



2022 TRANSOCEAN
GLOBAL
HUMAN RIGHTS REPORT



THE HUMAN FACTOR



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RESPECT FOR HUMAN
RIGHTS IS A CENTRAL
PART OF OUR CULTURE.

JEREMY D. THIGPEN

Chief Executive Officer, Transocean Ltd.

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LETTER FROM OUR CEO



Dear Stakeholders,

I am proud to share our 2022 Global Human Rights Report and give you an update on the recent progress we have made on this important topic.

Transocean plays a critical role in the communities and countries in which we operate. We understand that our activities and the activities of those with whom we partner have an impact on human rights. As such, we believe to truly succeed, human rights protections must be integrated into all of our business decisions and delivered through a responsible partnership with our stakeholders.

Respect for human rights is a central part of our culture. Guided by the United Nations Universal Declaration of Human Rights, Transocean's Human Rights Policy Statement sets out clear expectations for all employees, contractors, suppliers, and business partners to respect human rights in their daily work while recognizing the equality and dignity of the people with whom we interact every day. Our commitment to respecting human rights is further embedded throughout Company policies.

The journey to meeting our human rights commitments is rooted in a philosophy of continuous improvement. This report shows the steps we have taken on this journey to date while acknowledging the areas where we still have more to do and learn. We hope that you read this report as an invitation to engage with us. Together, we can make a difference in improving people's lives now and for future generations.

Sincerely,

Jeremy D. Thigpen

Chief Executive Officer, Transocean Ltd.

June 28, 2023

INTRODUCTION



This Global Human Rights Report (“Report”) is made in accordance with the Norwegian Transparency Act (the “Transparency Act”) and the United Kingdom’s Modern Slavery Act 2015 (the “Modern Slavery Act”) and covers the period from January 1, 2022, to December 31, 2022.

Transocean Ltd. is a publicly listed company with shares traded on the New York Stock Exchange (NYSE:RIG) and serves as the parent company to a group of entities worldwide (collectively, “Transocean”), including in countries with their own human rights reporting requirements. As entities within Transocean use the same policies and processes to support the same operations within the same industry sector, this Report is a joint report, and has been prepared to provide a single and consolidated summary of the policies and processes in Transocean with respect to the safeguarding of human rights and decent working conditions, and provides information on the salient human rights and decent working conditions risks identified, implementation of mitigation measures, and results of our due diligence. Unless expressly stated otherwise, references to “we”, “us”, and “our” refer to Transocean, which specifically includes the following entities and their owned and controlled entities.

The following Transocean entities are considered reporting entities under the Transparency Act:

- Songa Offshore Rig 2 AS
- Songa Offshore Rig 3 AS
- Transocean Barents ASA
- Transocean Norway Operations AS
- Transocean Services AS
- Transocean Spitsbergen ASA

The following Transocean entities are considered reporting entities under the Modern Slavery Act:

- Transocean Onshore Support Services Limited
- Transocean Drilling U.K. Limited
- Transocean Offshore Deepwater Drilling Inc.

This Report was approved by the Board of Directors of the reporting entities listed above and is signed by Transocean’s Chief Executive Officer on behalf of those entities.



ABOUT TRANSOCEAN



Transocean is a leading international provider of offshore contract drilling services for oil and gas wells. We provide, as our primary business, contract drilling services in a single operating segment, which involves contracting our mobile offshore drilling rigs, related equipment, and work crews to drill oil and gas wells. We specialize in technically demanding regions of the global offshore drilling business with a particular focus on ultra-deepwater and harsh environment drilling services. Our drilling fleet is one of the most versatile fleets in the world, consisting of drillships and semisubmersible floaters used in support of offshore drilling activities and offshore support services on a global basis.

We perform contract drilling services by deploying our high-specification fleet in a single, global market that is geographically dispersed in oil and gas exploration and development areas throughout the world. The location of our rigs and the allocation of resources to operate, build, or upgrade our rigs are determined by the activities and needs of our customers.

Our Company is powered by an international workforce of approximately 5,340 employees and contractors, representing 57 different nationalities, with roughly 80% working offshore, and the remaining 20% working in support functions onshore.

To conduct our operations, Transocean sources a range of goods and services from suppliers and business partners based in the communities in which we operate around the world. Goods can range from items such as drilling equipment to personal protective equipment to office supplies, while services can include shipbuilding, catering, consulting, and visa and immigration services.

RESPONSIBILITY & OVERSIGHT



Transocean's Board of Directors (the "Board") has oversight of principles of the business strategy and policies. The Board annually reviews the operational and business impact of Company strategies, policies, and programs related to significant social sustainability topics such as human rights, a diverse workforce, inclusive workplace, and corporate citizenship. Transocean's executive management are responsible for driving and implementing these strategies, policies, and programs.



OUR APPROACH



GLOBAL VIEW, LOCAL IMPACT

As a global company, it is our obligation to uphold human rights throughout all operations, regardless of whether those rights are protected by local laws. We work hard to ensure that business operations do not cause or contribute to (directly or indirectly) adverse impacts on human rights. This work does not stop with Transocean; we continue these efforts with business partners and throughout our supply chain.

EMBEDDING HUMAN RIGHTS ACROSS OPERATIONS

Throughout our operations, we expect all Transocean employees, contractors, and business partners to act lawfully and respectfully towards each other and those in local communities. These expectations are outlined in the Code of Integrity ("Code") as well as various enterprise-wide policies, procedures, and processes managed by various internal functions, including the Supply Chain, Human Resources, Health & Safety, and Legal Department functions. Some examples

include the workplace discrimination and harassment policy, time-out policy, vendor record and vendor management procedure, the anti-corruption and business conduct policy, the TPI due diligence policy, the OI (Operational Integrity) and HSE (Health, Safety & Environment) policy manual, and other components of our Company Management System.

By taking this approach, our people aren't just personally obligated to uphold human rights, they take ownership of the key elements designed to ensure others do, too.

→ [View Our Code of Integrity Here.](#)

PRINCIPLES FOUNDED ON TRANSPARENCY AND ACCOUNTABILITY

We aren't undertaking this journey alone; we know that transparency around salient human rights risks and our efforts to address them allows us to engage with peers and invites stakeholders to hold us accountable. We are guided by international principles and standards designed to promote transparency and accountability, including the [Universal Declaration of Human Rights](#), the [International Covenant on Civil and Political Rights](#), the [International Covenant on Economic, Social and Cultural Rights](#), the [International Labor Organization's \(ILO\) Declaration on Fundamental Principles and Rights at Work](#), and the [Voluntary Principles on Security and Human Rights \(VPSHR\)](#).

With a global workforce, we don't expect everyone to know how human rights issues manifest themselves in communities. That is why we designed the 2022 Legal Compliance and Ethics training for employees, executives, and key business partners to raise awareness and inform them on how they might encounter human rights issues and what actions to take if they do.

GENERAL RIGHTS AND OBLIGATIONS

Child Labor

It is Company policy to only hire individuals above the age of 18 into safety-sensitive roles, and above the age of 16 for full-time non-safety-sensitive roles, even when local age restrictions are less strict.

Freedom of Association and Collective Bargaining

We respect the rights of all workers to form and join unions of their own choice and to bargain collectively.

Forced Labor and Human Trafficking

We do not tolerate modern slavery, forced labor, bonded labor, or human trafficking in any form. We strictly prohibit employees, suppliers, and other business partners from engaging in human trafficking-related activities.

Remuneration and Working Hours

We provide employees with regionally competitive compensation and benefits packages that meet all regulatory requirements. Working hours are managed in strict accordance with local regulations and applicable collective bargaining agreements.

Safe and Healthy Working Environment

Due to the nature of our work, we are exceptionally focused on providing a safe and healthy working environment for our workers, and we strive to eliminate or mitigate HSE risks to As Low As Reasonably Practicable (ALARP). Regardless of position or affiliation to Transocean, anyone can call a "Time Out" to stop any operation to prevent potentially unsafe acts or rectify actual or potentially unsafe conditions.

Non-Discrimination and Anti-Harassment

We are an equal opportunity employer and as such, we do not tolerate any form of harassment or unlawful discrimination.

Security

We maintain a security risk assessment policy, which outlines our approach to managing security risk at all Company locations, requirements for briefings of security personnel, and how our workforce is to engage with security contractors.



OUR APPROACH



HERE TO HELP

We are proud of our *Speak Up Culture* and encourage the workforce and business partners to report any concerns. In instances where someone has a concern or believes that there has or may have been a violation of our human rights policies or any other policies, they are encouraged to report their concerns to their manager, Human Resources, or through the [HelpLine](https://www.transocean.ethicspoint.com) accessible at www.transocean.ethicspoint.com. Helpline reports can be made anonymously, at any time, by anyone, and by phone or the web.

To ensure consistency around how reports are managed and investigated, the Human Resources and Legal Compliance and Ethics functions follow investigation policies and procedures. Transocean adheres to a strict non-retaliation policy for concerns raised in good faith.

→ [CLICK HERE TO REPORT A CONCERN TO THE TRANSOCEAN HELPLINE](#)

SHOULD I SAY
SOMETHING?

YES, SPEAK UP!

Do you have concerns about:

- Bribes
- Theft or Fraud
- Safety Violations
- Conflicts of Interest
- Retaliation
- Discrimination
- Workplace Harassment
- Other Code Violations

24/7 Confidential HelpLine



VISIT:
<https://transocean.ethicspoint.com>



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 **Transocean**

HOW WE PROMOTE AND PROTECT HUMAN RIGHTS



A STRONG FOUNDATION

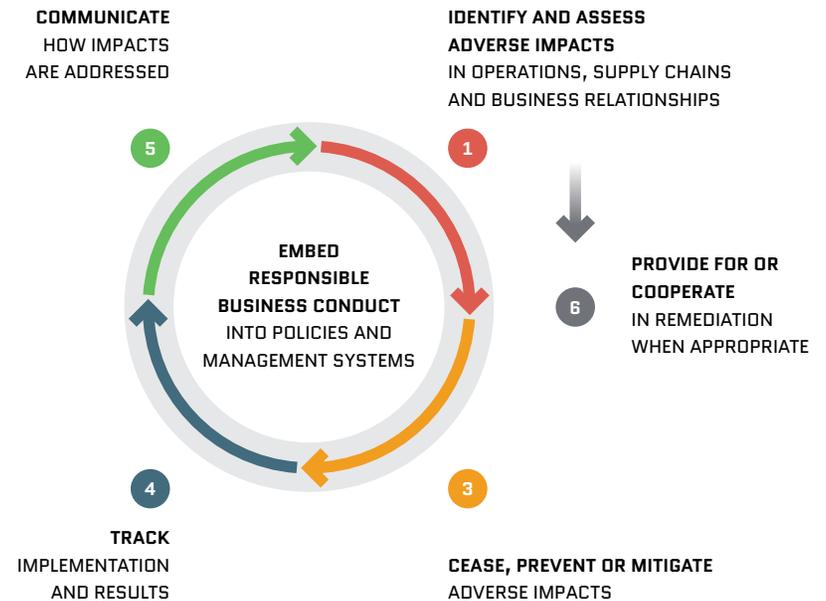
With the introduction of human rights reporting requirements in various jurisdictions, a sharper focus has been placed on developing a formalized global human rights program. At Transocean, we use Human Rights Impact Assessments (“HRIAs”) to guide the Company’s risk-based strategy.

The 2022 HRIA was developed using resources from well-established authorities on human rights due diligence programs. These resources include:

- The OECD Guidelines
- The UN Guiding Principles
- The Danish Institute’s Human Rights & Business Country Guide
- The Business & Human Rights Resource Center
- The office of the UN High Commissioner for Human Rights
- Amnesty International

DUE DILIGENCE PROCESS AND SUPPORTING MEASURES

Source: *OECD Due Diligence Guidance*



IDENTIFICATION AND RISK ASSESSMENT

Transocean conducts HRIAs to identify, evaluate, and monitor potential risks of adverse impacts on human rights and decent working conditions. These risk assessments are conducted on an ongoing basis by cross-functional partners in the Sustainability, Legal Compliance and Ethics, Supply Chain, and Business operations. We consider a variety of factors in assessing the Company's risk of causing, contributing to, or otherwise being linked to actual and potential adverse impacts on human rights and decent working conditions, beginning with scale, scope, and remediation:

Scale: How serious is the offense?

Scope: How many people are or could be affected by the offense?

Remediation: What ways are available to prevent or remedy the negative effects caused by the offense?

It is through this lens that we further tailor our assessment by examining the following risk indicators, while taking into account existing internal measures:

- Geographic region or country
- Industry risks
- Regulatory framework and legal protections
- Supplier characteristics
- Economic drivers
- Political environment

HOW WE PROMOTE AND PROTECT HUMAN RIGHTS



2022-2023 SALIENT HUMAN RIGHTS ISSUES

Because Transocean's operations are mostly comprised of employees and contractors performing highly technical services in an industry with tightly controlled regulatory environments, the Company's overall human rights risk can be characterized as relatively low. In 2022, Transocean did not identify any actual adverse impacts on human rights or decent working conditions in its operations, supply chain, or business partner relationships. That said, we recognize that a company's human rights risk is never zero, and there is always an opportunity to minimize the potential adverse impact our operations, supply chain and business partner relationships may have on human rights and

decent working conditions. It is within this context, and as a result of the HRIA exercise, that we have identified Health & Safety and Child Labor as the areas where we face a unique risk of contributing to or being linked to adverse impacts on human rights or decent working conditions. These risks are mostly driven by the use of suppliers, where Transocean has less control, access, and visibility than we do with our workforce.



HEALTH & SAFETY RISK

Since our industry in general, and our operations specifically, take place in safety-sensitive environments where manual labor is often performed, ensuring the health and safety of individuals will always be a top priority. Health and safety practices, standards, and regulations can vary from country to country, which sometimes means that companies cannot rely on local law to adequately protect their workers. As part of Transocean's operations rely on labor performed in areas like shipyards and parts manufacturing facilities, it is important that appropriate health and safety policies and procedures are strictly observed. These work sites are usually owned and operated by suppliers, posing an additional challenge by adding a layer between Transocean and the individuals performing the work on the ground.

CHILD LABOR RISK

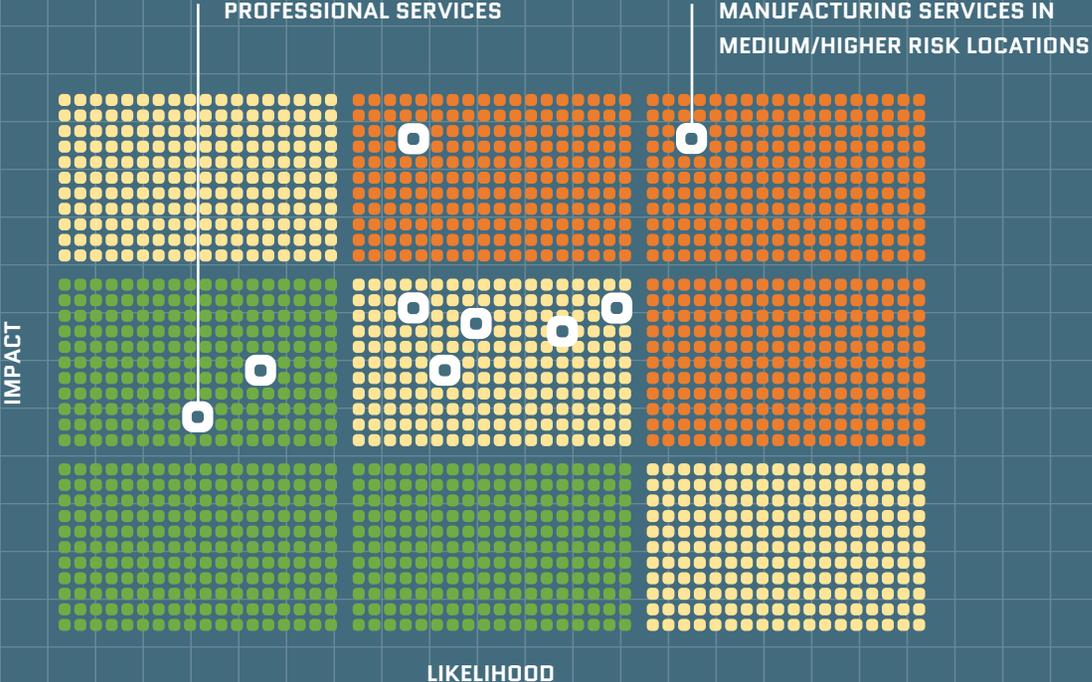
The use of suppliers also poses this risk. Transocean uses suppliers around the world who hire their own qualified personnel to perform services, and in some cases, those suppliers engage another supplier who use their own personnel to perform those services. In such cases, despite the Company's best efforts, the ability to independently verify the age of each supplier's employees is significantly diminished, leaving the possibility of child labor law violations.

TAKING ACTION

Identifying the areas with the greatest risk of Transocean contributing to or being linked to adverse impacts on human rights and decent working conditions has helped us prioritize how we address human rights impacts across operations and extended supply chain. Although we had existing processes in place designed to address these risks (such as supplier and business partner assessments, further outlined in this Report), we wanted to do more. Working with subject matter experts across the business, we

developed action plans to address opportunities for improvement. In 2022, Transocean worked proactively in strengthening our work in safeguarding human rights and decent working conditions. Some of the measures included updating internal policies and procedures and conducting a more in-depth analysis of our risk. We provided general human rights training to employees and key suppliers, and plan to build upon this training with more specialized training tailored to roles that provide critical support to Transocean's human rights efforts in 2023-2024. We also developed a human rights supplier audit plan and identified key areas for enhanced human rights due diligence. So far in 2023, Transocean has conducted three audits of suppliers, which did not reveal any evidence of violations of Transocean policy or applicable law. We intend to continue this work through 2023 and onwards.

PROTECTING PEOPLE IN THE WORKPLACE





SUPPLIER AND BUSINESS PARTNER ASSESSMENT

In order to manage Company's human rights risk, we must choose suppliers and business partners carefully, and we require them to manage their own suppliers and business partners with the same care. As previously mentioned in this Report, we do this through the supplier assessment process. Before engaging in a business relationship with a supplier, we:

Conduct Background Screenings:

We have a risk-based due diligence process that includes both qualification and background screenings. This process also includes, for certain types of suppliers, enhanced diligence screening with detailed questionnaires and policy analysis.

Impose Contractual Obligations:

Transocean's suppliers are contractually obligated to comply with a) all applicable laws, which includes those pertaining to human rights or modern slavery; b) the Code, which outlines the expectations of supplier conduct and imposes an obligation to report any conduct that does not meet those expectations; and c) human rights audit exercises conducted by us or a third party that we appoint to make sure they are meeting those obligations. They are also required to impose the same obligations on their suppliers.

Our commitment continues throughout our business relationship with suppliers:

Ongoing Engagement:

Our ongoing supplier engagement serves as the best tool for reinforcing Company expectations and validating that they are being met.

Monitoring:

We also monitor suppliers in other ways, including performing continuous restricted party screening and conducting formal and informal site visits. This engagement also provides an avenue for the Company or our suppliers to discuss any concerns related to human rights practices. Where practicable, we embed our people on-site, giving us a presence where work occurs and the ability to walk the site every day to identify potential health and safety and other worker violations. If our people or suppliers see something, they are required to say something.

Human Rights Audits:

Using the contractual audit rights included in our supplier agreements, we conduct human rights audits pursuant to the risk-based audit plan. Such audits are, where practicable, conducted at the supplier's facilities and include document collection, interviews with key personnel, process testing, and a physical inspection of the premises.



THE WORK CONTINUES



While we've made progress in embedding human rights awareness and protections in the business, there is still much to do and learn. We have constructed a firm foundation based on internationally recognized principles that will enable us to better tackle human rights issues. This foundation will bolster Transocean's commitment to conducting business the right way, every day.

We will lead with transparency in an effort to continuously improve Transocean's human rights program and throughout engagements with rights holders and other stakeholders, who are key to addressing salient issues as they evolve. We know that using data indicators is critical to measuring progress, and we will continue to find creative ways to utilize meaningful data to support our efforts. As with all Company policies, we will regularly evaluate the relevance and effectiveness of these measures to ensure we are meeting the needs of customers, stakeholders, and the global community.

Through our human rights initiatives, the goal is both to prevent adverse impacts on human rights and decent working conditions and to maximize Transocean's positive impact on the communities in which we live and operate around the world. We look forward to sharing our progress as we work to achieve it.



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