



Statement Transparency Act



Sekal

Contents

Introduction

About Sekal

Context and industry

CEO statement

Guidelines and routines

Risks we identified and evaluated in the due diligence assessment of human rights

- a. Internal risks and opportunities:
- b. Supplier's / business partner's risks:

The road ahead

Contact

Introduction

About Sekal

Sekal AS is an international technology company offering unique software systems and expertise to better simulate, analyze, control, and automate the drilling process in the oil and gas industry or in other industries like geothermic, water supply, earth science, carbon capturing where Sekal technology and know-how create value for clients and / or society.

Sekal's Vision is: "To be recognized as a global leader in advanced modelling and autonomous drilling".

Sekal's aim is to make drilling operations safer, more predictable, consistent, efficient and more cost effective by utilizing digital technology and software in controlling and automating the drilling and well operations. The technology Sekal provides adds value to the operational sustainability footprint of emissions reduction by enhancing efficiency gains as well as avoidance of repeat operations.

Software that enables autonomous drilling operations is a major paradigm change that will structure and shape the drilling industry in the next decades.

Sekal and its employees meet the highest ethical standards and values when planning and performing the work. Sekal's values shall be the foundation of our communication and activities.

We strive to offer services and products that support a sustainable development for the future and create efficiencies for our customers which help contribute positively to society.



Context and industry

Sekal is an international company with headquarters in Norway (Stavanger) and an office in Scotland (Aberdeen). We have a multicultural working environment with employees from several different countries from different parts of the world.

Sekal mainly supports operations in the oil and gas industry, but also aims to reach projects related to sustainability such as carbon capture and storage.

There is an increased focus on environmental reporting from our governmental bodies, customers and shareholders. We have begun to report our footprint and look to the future of a state of carbon neutrality to adhere to societal demands and customer focus, measuring and reporting our sustainability effort is a priority.

We want to highlight that we run our business in a sustainable manner and that our products and services contribute to reduced emissions in the oil and gas industry.

There is a growing demand for software and IT expertise as the world becomes ever more digitized. We believe that a good working environment with personal and professional development opportunities helps to attract and retain employees. When additional expertise is required, we collaborate with several business partners to fill in any competency and resource gaps.

CEO statement

I am pleased to present our latest human rights report, which provides an overview of our company's commitment to respecting and promoting human rights in all our operations.

At our company, we believe that respect for human rights is not only a moral imperative, but also a business imperative. We recognize that our actions can have a significant impact on the communities and individuals with whom we interact, and we take this responsibility seriously.

This report outlines the steps we have taken to embed human rights considerations into our business practices, including our supply chain management, stakeholder engagement, and human resources policies. It also highlights the challenges we face, and the areas where we recognize that we need to do more.

Thank you for your continued support of our company's efforts to respect human rights to ensure sustainable development.

Sincerely,
Kjell-Erik Østdahl

Guidelines and routines

Sekal has conducted due diligence on human rights in our own company and our supply chain, evaluating impacts and significant risks of human rights violations and has the following documents to ensure we comply with the requirements:

- Due diligence assessment of human rights
- Analysis of sustainability goals
- QHSE Policy
- QHSE Manual
- Code of conduct – Anti Bribery & Corruption Policy
- Personnel handbook
- Procedure for notification of unacceptable situations
- Procedure for supplier approval
- Compliance laws and regulations



Risks we identified and evaluated in the due diligence assessment of human rights

a. Internal risks and opportunities:

- 1

There is a risk that discrimination, racism, or other inappropriate behavior may occur.

- Universal Declaration of Human Rights Article No. 1, 2, 18 and 29.

Implemented measures	Sekal has implemented policies that includes human rights and prohibits racism, discrimination, and other inappropriate	Sekal has a safety delegate and a working environment committee. Their task is to safeguard the interests of the employees.
	Sekal carries out an annual work environment survey where topics such as bullying, harassment and other inappropriate behavior are assessed. If any findings are reported on these topics, actions will immediately be initiated to limit the damage and to start recovery.	In addition, Sekal has a well implemented procedure and system to report if any unacceptable conditions should occur in the workplace. Employees can choose to report anonymously or by name.
	An annual employee appraisal interview is held between the employee and their immediate manager. The employee can report on matters that do not comply with our objective of having a good working environment.	

2

There is a risk that personal injury may occur in a work-related context, both on our premises, on a business trip or at a customer's site.

- Universal Declaration of Human Rights Article No. 3.

Implemented measures

Sekal has a risk based HSE system and apply to Norwegian laws and regulations and work accordingly to ISO 45001.

Sekal monitors the annual work environment survey to ensure personnel feel safe at work, on business travels and on customer's site.

Sekal has an Emergency Response Plan in case an incident should occur internally or externally. All personnel in the emergency response group have received the necessary training, and exercises are conducted regularly.

In addition, Sekal has a reporting system for the reporting of non-conformances (NCR). All NCRs are handled by management. Risks are assessed and risk reducing measures taken to lower the risk and to prevent recurrence.



3 **There is a risk that employees fear that they cannot join a trade union.**

- Universal Declaration of Human Rights Article No. 23 and HR20.

Implemented measures

Both the Norwegian law and our Personnel handbook state that personnel are free to join any trade union they prefer. This is also communicated internally in the company.

4 **There is a risk that personnel do not receive equal pay for equal work.**

- Universal Declaration of Human Rights Article No. 23

Implemented measures

Sekal is part of the private sector and individual employment contracts can sometimes be negotiated. This poses a risk that employees with equal competence and experience have different salaries. However, Sekal has a system in place with annual employee appraisal interviews and annual salary adjustments, to ensure that different wages are equalised.

Upon employment, salary is benchmarked with trade unions, the market, and current employees.

Sekal has a well implemented procedure and system to report if any unacceptable conditions should occur in the workplace. Employees can choose to report anonymously or by name.



5 **There is a risk of breaching the law on working hours and holidays.**

- Universal Declaration of Human Rights Article No. 24

Implemented measures

Sekal records and monitors all working hours and overtime regularly. Overtime must always be approved in advance (in departments where applicable). In general, employees work minimal overtime in Sekal, however Operations on occasion requires flexibility in this area.

A report is generated quarterly showing overtime for the Operations department, which is used in the planning of future work, to ensure that individuals are not working too much and that there is a fair distribution of extra assignments that may arise.

Sekal has a safety delegate and a working environment committee who shall safeguard the interests of the employees.



b. Supplier's / business partner's risks:

1

There is a risk that our suppliers / business partners may violate human rights or that they do not have proper control on their value chain as to whether violations of human rights occur. Examples of violations may be:

- breach of working hours and holiday regulations
- discrimination and racism
- unfair wages
- purchase of goods or raw materials from countries where violations of human rights are more common
- logistics companies delivering goods to Sekal are not complying with regulations on driver's hours, the right to breaks and rest or have an acceptable standard of living while working

- Universal Declaration of Human Rights Article No. 1-30.

Implemented measures

Sekal has a procedure for approval of suppliers. All suppliers must fill out a form where they confirm if they are compliant with laws, regulations, and human rights, and if they have control over their subcontractors. Sekal can only use approved suppliers. Approved suppliers are regularly reevaluated to ensure that compliance is maintained, either through audits or the approval of supplier form.



The road ahead

At Sekal we are committed to having policies that are relevant and include all necessary aspects to ensure compliance with laws and regulations and update as needed. We will continue to communicate our policies to employees and stakeholders to ensure our company's commitment to respecting human rights is followed.

We will train our employees to make sure that they are aware of our company's policies related to human rights compliance and understand the importance of respecting human rights in all aspects of their work.

Sekal has conducted due diligence of human rights and will regularly monitor this to identify any potential violations of human rights. If any violations are reported, this will be registered in the NCR-system and actions will immediately be initiated by management to limit the damage and to start recovery. Policies will be adjusted to ensure violations do not take place in the future.

Contact

A key component of the Transparency Act is the right for anyone to request information about how we handle actual and potential negative consequences in relation to fundamental human rights and decent working conditions. To ensure a clear communication channel, we have established a separate e-mail address that will answer any questions related to the Act, at

transparencyact@sekal.com

Inquiries will be responded to promptly.

This report has been approved by the board:

Kjell-Erik Østdahl, Chair of the board

Masaki Nakagaki, Member of the board

John James Kennedy, Member of the board

Hanne Kvikne Furberg, Member of the board

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