has caused or contributed to a material negative impact on its workforce, the issue is reviewed to determine appropriate actions based on the nature, severity, and confidentiality of the concern. Remediation may be addressed through informal or formal processes, depending on the circumstances.

Remediating actions may include corrective measures, updates to policies or procedures, targeted interventions, and follow-up monitoring. Progress and effectiveness are tracked through established safety and compliance management processes, case management systems, and periodic reviews, with lessons learned used to inform continuous improvement.

Responsibility for remediation lies with management, with significant matters escalated to senior leadership and, where relevant, to the Sustainability and Operational Excellence Board Committee for oversight.



CASE STUDY

ComPsych provide resources to help support employee well-being and lifestyle

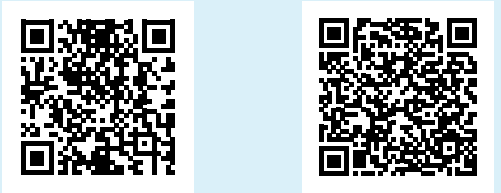
Seadrill has launched a new Employee Assistance Program (EAP) available to all employees and their dependents. Provided by ComPsych Guidance Resources, this program offers emotional counseling, legal guidance, financial consultation, work-life assistance and crisis intervention services – at no cost. Participation is completely confidential and no information will ever be shared with Seadrill.

Confidential Emotional Well-being Support*	Work and Lifestyle Support	Legal Guidance	Financial Resources
• Manage anxiety, depression, stress • Navigate grief, loss and life changes • Resolve relationship/marital conflicts	• Assistance with child, elder and pet care (US & Canada only) • Moving and relocation guidance • Help with shelter and government assistance	• Adoption and family law support • Wills, trusts and estate planning assistance • Free consultation and discounted local legal services	• Retirement, tax and relocation planning • Guidance on mortgages, insurance and debt management • Personalized budgeting and financial consultations

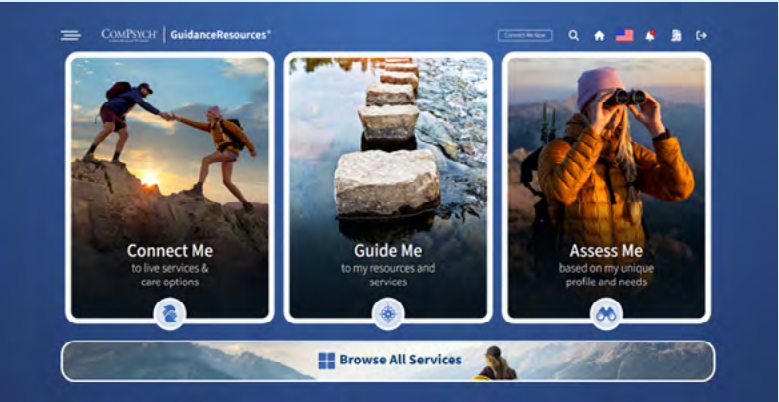
MORE INFORMATION IS AVAILABLE TO ALL EMPLOYEES ON SEANET OR VIA THE DIRECT CONTACT INFORMATION BELOW. SUPPORT IS AVAILABLE 24 HOURS A DAY, 7 DAYS A WEEK VIA:

WEB:
www.guidedresources.com (register button)
Web ID: SeadrillEAP

MOBILE APP:
GuidanceNow - WebID: SeadrillEAP
Apple App Store ▼ Google Play Store ▼



PHONE:	
Location	Phone Number
UK	0800 917 5320
Norway	80062608
Angola	+244.226434247
Brazil	0.800.591.7023
USA	844.445.2334



CASE STUDY

Introducing “Ask SMS”: AI-Powered Support at Your Fingertips



The new AI Assistant streamlines access to management system information.

We’re pleased to announce a new enhancement to Seadrill’s Management System (SMS). A dedicated button has been added to the SMS start page, providing seamless access to “Ask SMS,” our AI-powered chatbot designed to assist in navigating the SMS platform with ease.

What is “Ask SMS”?

“Ask SMS” leverages artificial intelligence to provide instant support, helping employees to find relevant information quickly and efficiently. This tool is designed to streamline the search experience and enhance productivity.

Where is the tool located?

- New button on the SMS start page.
- “Ask SMS” is also available within the company apps on SeaNet.

A comprehensive training guide is accessible on SeaNet to help you maximize the benefits of this tool.

Please note:

The content generated by “Ask SMS” is with the assistance of AI. While efforts are made to ensure accuracy and relevance, the information provided may not be complete or error free. Please check references to source documents for accuracy.

We are committed to improving our systems and leveraging AI tools in support of our collaborative and competitive objectives.

For further questions, please contact
janzen.small.ext@seadrill.com.



ACTIONS

During the year, Seadrill implemented targeted actions across all offshore rigs and onshore support teams globally to strengthen operational safety and reduce the risk of work-related injuries. This included the establishment of Objectives and Key Results (OKRs) to improve safety and operational performance. Targets under OKRs include a TRIR at least 10% below the IADC industry average. This was to help focus on improving operational discipline in safety-critical activities, supported by learning processes including incident investigations to identify effective measures to address immediate and root causes of events to prevent recurrence.

Safety leadership was further strengthened across operational units through Safety Leadership Assessments for rig leadership teams and the implementation of Red Rig Recovery Plans for underperforming rigs. These initiatives were supported by executive sponsorship, rig visits, coaching, and structured lessons-learned reviews to address performance gaps and were monitored through Seadrill’s ISO 45001-certified occupational health and safety management system, including leadership reviews and safety audits.

To manage employee well-being, we conducted our bi-annual employee engagement survey (“Your Voice Matters”) to identify workforce concerns and inform improvement actions. Further context on this survey can be found under “Process for engagement with own workforce.”

To manage the impact related to gender diversity, Seadrill enforced workplace conduct requirements in offshore operations to prevent gender-based discrimination and harassment. This included the application of the Diversity Policy and [Code of Conduct](#), aligned with the UN Guiding Principles on Business and Human Rights and the Norwegian Transparency Act.

The effectiveness of actions related to own workforce are tracked through collecting workforce data, in line with what is described under “Process for engagement with own workforce.”



CASE STUDY

Stronger Minds, Safer Workplaces: Seadrill’s BeWell Hi-5! Mental Health Initiative

October 10 marked World Mental Health Day, a reminder that protecting our well-being is essential—not only for our quality of life, but also for our safety.

At Seadrill, we understand that mental health plays a critical role in how we make decisions, communicate, and work together. Offshore operations demand precision and attention, and challenges such as long shifts, isolation, and high-pressure environments can affect focus, judgment, and overall performance. Supporting mental well-being is therefore a fundamental part of maintaining a safe workplace.

At Seadrill, we rolled out our annual BeWell Hi-5! Mental Health campaign, highlighting five evidence-based strategies: Connect, Be Active, Take Notice, Keep Learning, and Be Kind. These approaches help lower stress, boost mental clarity, and foster stronger teamwork, all of which directly support safer operations.

Employees experiencing challenges were reminded that assistance is always available through the Seadrill Employee Assistance Program, offshore medics, HR, local doctors, and resources on the BeWell SeaNet page. By embracing these five practices, Seadrill aims to foster a healthier, more supportive environment for all.

TARGETS

Seadrill has set a measurable, outcome-oriented, and time-bound target to maintain a TRIR at least 10% below the IADC annual average for comparable operations. For 2025, this is a TRIR of 0.36 or lower, meaning that our performance of 0.17 is an achievement of the target. By tracking TRIR against this benchmark, Seadrill monitors the ongoing effectiveness of its policies and actions in achieving improved safety outcomes.

METRICS

Characteristics of own employees

Item	2022 (No.)	2022 (%)	2022 Total	2023 (No.)	2023 (%)	2023 Total	2024 (No.)	2024 (%)	2024 Total	2025 Total	2025 (%)
Total Workforce (including Contract Workers)	3,163	100%	3,163	2,619	100%	2,619	3,279	100%	3,279	2,801	100
DEMOGRAPHICS – FEMALE											
Onshore (% female)	228	37%	617	198	37%	538	212	36%	587	135	3%
Offshore (% female)	40	2%	2,546	39	2%	2,081	59	2%	2,692	62	3%
All Employees (% female)	268	8%	3,163	237	9%	2,619	271	8%	3,279	197	7%
Senior Management L4+ (% female)	2	13%	15	1	7%	15	1	8%	12	1	14%
Board (% female)	2	22%	9	2	22%	9	2	22%	9	2	22%
AGE BREAKDOWN – ALL											
<30 Years	228	7%	3,163	211	8%	2,619	306	9%	3,279	247	9%
30-50 Years	2,294	73%	3,163	1,831	70%	2,619	2,253	69%	3,279	1,939	69%
>50 Years	641	20%	3,163	577	22%	2,619	720	22%	3,279	615	22%
AGE BREAKDOWN – ONSHORE											
<30 Years	69	11%	617	68	13%	538	77	13%	587	23	6%
30-50 Years	415	67%	617	349	65%	538	362	62%	587	276	67%
>50 Years	133	22%	617	121	22%	538	148	25%	587	107	26%
AGE BREAKDOWN – OFFSHORE											
<30 Years	159	6%	2,546	143	7%	2,081	229	9%	2,692	224	9%
30-50 Years	1,879	74%	2,546	1,482	71%	2,081	1,891	70%	2,692	1,663	70%
>50 Years	508	20%	2,546	456	22%	2,081	572	21%	2,692	508	21%

Item	2024	2025
Nationalities – All	46	45
Nationalities – Onshore	36	20
Nationalities – Offshore	37	39

01-Jan-2025 to 31-Dec-2025	Onshore	Offshore	Total
Number of employee turnover during reporting period	71	364	435
Rate of employee turnover during reporting period	17%	15%	16%

Collective bargaining and social dialogue

Seadrill ensures fair labor practices and compliance with all local employment laws, working conditions, hours, and wages. While some positions are sourced globally, most hiring is done within local labor markets, which vary in regulatory and customary approaches to total remuneration. Seadrill offers competitive rewards programs to attract, retain, and engage talent, but working conditions for employees not covered by collective bargaining agreements are not determined based on agreements that cover other employees or agreements from other undertakings.

Overall, 49% of Seadrill employees are covered by collective bargaining agreements. In the EEA, collective bargaining coverage is significant in key locations, with 95% of employees in Brazil and 88% in Norway covered under agreements. Seadrill does not have an agreement for representation through the European Works Council, Societas Europaea Works Council, or Societas Cooperativa Europaea Works Council. Seadrill does not have specific metrics for tracking collective bargaining coverage beyond its total rewards data. There are no external validations of collective bargaining-related data outside of standard compliance reviews.

Training and skills development metrics

	Sum of Duration (Hours) 2024	Sum of Duration (Hours) 2025
Classroom training	170,732	237,220
Safety	105,004	148,516
Other	65,728	88,704
E-learning	50,321	34,890
Safety	9,048	18,521
Other	41,273	16,369
GRAND TOTAL	221,053	272,100

Health and safety metrics

Health and Safety	2022	2023	2024	IADC Industry Avg 2025	2025
Total Recordable Incident Rate (TRIR)	0.41	0.42	0.36	0.37	0.17
Lost Time Incident Rate (LTIR)	0.14	0.11	0.05	0.13	0.05
Fatalities	1	0	0	0	0

Adequate wages

All employees at Seadrill are paid an adequate wage in line with applicable benchmarks. Seadrill’s Rewards Philosophy is designed to attract and retain talent through competitive compensation aligned with external market data and internal equity. Compensation plans are reviewed annually and tailored to local labor market conditions to align with regulatory and customary wage standards. Seadrill participates in 10 annual total compensation surveys administered by third-party compensation consultants, comparing salaries with industry peers and similarly sized global companies.

Social protection

Seadrill provides employees with comprehensive benefit programs in addition to any applicable local public benefit programs. These include sickness and workplace injury benefits, and a variety of leave options. Seadrill ensures that total rewards programs remain competitive across all operating locations, aligning with industry standards and local market conditions.

CASE STUDY

Operational Discipline Workshops: Building a Culture of Safety and Leadership

Global initiative strengthens leadership accountability and disciplined execution. Seadrill is reinforcing its commitment to safety through Operational Discipline Workshops, a global initiative aimed at embedding leadership accountability and disciplined execution. Launched in Brazil in late 2024 and expanded globally in 2025, the program has delivered over 22 workshops involving 250 onshore and offshore leaders.

The sessions focus on proactive risk management, leadership engagement and crew empowerment. “Operational discipline is not just about following rules—it’s about creating a culture where safety is second nature,” said Peter Lewis, Rig Manager. Workshops combine interactive exercises with practical tools, encouraging learning in a psychological safe environment and shifting from compliance checks to risk-based coaching and mentoring.

Post-workshop action plans and rig visits ensure insights translate into measurable improvements. With 97 percent of participants rating sessions positively, Seadrill expects the initiative to strengthen resilience, build trust and make operational discipline a permanent part of Seadrill’s safety culture.



ACCOUNTING PRINCIPLES

Accounting principle	
Total Recordable Incident Rate (TRIR)	Safety performance is measured using the Total Recordable Incident Rate (TRIR), calculated and defined in accordance with the IADC Incident Statistics Program (ISP). The target is to maintain TRIR at least 10% below the annual IADC average for comparable operations; for 2025 this corresponds to a TRIR of 0.36 or lower. The metric covers all employees and operations.
Fatalities (FTL)	A fatality is defined as a death resulting from a work-related injury or illness. Fatalities are included when calculating Lost Time Incidents (LTI) and associated frequency rates, in accordance with the IADC ISP definitions.
Lost Time Incidents (LTI)	A Lost Time Incident (LTI) occurs when a work-related injury or illness prevents an individual from returning to work on the next scheduled shift, based on assessment by a licensed healthcare professional. Time away on the day of the incident and time spent seeking medical evaluation or treatment are excluded from LTI determination.
Restricted Work / Transfer Cases (RWC)	A Restricted Work/ Transfer Case (RWC) occurs when a work-related injury or illness restricts an employee from performing all routine job functions, working the full shift, or requires temporary job transfer, without resulting in days away from work, as defined by the IADC ISP.
Medical Treatment Only (MTO)	A Medical Treatment Only (MTO) case is a work-related injury or illness requiring medical treatment beyond first aid, with return to normal duties on the next scheduled workday. Medical observation, diagnostic testing without treatment beyond first aid, and first aid cases are excluded.
Significant Injury or Illness	A significant diagnosed work-related injury or illness is recordable regardless of days away, restricted work, or medical treatment. These cases are classified as medical treatment unless they result in higher severity outcomes, in line with IADC ISP criteria.

Workers in the value chain

Seadrill’s operations rely on contractors, suppliers, and other third parties whose workers support offshore activities and related services across the value chain. These workers may be exposed to similar working conditions, health and safety risks, and inclusion-related impacts as Seadrill’s own workforce, while operating under different employment and control arrangements.



Impacts and risks related to value chain workers include offshore working conditions, occupational health and safety incidents, and exposure to major accident hazards in high-risk industrial environments. While severe incidents involving value chain workers are low probability, they could have significant human, regulatory, and reputational consequences and may affect Seadrill’s right to operate.

Seadrill addresses these risks through supplier requirements, due diligence processes, and mechanisms for raising concerns, including access to grievance channels such as the [Integrity Channel](#).

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
WORKING CONDITIONS		
Work-life balance and mental well-being of offshore workers in the value chain	Potential negative impact	Seadrill may have a potential negative impact on its offshore workers’ well-being due to challenges in maintaining work-life balance. Offshore roles often require extended periods away from home, long working hours, and limited personal space or leisure opportunities. These conditions can contribute to fatigue, stress, and reduced mental well-being over time, affecting overall quality of life and job satisfaction.
Occupational health and safety risks in offshore operations	Potential negative impact	Seadrill has a potential negative impact on value chain workers who operate on its offshore rigs, including those involved in installations, OEM inspections, and contingent workers. The physically demanding and labor-intensive nature of offshore work presents inherent risks, despite strong safety systems and continuous improvement efforts. Workers in these environments may experience various injuries, or in some cases death.
Major accident hazard (MAH) exposure for value chain workers	Potential negative impact	This is a negative potential impact concerning value chain workers who may be exposed to major accident hazards in parts of the value chain where work involves high-risk industrial environments. These environments may include Seadrill rigs as well as third-party facilities with exposure to MAH scenarios. Although Seadrill maintains strong MAH controls and requires contractors to adhere to its safety procedures when onsite, Seadrill has less visibility and direct influence over MAH controls in other parts of the value chain. A MAH event involving a value chain worker could result in severe injury or fatality and have significant social and operational implications due to its association with Seadrill’s contracted work.
Major accident hazards leading to threat of right to operate (value chain workers)	Risk	This is a financial risk arising from the possibility that a major accident involving a value chain worker (whether occurring on a Seadrill rig or at another facility performing work linked to Seadrill’s operations) could trigger heightened regulatory scrutiny, client concern, or reputational damage. Even when such workers are employed and supervised by third parties, customers and regulators may still associate the incident with Seadrill due to the contractual relationship and perceived shared responsibility for safety performance. A severe incident, particularly one resulting in a fatality, could influence license renewals, client contracting decisions, or market confidence. While the likelihood is very low because MAH exposure for value chain workers is limited and Seadrill applies strict safety expectations where it has operational control, the potential consequences remain very high.
Occupational health and safety incidents involving value chain workers	Risk	Within Seadrill’s value chain workers, there is a financial risk that occupational health and safety incidents on board of Seadrill’s rigs may contribute to reputational concerns and liabilities for Seadrill. Incidents can influence client confidence and contracting preferences, which over time may affect Seadrill’s ability to secure or renew certain contracts. This could have knock-on effects on revenue generation and day-rate outcomes across offshore operations.
EQUAL TREATMENT AND OPPORTUNITIES		
Value Chain Workers	Actual negative impact	Within Seadrill’s value chain, there is an actual negative impact on workers employed by contractors and suppliers related to gender diversity and inclusion. The drilling workforce, particularly on the labor side, remains heavily male-dominated, creating barriers to increasing gender representation offshore. This structural imbalance limits opportunities for women and gender-diverse individuals, reinforcing gender segregation and constraining progress toward a more inclusive value chain workforce. While this challenge reflects an industry-wide pattern, it results in real negative experiences for affected individuals within Seadrill’s value chain.
OTHER WORK-RELATED RIGHTS		
Forced labor among value chain workers	Potential negative impact	Within Seadrill’s value chain, there is a potential negative impact on workers related to forced labor. In regions where Seadrill’s suppliers and contractors operate, workers may be exposed to exploitative labor conditions, including coercion, restriction of movement, or unfair recruitment practices. Such conditions can result in loss of freedom, poor working environments, and violations of basic human rights for affected workers.

POLICIES

	Working conditions	Equal treatment and opportunities	Other work-related rights
Code of Conduct	Commitment to health and safety	Commitment to diversity, equality and inclusion	Support the UN's Universal Declaration of Human Rights Commitment to preventing forced labor and human trafficking
Health Policy	Working environment that provides job satisfaction and good health conditions		
Safety Policy	Protecting safety of workers Preventing and managing Major Accident Hazards		
Major Accident Hazard Management Directive	Handling of Major Accident Hazards		

PROCESS FOR ENGAGEMENT AND REMEDIATION

Seadrill engages with workers in the value chain primarily through the independently-managed [Integrity Channel](#), which provides a mechanism for workers to raise concerns if issues arise. The channel is available 24/7, with multilingual support, and is actively promoted through notices in common work areas and compliance training sessions. All suppliers are required to acknowledge Seadrill's Business Partner Code of Conduct, which includes information about and access to the [Integrity Channel](#). Concerns reported through this system are assessed and investigated by the Compliance function, with necessary corrective actions assigned to relevant personnel.

ACTIONS

Supplier due diligence, assessments and engagement

Seadrill continued supplier due diligence and engagement activities during 2025, supported by third-party assessments focusing on labor rights, health and safety, and ethical business practices. Supplier engagement surveys were conducted, initially targeting catering contractors where labor risks may be higher. These efforts

Seadrill supports the effectiveness of its grievance mechanisms through structured tracking and monitoring under the Reporting and Investigating Integrity Concerns Directive. This directive establishes a standardized investigation process, categorizing reports based on severity and assigning responsibility for resolution. The Chief Compliance Officer oversees investigations across all operational regions. Seadrill maintains a strict non-retaliation policy to protect individuals who report concerns in good faith. Any instances of retaliation are subject to investigation and may result in disciplinary action.

are supported by a structured onboarding process designed to ensure that suppliers meet Seadrill's requirements. These actions are intended to improve transparency and establish a stronger baseline understanding of labor conditions across the upstream value chain. Building on this work, Seadrill is rolling out a value chain assessment and outreach tool aligned with ESRS to expand engagement with strategic suppliers.

CASE STUDY

Seadrill Supply Chain Team Wins First Place at RIOgaleão

Congratulations to Seadrill's Supply Chain team for securing first place in the Oil & Gas category at the 2024 RIOgaleão Logistics Efficiency Program—a remarkable achievement and another milestone in our journey of logistics excellence.

The awards ceremony took place on August 28, 2025, in Rio de Janeiro, where RIOgaleão Cargo celebrated top performers across industries including oil & gas, aerospace, and pharmaceuticals.

“This recognition highlights the full logistics chain and reflects the tireless dedication of our Supply Chain team and partners at JS Energy, Pentagon Freight Services, and Expresso Predileto. Managing the large import volume, their work ensured the seamless support of two rigs entering operation at the same time.” – Brian Wolf, Director of Supply Chain

A special thank you goes to Flavia Maia, International Logistics Lead, and her team, along with our Finance colleagues for expediting customs clearance and payments. This latest win joins our previous victories from 2021 and 2022 — a true testament to consistency, collaboration, and excellence in action.



Supplier standards, contractual controls and risk management

To strengthen minimum labor standards, Seadrill requires all suppliers to comply with its Supplier Code of Conduct. Seadrill plans to continue expanding supply chain risk assessments and enhancing traceability of labor conditions within its upstream value chain.

TARGETS

Seadrill has not set measurable, outcome-oriented, or time-bound targets for workers in the value chain.

We have expanded monitoring and traceability efforts related to labor practices through audits, assessments and ongoing supplier engagement, enabling the identification of non-compliance and areas

Positive impacts for value chain workers

Beyond risk mitigation, Seadrill is exploring initiatives aimed at delivering positive impacts for value chain workers, including improvements to working conditions and support for equal treatment and opportunities. Current efforts focus on building the data foundation needed to identify priority areas where Seadrill can exercise leverage and collaborate with suppliers. Once sufficient data is available, Seadrill will consider measurable targets for positive impacts on workers and track progress in a structured and transparent manner.

for improvement. While these actions strengthen oversight, formal tracking of the effectiveness of remedial measures is still evolving. As data availability improves through the new supplier engagement tool, Seadrill plans to integrate outcome-based evaluations and establish measurable indicators to systematically assess the effectiveness of interventions over time.



Per Breivik - Norway Operations Director, Geir Ove Olsen - West Elara OIM, and Steinar Våge, ConocoPhillips President for Europe, Middle East and North Africa

CASE STUDY

West Elara Receives ConocoPhillips’ Supplier Recognition Award

Harsh Environment recognized for their Focus on Execution

On March 27, 2025, the West Elara and Harsh Environment team received a Supplier Recognition Award from ConocoPhillips for their Focus on Execution, one of the corporate goals and priorities for the company.

From managing high simultaneous operations to installing cutting-edge emissions-reduction systems, the West Elara team worked hand-in-hand with ConocoPhillips and other stakeholders to deliver seamless operations and meaningful results.



This award highlights the strength of our collaborative approach—where offshore and onshore teams align closely with the customer to deliver safe, efficient operations.

Norway Operations Director Per Breivik also shared his thoughts, stating that this recognition is a testament to the hard work and dedication of the team.



Governance

04



Business conduct

Business conduct underpins how Seadrill operates and how trust is built with customers, regulators, employees, and business partners. Our focus is on preventing corruption and bribery, protecting personal data, and ensuring concerns can be raised safely and confidentially.



Business conduct risks are managed through policies, training, internal controls, and reporting mechanisms that support ethical behavior and accountability across Seadrill’s operations and value chain. A zero-tolerance approach to corruption and bribery is applied, supported by targeted training in higher-risk functions and oversight by the Board Audit and Risk Committee. Cybersecurity risks are managed through a multi-layered framework covering governance, technology, and employee awareness to protect sensitive and personal information.

Employees and business partners can raise concerns through the [Integrity Channel](#), which provides confidentiality, non-retaliation protections, and structured investigation processes.

IMPACTS, RISKS AND OPPORTUNITIES

Identified IRO	Type	Description
CORRUPTION AND BRIBERY		
Incident of corruption among own employees	Risk	If an employee engages in corruption or bribery in the course of their role at Seadrill, Seadrill may face legal and reputational consequences. Such incidents may result in regulatory investigations, fines, or penalties, particularly if internal controls, training, or compliance procedures are determined to be inadequate. In addition, corruption incidents can undermine stakeholder trust and damage Seadrill’s reputation with customers, regulators, and business partners.
CYBERSECURITY		
Leak of private information	Potential negative impact	Seadrill has a potential negative impact on customers, its own workers, and value chain workers if cybersecurity breaches lead to the unauthorized disclosure of sensitive or personal information. Such incidents may compromise privacy rights, expose individuals to financial or personal harm, and undermine trust in Seadrill’s data protection practices. Seadrill could be linked to these impacts through weaknesses in its information security systems or cybersecurity controls.
PROTECTION OF WHISTLEBLOWERS		
Lack of whistleblower protection	Potential negative impact	Seadrill has a potential negative impact on whistleblowers if their rights are not adequately protected. This may occur through the disclosure of whistleblower identities, failure to enforce non-retaliation principles, or inadequate handling of reported concerns. Such failures could expose whistleblowers to adverse treatment and discourage the reporting of misconduct, undermining ethical conduct and transparency within the organization. Seadrill may be linked to these impacts through the design and implementation of its whistleblower protection mechanisms.

POLICIES

	Corruption and bribery	Cybersecurity	Protection of whistleblowers
Code of Conduct	Zero-tolerance for corruption and bribery	Handling personal information with confidentiality	Encouragement to report violations of CoC
Ethical Conduct Policy	Rejecting all forms of bribery and corruption		
Personal Data Protection Directive		Requirements for protecting personal data globally	
Reporting & Investigating Integrity Concerns Directive			Duty to report breaches of CoC. Non-retaliation

APPROACH TO BUSINESS CONDUCT

Approach to protection of whistleblowers

Seadrill maintains an [Integrity Channel](#), operated by an independent third-party provider, Navex. This confidential reporting mechanism is available to employees, business partners, and other stakeholders to report concerns regarding unethical or illegal activities. Reports may be submitted anonymously via phone or through an online platform, and all submissions are reviewed by Seadrill’s Compliance Function. Seadrill maintains a strict non-retaliation policy and does not tolerate retaliation against individuals who report concerns in good faith. For more information on the whistleblowing channel, follow-up of reports and non-retaliation, see “Process for engagement and remediation” in chapters about own workforce and workers in the value chain.

Approach to corruption and bribery

Seadrill maintains a zero-tolerance approach to corruption and bribery and seeks to prevent such conduct through a combination of policies, training, and internal controls. Seadrill’s [Code of Conduct](#) and Compliance with Anti-Bribery and Corruption Laws set clear expectations for employees and business partners regarding ethical behavior and compliance with applicable laws.

TARGETS

Seadrill has not set measurable, outcome-oriented targets related to business conduct and does not plan on setting such targets. Given that our work within business conduct is focused around having no incidents of corruption and bribery, data security breaches or cases of retaliation against whistleblowers, any occurrence of this would alert us to our actions not being as effective as intended.

Risk mitigation measures include targeted training for higher-risk functions, risk-based due diligence on certain third parties, and contractual requirements such as the Supplier Code of Conduct. Potential concerns can be reported through the [Integrity Channel](#) and are reviewed by the Compliance function, with investigations and corrective actions implemented where necessary.

Approach to cybersecurity

Our cybersecurity strategy follows a multi-layered framework covering governance, processes, technology, and personnel. This includes clear directives, structured security protocols, automated threat detection, and ongoing employee training. We conduct regular testing and adapt security measures to evolving risks while collaborating with industry peers and regulatory bodies. Our Operational Technology (OT) security program is aligned with NIST, IEC 62443, and ISO 27001. We are advancing our zero-trust approach, integrating advanced threat detection and response capabilities, and refining crisis management protocols. Regular tabletop exercises and incident recovery planning strengthen our preparedness.

CASE STUDY

Seadrill Strengthens Cybersecurity Framework with New Directive and Response Plan

Cybersecurity is everyone’s responsibility. Let’s work together to ensure Seadrill remains secure, compliant, and resilient.

These changes introduce important updates provided in the new documents that all personnel need to be aware of:

As part of Seadrill’s commitment to upholding the highest standards of cybersecurity, compliance, and resilience, we are pleased to launch two key documents: **Cybersecurity Overarching Directive and Cyber Incident Response Plan**.

- Cybersecurity Overarching Directive (DIR-00-0279): Establishes the foundational framework for all cybersecurity policies, controls, and responsibilities across Seadrill.
- Cyber Incident Response Plan (PRO-00-1285): Provides a clear, step-by-step guide for responding swiftly and effectively to cybersecurity incidents.

- Reporting Security Incidents: If you notice anything unusual or suspicious, report it immediately to information.security@seadrill.com.
- Requesting Applications or Software: A revised process is now in place for requesting new tools or software. Ensure all requests follow the updated procedures and involve the ISIT team, especially when engaging with new vendors.
- Using Strong Passwords and Multi-factor Authentication (MFA): Use Strong passwords and MFA to help keep our systems safe and secure.

Both documents are available on Seadrill Management System (SMS) to all personnel and relevant stakeholders. We strongly encourage all personnel-particularly those in ISIT, operations, and management-to:

- Review both documents thoroughly to understand their scope and implications.
- Integrate the guidance into your daily workflows and team procedures to ensure alignment with Seadrill’s cybersecurity standards.

Cybersecurity Training: Don’t forget to complete the required Cybersecurity E-learning on SkillsVX and KnowBe4. It’s important for staying informed and compliant.

Cybersecurity is everyone’s responsibility. Let’s work together to ensure Seadrill remains secure, compliant, and resilient in a constantly changing cyber landscape.

For questions, please reach out to information.security@seadrill.com.

Key Updates You Should Know:

“These documents establish a structured and holistic approach to safeguard Seadrill’s digital infrastructure and meet all compliance expectations.”

– Kirti Bhatia, Cybersecurity Governance, Risk & Compliance Lead

METRICS

Corruption and bribery metrics

Metric	2024	2025
Number of convictions for violation of anti-corruption and anti- bribery laws	0	0
The amount of fines for violation of anti-corruption and anti- bribery laws	0	0
% of functions-at-risk covered by training programs	100%	100%

Cybersecurity metrics

Metric	2024	2025
Reported data security breaches	0	0

ACCOUNTING PRINCIPLES

Accounting principle	
Cases of corruption and bribery	Measurement Methodologies: We manage corruption and bribery risk through a risk-based due diligence process for third parties and business partners, complemented by case reporting and investigation via our Navex hotline. Each allegation is classified and investigated to determine whether it is substantiated, partially substantiated, or unsubstantiated, with remediation actions tracked and implemented. Assumptions: Case information and third-party disclosures are accurate, and investigators apply consistent judgment in evaluating cases and risk ratings. Limitations: Not all misconduct may be reported or detected. Investigations rely on available information, and certain judgments (e.g., severity or intent) are subjective. Due diligence and reporting tools may have data coverage or accuracy limitations.



Appendix

05



DUE DILIGENCE STATEMENT

Core elements of due diligence	Sections in the Sustainability Statement
Embedding due diligence in governance, strategy and business model	Paragraphs about governance structure (pp.10-12) Paragraph about stakeholder engagement (p.12)
Engaging with affected stakeholders in all key steps of the due diligence	Paragraph about stakeholder engagement (p.12) Paragraphs about processes for engagement and remediation (S1, S2) (pp.49-50 and p.60)
Identifying and assessing adverse impacts	Paragraph about Materiality assessment process (IRO-1) (pp.14-15)
Taking actions to address those adverse impacts	Paragraphs about actions (E1, E2, E4, E5, S1, S2, G1) (p.24, p.32, p.38, p.42, p.53, pp.60-61, and p.68) Paragraphs about processes for engagement and remediation (S1, S2) (pp.49-50 and p.60)
Tracking effectiveness of these efforts and communicating	Paragraphs about processes for engagement and remediation (S1, S2) (pp.49-50 and p.60) Paragraphs about targets (E1, E2, E4, E5, S1, S2, G1) (p.26, p.32, p.38, p.42, p.55, p.61, and p.68)

CLIMATE RISK ASSESSMENT

Category	No.	Risk Description	Response
Governance	1	Describe the Board's oversight of climate-related risks and opportunities	In 2024, Seadrill conducted a Climate Scenario Analysis assessing key risk categories aligned with the TCFD framework, including physical, regulatory, market, technology and reputational risks and opportunities. The results of this analysis were presented to the Board. The Board continues to oversee and review climate-related risks and opportunities as part of its broader responsibilities for risk oversight and governance.
	2	Describe management's role in assessing and managing climate-related risks and opportunities	Management maintains ongoing oversight of climate-related risks and opportunities through the enterprise risk management framework. Findings from the Climate Scenario Analysis completed in 2024 have been integrated into the company's risk management processes where relevant and continue to be monitored and updated. Management also develops targeted work programs to address identified climate-related risks and opportunities, including establishing dedicated roles responsible for implementing key initiatives. In addition, management engages with external experts to inform recommendations provided to the Board regarding climate-related risks and opportunities, including those referenced in the following table.
Strategy	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°C or lower scenario	Seadrill's 2024 climate scenario assessment evaluated a range of potential climate pathways, from business-as-usual scenarios to outcomes consistent with 2°C or lower warming trajectories. The analysis considered transition pathways necessary to achieve key global climate objectives, including those associated with the IMO and the Paris Agreement's 2030 and 2050 targets. The company continues to review its strategy in light of these potential scenarios to support long-term resilience and adaptability.
Risk Management	6	Describe the organization's processes for identifying and assessing climate-related risks	Seadrill utilizes a structured Climate Risk Review process to identify and evaluate climate-related risks. This process includes management workshops, input from independent subject matter experts and ongoing development of risk evaluation methodologies. Outcomes from this process are reported to Executive Management for review and further validation.
	7	Describe the organization's processes for managing climate-related risks	Various management approaches are applied to address climate-related risks, including monitoring, mitigation and adaptation measures. Identified risks are incorporated into the Enterprise Risk Management framework where appropriate, and specific work programs may be implemented to support effective risk management.
	8	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Oversight of climate-related risk management is included within the responsibilities of the Board's Operational Excellence and Sustainability (OES) Committee.
Metrics and Targets	9	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk process	Greenhouse gas (GHG) emissions are tracked and reported in tonnes of carbon dioxide equivalent (CO ₂ e). Additional indicators continue to be explored to support improved monitoring and evaluation of climate-related risks.
	10	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3, greenhouse gas (GHG) emissions, and the related risks	Further details on climate and emissions reporting can be found in the Environmental section of this sustainability report on pages 22-28.
	11	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Seadrill continues to evaluate its overall GHG footprint to support the management of climate-related impacts. Energy efficiency initiatives are under development to enable the establishment of SMART GHG emissions reduction targets. Related performance information is provided on pages 26-28.

Type of risk	Risk description
Physical risks	• Extreme weather / increased frequency of extreme weather and related knock-on effects e.g. increased wave height • Extreme weather-related spill events and rig damage • Damage / disruption to operations i.e. rig installation and operation • 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 • Infrastructure adaptations required, new or different investments required
Regulatory risks	• Regulations are increasing and some evidence that they are becoming more aligned (to Paris Agreement) from country to country • Carbon taxes and tariffs present regulator risks in countries, areas of operations and flag states • Low-carbon regulatory requirements for self-propelled vessels requiring additional investment in technologies, systems and operational management approach • Regulatory-related reductions in demand for oil and gas • Regulated requirements for carbon budgets • Risk of non-licensing of E&P blocks • Impacts of speed of regulatory shift on business planning, strategy and cost structures to comply with new and additional regulations.
Market risks	• Changing customer requirements and contract risks – meeting market expectations • Being able to demonstrate measurable performance requirements • Impacts on business planning, strategy and cost structures to meet new and evolving market requirements • Carbon intensive industries may have difficulty accessing capital, with a higher cost of capital • 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: — Unknown timelines or requirements for customer ESG plans and targets (creates alignment risks) — Known that it is not a matter of ‘if’ but ‘when’ • Country by country low-carbon transition approaches – need to follow a suitable pathway to meet customer and jurisdictional requirements • Shift from CDP (passive) disclosure requirements to demonstration of an action-oriented approach • 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.
Technology risks	• Offshore marine engine, fuel and systems technology-risks of being applicable and fit for purpose • Capex impacts and linking to customer commitments, with new operating models required • Number of people in workforce reduced through technology • Risks associated with the development and deployment of new technologies.
Reputation risks	• Reputational effects related high carbon intensity • Reputational impacts related to upstream and downstream value chains • Follow on effects with recruiting and retaining employees i.e. seen as carbon intense industry • Third party risks – works both ways i.e. risks created and managed through relationships with third parties • Retro-active versus proactive approach to reputation management.
Opportunities	• Becoming the recognized low carbon operator of choice • Low carbon access to green debt and lowering of cost of capital • Repositioning for provision of green energy services • Access to new green activity markets • Adaptation leading to increased operational performance • Attraction and retention of people committed to high ESG performance • High ESG performance driving an enhanced reputation • Accessing government funding / grants for new green technology • The opportunity exists to stay ahead of regulation and define / maintain a high ESG standard which presents market and reputational benefits • Technology opportunities are emerging to address and reduce GHG, NOX, SOX and PM emissions • Technology opportunities e.g. Carbon Capture Utilisation and Storage (CCUS) • Technology opportunities for improving (increasing efficiency) onboard systems, including alternative fuels and hybrids • Some climatic changes may present access or easier access to new exploration areas.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD OIL & GAS

Topic	Metric	Category	Unit of measure	2025 data
Emissions Reduction services & Fuel Management	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	p.24
	Percentage of engines in service that comply with the highest level of emissions standards for non-road diesel engine emissions	Quantitative	Percentage (%)	Not applicable Not relevant - relates to vehicle engines and is a US standard for land vehicles
Water Management Services	(1) Total volume of water handled in operations, (2) percentage recycled	Quantitative	Thousand cubic metres (m³), Percentage (%)	p.34
	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 complies with IMO requirements
Chemicals Management	(1) Volume of hydraulic fracturing fluid used, (2) percentage hazardous	Quantitative	Thousand cubic metres (m³), Percentage (%)	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	p.32
Ecological Impact Management	Average disturbed land area per (1) oil and (2) gas well site	Quantitative	Hectares (ha)	Not applicable. Drilling activity is confined to offshore drilling. Seadrill does not conduct land-based drilling
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	Discussion and Analysis	n/a	p.38
Workforce Health & Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) direct employees, and (b) contract employees	Quantitative	Rate	1. TRIR: 0.17 2. Fatality Rate: 0 3. NMFR: 1.03 HIPO FR 0.26 4. HS&ER Training 166,855 a. Full-Time Employees: N/A b. Contract Employees: N/A
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Discussion and Analysis	n/a	p.11, pp.49-50 and p.53
	Number of road accidents and incidents	Quantitative	Number	0

Business Ethics & Payment Transparency	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Quantitative	Presentation currency	Not applicable
	Description of the management system for prevention of corruption and bribery throughout the value chain	Discussion and Analysis	n/a	p.11 and p.68 Business Partner Code of Conduct
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	n/a	N/A
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	Discussion and Analysis	n/a	p.11

Activity metric	Category	Unit of measure	2025 data
Number of Active Rig Sites	Quantitative	Number	14
Number of Active Well Sites	Quantitative	Number	53
Total Amount of Drilling Performed	Quantitative	Meters(m)	105,077 meters or 344,741 ft or 65 miles
Total Number of Hours Worked by all Employees	Quantitative	Hours	11,736,754 hours

INTERNATIONAL FINANCIAL REPORTING STANDARDS S2

Governance		Page reference
IFRS S2- 6(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities, including the information about:	p.10
	(i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	p.10
	(ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities.	p.10
	(iii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities.	p.10, p.75
	(iv) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	p.10
IFRS S2- 6(b)	(v) How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	p.10, p.12
	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	p.10
	(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.	p.10
	(ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	p.10
Strategy		
IFRS S2-9(a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	pp.23-24
IFRS S2-9(b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	pp.23-24
IFRS S2-9(c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	pp.22-24
IFRS S2-9(d)	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	pp.23-24
IFRS S2-9(e)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	p.19
Climate-related risks and opportunities		
IFRS S2-10(a)	Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	pp.23-24
IFRS S2-10(b)	For each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	pp.23-24

IFRS S2-10(c)	For each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur.	pp.16-18 and pp.23-24
IFRS S2-10(d)	How the entity defines ‘short term’, ‘medium term’ and ‘long term’ and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	p.19

Business model and value chain

IFRS S2-13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity’s business model and value chain.	pp.23-24
IFRS S2-13(b)	A description of where in the entity’s business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	pp.23-24

Strategy and decision-making

IFRS S2-14(a)	How the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:	pp.24-26
	(i) Current and anticipated changes to the entity’s business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments).	pp.24-26
	(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).	pp.24-26
	(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).	pp.24-26
	(iv) Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity’s transition plan relies.	p.22
	(v) How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	pp.24-26
IFRS S2-14(b)	How the entity is resourcing, and plans to resource, the activities disclosed in accordance with 14(a).	N/A
IFRS S2-14(c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	pp.24-27

Financial position, financial performance and cash flows

IFRS S2-15(a)	The effects of climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows for the reporting period (current financial effects)	pp.23-26
IFRS S2-15(b)	The anticipated effects of climate-related risks and opportunities on the entity’s financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity’s financial planning (anticipated financial effects).	pp.23-26
IFRS S2-16(a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.	pp.23-26
IFRS S2-16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	pp.23-26

IFRS S2-16(c)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	p.23-26
	(i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to.	p.23-26
	(ii) Its planned sources of funding to implement its strategy	p.23-26
IFRS S2-16(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	p.23-26

Climate resilience

IFRS S2-22(a)	The entity’s assessment of its climate resilience as at the reporting date, including the information about:	p.19
	(i) The implications, if any, of the entity’s assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis.	p.19
	(ii) The significant areas of uncertainty considered in the entity’s assessment of its climate resilience.	p.19
	(iii) The entity’s capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:	p.19
	(1) The availability of, and flexibility in, the entity’s existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities.	p.19
	(2) The entity’s ability to redeploy, repurpose, upgrade or decommission existing assets.	p.19
	(3) The effect of the entity’s current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience.	p.19
IFRS S2-22(b)	How and when the climate-related scenario analysis was carried out, including the information about:	p.15 and p.19
	(i) The inputs the entity used, including:	p.15 and p.19
	(1) Which climate-related scenarios the entity used for the analysis and the sources of those scenarios.	p.15
	(2) Whether the analysis included a diverse range of climate-related scenarios.	p.15
	(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.	p.15 and p.19
	(4) Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.	p.15
	(5) Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.	p.15 and p.19
	(6) The time horizons the entity used in the analysis.	p.15 and p.19
	(7) What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis).	p.15 and p.19
	(ii) The key assumptions the entity made in the analysis, including assumptions about:	p.15 and p.19
	(1) Climate-related policies in the jurisdictions in which the entity operates.	p.15 and p.19

	(2) Macroeconomic trends.	p.15 and p.19
	(3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).	p.15 and p.19
	(4) Energy usage and mix.	p.15 and p.19
	(5) Developments in technology.	p.15 and p.19
	(iii) The reporting period in which the climate-related scenario analysis was carried out.	p.15 and p.19

Risk management

IFRS S2-25(a)	The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about:	pp.14-15
	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes).	pp.14-15
	(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks.	pp.14-15
	(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).	pp.14-15
	(iv) Whether and how the entity prioritises climate-related risks relative to other types of risk.	pp.14-15
	(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting	pp.14-15
IFRS S2-25(b)	The processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	pp.14-15
IFRS S2-25(c)	The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity’s overall risk management process.	pp.14-15

Climate-related metrics

IFRS S2-29(a)	Information relevant to the cross-industry metric categories of greenhouse gases, including:	pp.26-28
	(i) Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as:	pp.26-28
	(1) Scope 1 greenhouse gas emissions.	pp.26-28
	(2) Scope 2 greenhouse gas emissions.	pp.26-28
	(3) Scope 3 greenhouse gas emissions.	pp.26-28
	(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	pp.26-28
	(iii) The approach used to measure greenhouse gas emissions including:	pp.26-28
	(1) The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	pp.26-28
	(2) The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.	pp.26-28

	(3) Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	pp.26-28
	(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:	N/A
	(1) The consolidated accounting group.	N/A
	(2) Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).	N/A
	(v) Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users’ understanding of the entity’s Scope 2 greenhouse gas emissions.	pp.26-28
	(vi) For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57:	pp.26-28
	(1) The categories included within the entity’s measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	pp.26-28
	(2) Additional information about the entity’s Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity’s activities include asset management, commercial banking or insurance.	pp.26-28
IFRS S2-29(b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	N/A
IFRS S2-29(c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	N/A
IFRS S2-29(d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities.	N/A
IFRS S2-29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	N/A
IFRS S2-29(f)	Internal carbon prices, including the information about:	p.27
	(i) An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).	p.27
	(ii) The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.	N/A
IFRS S2-29(g)	Remuneration, including the information about:	p.12
	(i) A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)).	p.12
	(ii) The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.	p.12

Climate-related targets

IFRS S2-33(a)	The metric used to set the target.	No such target
IFRS S2-33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	No such target
IFRS S2-33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region).	No such target

IFRS S2-33(d)	The period over which the target applies.	No such target
IFRS S2-33(e)	The base period from which progress is measured.	No such target
IFRS S2-33(f)	Any milestones and interim targets.	No such target
IFRS S2-33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	No such target
IFRS S2-33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	No such target
IFRS S2-34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	No such target
IFRS S2-34(b)	The entity's processes for reviewing the target.	No such target
IFRS S2-34(c)	The metrics used to monitor progress towards reaching the target.	No such target
IFRS S2-34(d)	Any revisions to the target and an explanation for those revisions.	No such target
IFRS S2-35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	No such target
IFRS S2-36(a)	Which greenhouse gases are covered by the target.	No such target
IFRS S2-36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	No such target
IFRS S2-36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	No such target
IFRS S2-36(d)	Whether the target was derived using a sectoral decarbonization approach.	No such target
IFRS S2-36(e)	The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target, including the information about:	No such target
	(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.	No such target
	(ii) Which third-party scheme(s) will verify or certify the carbon credits.	No such target
	(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.	No such target
	(iv) Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	No such target

SIMPLIFIED EUROPEAN SUSTAINABILITY REPORTING STANDARDS

List of material DRs	Page reference
ESRS 2 - GENERAL DISCLOSURES	
BP-1 Basis for preparation of the sustainability statement	p.6
BP-2 Specific information if the undertaking uses phasing-in options	p.19
GOV-1 The role of the administrative, management and supervisory bodies in relation to sustainability	p.10
GOV-2 Integration of sustainability-related performance in incentive schemes	p.12
GOV-3 Statement on due diligence	p.74
GOV-4 Risk management and internal controls over sustainability reporting	p.12
SBM-1 Strategy, business model and value chain	p.6-7
SBM-2 Interests and views of stakeholders	p.12
SBM-3 Interaction of material impacts risks and opportunities with strategy and business model, and financial effects	pp.16-19
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities and material information to be reported	pp.14-15
IRO-2 Material impacts, risks and opportunities and disclosure requirements included in the sustainability statement	pp.16-18
E1 - CLIMATE CHANGE	
E1-1 Transition plan for climate change mitigation	p.22
E1-2 Identification of climate-related risks and scenario analysis	p.15
E1-3 Resilience related to climate change mitigation and adaption	p.19
E1-4 Policies related to climate change mitigation and adaptation	pp.10-11 and p.24
E1-5 Actions and resources in relation to climate change mitigation and adaptation	p.24
E1-6 Targets related to climate change	p.26
E1-7 Energy consumption and mix	N/A
E1-8 Gross scope 1, 2, 3 GHG emissions	p.26
E1-9 GHG removals and GHG mitigation projects financed through carbon credits	p.27
E1-10 - Internal carbon pricing	p.27
E1- 11 - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phased in
E2 - POLLUTION	
E2-1 Policies related to pollution	pp.10-11 and p.32
E2-2 Actions and resources related to pollution	p.32

E2-3 Targets related to pollution		p.32
E2-4 Pollution of air, water and soil		p.31
E2-5 Substances of concern and substances of very high concern		Not material
E4- BIODIVERSITY AND ECOSYSTEMS		
E4-1 Biodiversity and ecosystems transition plan		p.36
E4-2 Policies related to biodiversity and ecosystems		pp.10-11 and p.37
E4-3 Actions and resources related to biodiversity and ecosystems		p.38
E4-4 Targets related to biodiversity and ecosystems		p.38
E4-5 Metrics related to biodiversity and ecosystems change		Not material
E5- RESOURCE USE AND CIRCULAR ECONOMY		
E5-1 Policies related to resource use and circular economy		pp.10-11 and p.41
E5-2 Actions and resources related to resource use and circular economy		p.42
E5-3 Targets related to resource use and circular economy		p.42
E5-4 Resource inflows		Not material
E5-5 Resource outflows		p.42
S1- OWN WORKFORCE		
S1-1 Policies related to own workforce		pp.10-11 and p.48
S1-2 Engagement with own workforce and workers’ representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy		pp.49-50
S1-3 Actions and resources related to own workforce		p.53
S1-4 Targets related to own workforce		p.55
S1-5 Characteristics of the undertaking’s employees		p.55
S1-6 Characteristics of non-employees in the undertaking’s own workforce		Phased in
S1-7 Collective bargaining coverage and social dialogue		p.56
S1-8 Diversity metrics		p.55
S1-9 Adequate wages		p.56
S1-10 Social protection		p.56
S1-11 Persons with disabilities		Not material
S1-12 Training and skills development metrics		p.56
S1-13 Health and safety metrics		p.56

S1-14 Work-life balance metrics		Phased in
S1-15 Remuneration metrics		Phased in
S1-16 Incidents of discrimination and other human rights incidents		Not material
S2- WORKERS IN THE VALUE CHAIN		
S2-1 Policies related to value chain workers		pp.10-11 and p.60
S2-2 Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy		p.60
S2-3 Actions and resources related to workers in the value chain		p.60-61
S2-4 Targets related to workers in the value chain		p.61
G1 - BUSINESS CONDUCT		
G1-1 Policies related to business conduct		pp.10-11 and p.67
G1-2 Actions related to business conduct		p.68
G1-3 Targets related to business conduct		p.68
G1-4 Metrics related to corruption or bribery		p.70
G1-5 Metrics related to political influence, including lobbying activities		Not material
G1-6 Metrics related to payment practices		Not material

GLOBAL REPORTING INITIATIVE

GRI NO.	GRI disclosure description	Page reference
GRI 1: Foundations 2021		
GRI 2: General Disclosures		
2-1 Organizational Details	a. Report its legal name; b. Report its nature of ownership and legal form; c. Report the location of its headquarters; d. Report its countries of operation.	Annual Report a p.1 b p.1,2 c p.1 d p.64
2-2 Entities Included in the Organization's Sustainability Reporting	a. List all its entities included in its sustainability reporting; b. If the organization has audited consolidated financial statements or financial information filed on public record, specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting; c. If the organization consists of multiple entities, explain the approach used for consolidating the information, including: i. Whether the approach involves adjustments to information for minority interests; ii. How the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities; iii. Whether and how the approach differs across the disclosures in this Standard and across material topics.	p.6 Annual Report , Exhibit 21.1
2-3 Reporting Period, Frequency and Contact Point	a. Specify the reporting period for, and the frequency of, its sustainability reporting; b. Specify the reporting period for its financial reporting and, if it does not align with the period for its sustainability reporting, explain the reason for this; c. Report the publication date of the report or reported information; d. Specify the contact point for questions about the report or reported information.	p.6 For information related to our sustainability reporting, please contact our sustainability group at sustainability@seadrill.com
2-4 Restatements of Information	a. Report restatements of information made from previous reporting periods and explain: i. The reasons for the restatements; ii. The effect of the restatements.	p.26
2-5 External Assurance	a. Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved; b. If the organization's sustainability reporting has been externally assured: i. Provide a link or reference to the external assurance report(s) or assurance statement(s); ii. Describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process; iii. Describe the relationship between the organization and the assurance provider.	Annual Report p.50 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 Activities, Value Chain and Other Business Relationships	a. Report the sector(s) in which it is active; b. Describe its value chain, including: i. The organization's activities, products, services, and markets served; ii. The organization's supply chain; iii. The entities downstream from the organization and their activities; c. Report other relevant business relationships; d. Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	p.6 Annual Report p.5, p.6, p.11
2-7 Employees	a. Report the total number of employees, and a breakdown of this total by gender and region; b. Report the total number of: i. Permanent employees, and a breakdown by gender and by region; ii. Temporary employees, and a breakdown by gender and by region; iii. Non-guaranteed hours employees, and a breakdown by gender and by region; iv. Full-time employees, and a breakdown by gender and by region; v. Part-time employees, and a breakdown by gender and by region; c. Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i. In head count, full-time equivalent (FTE), or using another methodology; ii. At the end of the reporting period, as an average across the reporting period, or using another methodology; d. Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b; e. Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	p.55, p.57
2-8 Workers Who Are Not Employees	a. Report the total number of workers who are not employees and whose work is controlled by the organization and describe: i. The most common types of worker and their contractual relationship with the organization; ii. The type of work they perform; b. Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: i. In head count, full-time equivalent (FTE), or using another methodology; ii. At the end of the reporting period, as an average across the reporting period, or using another methodology; c. Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	Phased in

2-9 Governance Structure and Composition	a. Describe its governance structure, including committees of the highest governance body; b. List the committees of the highest governance body that are responsible for decision-making on and overseeing the management of the organization’s impacts on the economy, environment, and people; c. Describe the composition of the highest governance body and its committees by: i. Executive and non-executive members; ii. Independence; iii. Tenure of members on the governance body; iv. Number of other significant positions and commitments held by each member, and the nature of the commitments; v. Gender; vi. Under-represented social groups; vii. Competencies relevant to the impacts of the organization; viii. Stakeholder representation.	p.10 Bye-Laws 38.1, 39, and Form-4 The Seadrill Board of Directors are responsible for the strategic oversight and governance of all company activities globally, including for sustainability-related matters. Board overview and structure: pp.18-20 Proxy Statement Corporate Governance Guidelines & leadership structure: pp.27-28 Proxy Statement Confirmation of committees and committee system: pp.27-29 Nomination criteria and competency framework: pp.18-19, p.26 Director specific competencies and qualifications: pp.21-25 Board skills and composition assessment: p.25
2-10 Nomination and Selection of the Highest Governance Body	a. Describe the nomination and selection processes for the highest governance body and its committees; b. Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: i. Views of stakeholders (including shareholders); ii. Diversity; iii. Independence; iv. Competencies relevant to the impacts of the organization.	Proxy Statement Director nomination process (roles, evaluation, sourcing): pp.18-19 Corporate Governance section – nomination responsibility: pp.25-26 Shareholder nominations process: p.26 Shareholder engagement (general, nonnominating): p.23, p.30 Determination of independence: p.25 Corporate Governance Guidelines (independence requirement): pp.25-27
2-11 Chair of the Highest Governance Body	a. Report whether the chair of the highest governance body is also a senior executive in the organization; b. If the chair is also a senior executive, explain their function within the organization’s management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Proxy Statement Board Leadership Structure – separation of Chair and CEO: pp.27-28 Director status and independence (all Directors independent): p.25 Chair identified as nonexecutive in Director biography p.21

2-12 Role of the Highest Governance Body in Overseeing the Management of Impacts	a. Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization’s purpose, value or mission statements, strategies, policies, and goals related to sustainable development; b. Describe the role of the highest governance body in overseeing the organization’s due diligence and other processes to identify and manage the organization’s impacts on the economy, environment, and people, including: i. Whether and how the highest governance body engages with stakeholders to support these processes; ii. How the highest governance body considers the outcomes of these processes; c. Describe the role of the highest governance body in reviewing the effectiveness of the organization’s processes as described in 2-12-b, and report the frequency of this review.	p.10 Proxy Statement Board role in strategy and governance framework: pp.27-28 OESC role in ESG priorities, ESG strategy input, and ESG reporting: pp.28-29 Risk oversight and management/Board roles: p.22, pp.29-30 By-Laws Board manages the business of the Company: Byelaw 44, p.32 CEO has general and active management of the business: Byelaw 47, p.33 Member meetings and voting rights: pp.15-26 Information rights of Members: Byelaw 66, p.39 Board meetings (minimum quarterly): Byelaw 56, p.37 Committees and delegation (without scope specification): Byelaw 48, pp.33-34
2-13 Delegation of Responsibility for Managing Impacts	a. Describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: i. Whether it has appointed any senior executives with responsibility for the management of impacts; ii. Whether it has delegated responsibility for the management of impacts to other employees; b. Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization’s impacts on the economy, environment, and people.	p.10

2-14 Role of the Highest Governance Body in Sustainability Reporting	a. Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information; b. If the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this.	p.10 Proxy Statement 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. Audit and Risk Committee Report (review and recommendation): p.30 Board approval of financial statements for Form 10K: p.30 OESC responsibilities – ESG reports and disclosures: pp.28-29 The Proxy Statement does not explain why the Board does not review or approve: sustainability material topics; or nonfinancial reported information beyond ESG report review by committee. The document is silent on the scope limitation.
2-15 Conflicts of Interest	a. Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated; b. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: i. Cross-board membership; ii. Cross-shareholding with suppliers and other stakeholders; iii. Existence of controlling shareholders; iv. Related parties, their relationships, transactions, and outstanding balances.	Proxy Statement Insider Trading and AntiHedging Policy (preventive controls): pp.23 and 30 Certain Relationships and Related Party Transactions (review and approval process): p.25 Audit and Risk Committee responsibilities (oversight of conflicts and related party transactions): pp.27-28 Director biographies (other directorships): pp.21-25 Security Ownership of Certain Beneficial Owners and Management: pp.57-58 Certain Relationships and Related Party Transactions: p.25
2-16 Communication of Critical Concerns	a. Describe whether and how critical concerns are communicated to the highest governance body; b. Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	pp.68-70 By-Laws Byelaws provide general governance channels, not a defined criticalconcern communication process. Code of Conduct Communication of critical concerns to Board p.6, p.20 Board/Audit Committee as reporting recipient p.6 Anonymous reporting mechanism

2-17 Collective Knowledge of the Highest Governance Body	a. Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	Operational Excellence & Sustainability Committee Charter														
2-18 Performance Evaluation of the Highest Governance Body	a. Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people; b. Report whether the evaluations are independent or not, and the frequency of the evaluations; c. Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	Operational Excellence & Sustainability Committee Charter														
2-19 Remuneration Policies	a. Describe the remuneration policies for members of the highest governance body and senior executives, including: i. Fixed pay and variable pay; ii. Sign-on bonuses or recruitment incentive payments; iii. Termination payments; iv. Clawbacks; v. Retirement benefits; b. Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	p.12 Proxy Statement <table><tr><td>Fixed & variable pay (executives)</td><td>pp.38-45</td></tr><tr><td>Fixed & equity pay (Directors)</td><td>pp.54-55</td></tr><tr><td>Sign-on / recruitment incentives</td><td>pp.41-45</td></tr><tr><td>Termination / change in control payments</td><td>pp.50-52</td></tr><tr><td>Clawback provisions</td><td>p.46</td></tr><tr><td>Retirement benefits</td><td>pp.47-48</td></tr><tr><td>Link to ESG / safety / sustainability performance</td><td>pp.38-40, pp.42-44</td></tr></table>	Fixed & variable pay (executives)	pp.38-45	Fixed & equity pay (Directors)	pp.54-55	Sign-on / recruitment incentives	pp.41-45	Termination / change in control payments	pp.50-52	Clawback provisions	p.46	Retirement benefits	pp.47-48	Link to ESG / safety / sustainability performance	pp.38-40, pp.42-44
Fixed & variable pay (executives)	pp.38-45															
Fixed & equity pay (Directors)	pp.54-55															
Sign-on / recruitment incentives	pp.41-45															
Termination / change in control payments	pp.50-52															
Clawback provisions	p.46															
Retirement benefits	pp.47-48															
Link to ESG / safety / sustainability performance	pp.38-40, pp.42-44															
2-20 Process to Determine Remuneration	a. Describe the process for designing its remuneration policies and for determining remuneration, including: i. Whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration; ii. How the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration; iii. Whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives; b. Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Proxy Statement Independent remuneration oversight (JNRC) pp.18-19, pp.27-28 Consideration of shareholder views on remuneration p.23, pp.38-39 Use & independence of remuneration consultants pp.39-40 Say-on-Pay voting results pp.60-61														
2-21 Annual Total Compensation Ratio	a. Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual); b. Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual); c. Report contextual information necessary to understand the data and how the data has been compiled.	Proxy Statement Ratio: highest-paid individual vs. median employee Yes p.56 Ratio of percentage increases in compensation No Context & methodology for reported ratio Yes (pay ratio only) p.56														
2-22 Statement on Sustainable Development Strategy	a. Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development.	pp.2-3														

2-23 Policy Commitments	a. Describe its policy commitments for responsible business conduct, including: i. The authoritative intergovernmental instruments that the commitments reference; ii. Whether the commitments stipulate conducting due diligence; iii. Whether the commitments stipulate applying the precautionary principle; iv. Whether the commitments stipulate respecting human rights; b. Describe its specific policy commitment to respect human rights, including: i. The internationally recognized human rights that the commitment covers; ii. The categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment; c. Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this; d. Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level; e. Report the extent to which the policy commitments apply to the organization’s activities and to its business relationships; f. Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	pp.10-11
2-24 Embedding Policy Commitments	a. Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: i. How it allocates responsibility to implement the commitments across different levels within the organization; ii. How it integrates the commitments into organizational strategies, operational policies, and operational procedures; iii. How it implements its commitments with and through its business relationships; iv. Training that the organization provides on implementing the commitments.	Seadrill provides training and certification for several policies. The 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 Processes to Remediate Negative Impacts	a. Describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to; b. Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in; c. Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to; d. Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms; e. Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	p.24, p.34, p.38, p.42, pp.49-53, pp.60-61 and p.68
2-26 Mechanisms for Seeking Advice and Raising Concerns	a. Describe the mechanisms for individuals to: i. Seek advice on implementing the organization’s policies and practices for responsible business conduct; ii. Raise concerns about the organization’s business conduct.	pp.49-50 and p.68 Code of Conduct See also Integrity Channel

2-27 Compliance with Laws and Regulations	a. Report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: i. Instances for which fines were incurred; ii. Instances for which non-monetary sanctions were incurred; b. Report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: i. Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period; ii. Fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods; c. Describe the significant instances of non-compliance; d. Describe how it has determined significant instances of non-compliance.	p.70
2-28 Membership Associations	a. Describe its approach to engaging with stakeholders, including: i. The categories of stakeholders it engages with, and how they are identified; ii. The purpose of the stakeholder engagement; iii. How the organization seeks to ensure meaningful engagement with stakeholders.	International Association of Drilling Contractors (IADC), National Ocean Industries Association (NOIA)
2-29 Approach to Stakeholder Engagement	a. Describe its approach to engaging with stakeholders, including: i. The categories of stakeholders it engages with, and how they are identified; ii. The purpose of the stakeholder engagement; iii. How the organization seeks to ensure meaningful engagement with stakeholders.	p.12
2-30 Collective Bargaining Agreements	a. Report the percentage of total employees covered by collective bargaining agreements; b. For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.	p.56 Annual Report Qualitative description of CBAs and geographies p.10
GRI 3: Material Topics 2021		
3-1 Process to Determine Material Topics	a. Describe the process it has followed to determine its material topics, including: i. How it has identified actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights, across its activities and business relationships; ii. How it has prioritized the impacts for reporting based on their significance; b. Specify the stakeholders and experts whose views have informed the process of determining its material topics.	pp.14-15
3-2 List of Material Topics	a. List its material topics; b. Report changes to the list of material topics compared to the previous reporting period.	pp.16-18

3-3 Management of Material Topics	For each material topic reported under Disclosure 3-2: a. Describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights; b. Report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships; c. Describe its policies or commitments regarding the material topic; d. Describe actions taken to manage the topic and related impacts, including: i. Actions to prevent or mitigate potential negative impacts; ii. Actions to address actual negative impacts, including actions to provide for or cooperate in their remediation; iii. Actions to manage actual and potential positive impacts; e. Report the following information about tracking the effectiveness of the actions taken: i. Processes used to track the effectiveness of the actions; ii. Goals, targets, and indicators used to evaluate progress; iii. The effectiveness of the actions, including progress toward the goals and targets; iv. Lessons learned and how these have been incorporated into the organization's operational policies and procedures; f. Describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e).		
	3-3	Climate Change Adaptation	pp.22-28
	3-3	Climate Change Mitigation	pp.22-28
	3-3	Energy	pp.22-28
	3-3	Pollution of Air	pp.30-33
	3-3	Pollution of Water	pp.30-33
	3-3	Pollution of living organisms and food resources	pp.30-33
	3-3	Direct impact drivers of biodiversity loss	pp.36-38
	3-3	Impacts and dependencies on ecosystems services	pp.36-38
	3-3	Waste	pp.40-42
	3-3	Working Conditions (Own workforce)	pp.46-57
	3-3	Equal treatment and opportunities (Own workforce)	pp.46-57
	3-3	Working conditions (workers in the value chain)	pp.58-61
	3-3	Equal treatment and opportunities (Workers in the value chain)	pp.58-61
	3-3	Corruption and bribery	pp.66-70
	3-3	Cybersecurity	pp.66-70
	3-3	Protection of whistle-blowers	pp.66-70
11.1 GHG emissions	11.1.2	302-1 Energy consumption within the organization	pp.26-27

	11.1.3	302-2 Energy consumption outside of the organization	pp.26-27
	11.1.4	302-3 Energy intensity	pp.26-27
	11.1.5	305-1 Direct (Scope 1) GHG emissions	pp.26-27
	11.1.6	305-2 Energy indirect (Scope 2) GHG emissions	pp.26-27
	11.1.7	305-3 Other indirect (Scope 3) GHG emissions	pp.26-27
	11.1.8	305-4 GHG emissions intensity	pp.26-27
11.2 Climate Adaptation, Resilience and Transition	11.2.1	3-3 Management of Material Topic	pp.26-27
	11.2.2	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk Statement
	11.2.3	305-5 Reduction of GHG emissions	p.26
	11.2.4	Additional	
11.3 Air Emissions	11.3.1	3-3 Management of Material Topic	p.32
	11.3.2	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p.33
	11.3.3	416-1 Assessment of the health and safety impacts of product and service categories	N/A
11.4 Biodiversity	11.4.1	3-3 Management of Material Topic	pp.37-38
	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	Seadrill acts in compliance with IMO guidance
	11.4.3	304-2 Significant impacts of activities, products and services on biodiversity	p.37
	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
11.5 Waste	11.5.1	3-3 Management of Material Topic	pp.41-42
	11.5.2	306-1 Waste generation and significant waste-related impacts	p.41
	11.5.3	306-2 Management of significant waste-related impacts	pp.41-42
	11.5.4	306-3 Waste generated	p.42
	11.5.5	306-4 Waste diverted from disposal	p.42
	11.5.6	306-5 Waste directed to disposal	p.42
11.7 Closure and Rehabilitation	11.7.1	3-3 Management of Material Topic	pp.41-42

	11.7.2	402-1 Minimum notice periods regarding operational changes	Requirements vary by region
	11.7.3	404-2 Programs for upgrading employee skills and transition assistance programs	p.56
	11.7.4	List the operational sites that: a. have closure and rehabilitation plans in place; b. have been closed; c. 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
11.8 Asset Integrity and Critical Incident Management	11.8.1	3-3 Management of Material Topic	p.32 and p.42
	11.8.2	306-3 Waste generated	p.42
	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).	N/A
	11.8.4	The following additional sector disclosures are for organizations with oil sands mining operations. List the organization’s tailings facilities. a. For each tailings facility: i. Describe the tailings facility; ii. Report whether the facility is active, inactive, or closed; iii. Report the date and main findings of the most recent risk assessment. b. Describe actions taken to: i. Manage impacts from tailings facilities, including during and post-closure; ii. Prevent catastrophic failures of tailings facilities.	N/A
11.9 Occupational Health and Safety	11.9.1	3-3 Management of Material Topic	pp.46-57
	11.9.2	403-1 Occupational health and safety management system	pp.10-11 and p.48
	11.9.3	403-2 Hazard identification, risk assessment, and incident investigation	pp.49-50
	11.9.4	403-3 Occupational health services	pp.49-54
	11.9.5	403-4 Worker participation, consultation, and communication on occupational health and safety	pp.49-50
	11.9.6	403-5 Worker training on occupational health and safety	p.56
	11.9.7	403-6 Promotion of worker health	p.53
	11.9.8	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p.53 and pp.58-61
	11.9.9	403-8 Workers covered by an occupational health and safety management system	N/A

	11.9.10	10 403-9 Work-related injuries	p.56
	11.9.11	403-10 Work-related ill health	p.56
11.10 Employment Practices	11.10.1	3-3 Management of Material Topic	pp.46-57
	11.10.2	401-1 New employee hires and employee turnover	p.55
	11.10.3	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p.56
	11.10.4	c. 401-3 Parental leave	p.56
	11.10.5	402-1 Minimum notice periods regarding operational changes	In accordance with local laws, if applicable
	11.10.6	404-1 Average hours of training per year per employee	p.56
	11.10.7	404-2 Programs for upgrading employee skills and transition assistance programs	p.56
	11.10.8	414-1 New suppliers that were screened using social criteria	pp.60-61
11.11 Non-discrimination and Equal Opportunity	11.10.9	414-2 Negative social impacts in the supply chain and actions taken	pp.58-61
	11.11.1	3-3 Management of Material Topic	pp.46-57
	11.11.2	202-2 Proportion of senior management hired from the local community	N/A
	11.11.3	401-3 Parental leave	In compliance with local laws
	11.11.4	404-1 Average hours of training per year per employee	p.56
	11.11.5	405-1 Diversity of governance bodies and employees	p.10 and p.55
	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	11.12.1	3-3 Management of Material Topic	pp.58-61 Modern Slavery Act
	11.12.2	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	pp.58-61 Modern Slavery Act Transparency Act
	11.12.3	414-1 New suppliers that were screened using social criteria	Transparency Act
11.13 Freedom of Association and Collective Bargaining	11.13.1	3-3 Management of Material Topic	p.56

	11.13.2	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	N/A
11.14 Economic Impacts	11.14.1	3-3 Management of Material Topic	pp.14-19
	11.14.2	201-1 Direct economic value generated and distributed	Annual Report
	11.14.3	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk Statement
	11.14.4	203-1 Infrastructure investments and services supported	N/A
11.15 Local Communities	11.14.5	203-2 Significant indirect economic impacts	Climate Risk Statement
	11.14.6	204-1 Proportion of spending on local suppliers	N/A
	11.15.1	3-3 Management of Material Topic	N/A
	11.15.2	413-1 Operations with local community engagement, impact assessments, and development programs	N/A
	11.15.3	413-2 Operations with significant actual and potential negative impacts on local communities	N/A. No operations have significant community impact
	11.15.4	Report the number and type of grievances from local communities identified, including: a. Percentage of the grievances that were addressed and resolved; b. Percentage of the grievances that were resolved through remediation.	No grievances identified
11.16 Land and Resource Rights	11.16.1	3-3 Management of Material Topic	N/A
	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.	This has not been applicable to the activities of Seadrill
11.17 Rights of Indigenous Peoples	11.17.1	3-3 Management of Material Topic	N/A
	11.17.2	411-1 Incidents of violations involving rights of indigenous peoples	None
	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: a. Whether the process has been mutually accepted by the organization and the affected indigenous peoples; b. 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	11.18.1	3-3 Management of Material Topic	Code of Conduct
	11.18.2	410-1 Security personnel trained in human rights policies or procedures	Code of Conduct

11.19 Anti-Competitive Behavior	11.19.1	3-3 Management of Material Topic	pp.66-70
	11.19.2	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
11.20 Anti-Corruption	11.20.1	3-3 Management of Material Topic	pp.66-70
	11.20.2	205-1 Operations assessed for risks related to corruption	pp.66-70
	11.20.3	205-2 Communication and training about anti-corruption policies and procedures	pp.66-70
	11.20.4	205-3 Confirmed incidents of corruption and actions taken	pp.66-70
	11.20.5	Describe the approach to contract transparency, including: a. Whether contracts and licenses are made publicly and, if so, where they are published; b. 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	Annual Report List of Seadrill's beneficial owners (shareholders >5%) p.89 JV ownership percentages (e.g. Sonadrill) pp.74-75
11.21 Payments to Governments	11.21.1	3-3 Management of Material Topic	Code of Conduct
	11.21.2	201-1 Direct economic value generated and distributed	Annual Report
	11.21.3	201-4 Financial assistance received from government	Annual Report
	11.21.4	207-1 Approach to tax	Tax Strategy
	11.21.5	207-2 Tax governance, control, and risk management	Tax Strategy
	11.21.6	207-3 Stakeholder engagement and management of concerns related to tax	Tax Strategy
	11.21.7	207-4 Country-by-country reporting	Annual Report
	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: a. Volumes and types of oil and gas purchased; b. Full names of the buying entity and the recipient of the payment; c. Payments made for the purchase.	N/A
11.22 Public Policy	11.22.1	3-3 Management of Material Topic	Code of Conduct
	11.22.2	415-1 Political contributions	Code of Conduct

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