

NEPTUNE ENERGY
ANTI-SLAVERY AND HUMAN
TRAFFICKING STATEMENT
31 December 2022



Introduction

This statement is for the financial year ending 31 December 2022 and is the fifth statement we have published since 2018. It describes the ongoing efforts of Neptune Energy (Neptune Energy Group Limited and its relevant subsidiaries) to prevent modern slavery in its business and supply chain.

Modern slavery – which includes servitude, forced labour and human trafficking – is a crime and a serious violation of human rights. It is contrary to our company values and our respect for the people who are part of, and contribute to, Neptune Energy. As our company grows, and our insight into modern slavery risk deepens, we are working to adapt and strengthen our existing due diligence. We highlight our improvement actions in each section, and in the section titled ‘Goals: progress on our commitments’.

Structure, business and supply chain

Our business

Neptune Energy is an independent exploration and production (E&P) company operating in eight countries: Algeria, Australia, Egypt, Germany, Indonesia, the Netherlands, Norway, and the UK. We operate offshore and onshore facilities and have a production profile that is 76% gas and 24% oil. We have more than 1,350 employees, the majority of whom are based in Europe.

More information on our business can be found in our [2022 Annual Report and Accounts](#).

Supply chain

Our suppliers include businesses that supply goods and services to our organisation, including to our offices and to the sites we own or operate around the world. This includes sites where we are the operator of a joint venture (JV) (see below).

In total, we procure goods and services from more than 4,500 suppliers. The suppliers we engage include businesses that provide support services to offshore and onshore facilities, such as security, warehousing, logistics, transport, catering, cleaning, waste management and accommodation services; as well as specialist technical services, such as engineering, drilling services, maintenance and construction.

We also engage with recruitment and resource agencies to supply direct and indirect, and permanent and temporary resources, to meet our organisational needs. Our suppliers are critical to our business - in 2022, we spent more than \$1.5 billion on suppliers and contractors performed around 75% of total hours worked at Neptune Energy.

Key steps in the past 12 months include:

- We introduced new pre-contractual due diligence procedures on third parties that we work with, including steps to identify risks of human rights abuse.
- We provided extensive training within our supply chain team on carrying out pre-contractual third party due diligence.
- We relaunched our Code of Conduct e-learning, with a new section on labour conditions and human rights.
- We provided training to our staff on what modern slavery is, and how it could impact our business.
- We continued raising awareness about our speak-up culture, both through internal blogs, and through talks given by external speakers on psychological safety.
- We introduced a new human rights clause in our UK standard forms of contract.
- We progressed our multi-year sustainable procurement action plan.
- We continued to develop our Equality, Diversity and Inclusion (ED&I) Programme, holding an ED&I month with various external speakers.
- We established two new affinity groups: the Women in Neptune network and the LGBTQ + group.

Joint ventures

The nature of investment in oil and gas means that Neptune Energy jointly owns some assets as a partner in joint venture with third parties. Where we are the designated operator for the joint venture, we will have a greater influence over the conduct and management of the joint venture operations, including the protection of labour rights and prevention of modern slavery. A total of 55% of our production was from operated joint ventures in 2022.

Policies and standards in relation to modern slavery

In our Code of Conduct, we commit to conduct our activities in a manner that respects individual human rights, as set out in the Universal Declaration of Human Rights and the fundamental ILO Conventions. We are working towards alignment with the UN Guiding Principles on Business and Human Rights.

We do not tolerate child, forced or bonded labour in any of our operations or by suppliers working for us. A breach of the principles set out in our Code of Conduct may result in the termination of a business relationship or an employee dismissal. We make every effort, including through carrying out due diligence and audits to monitor the performance of our suppliers, to prevent our activities having a negative impact on human rights. If they do occur, we take steps to remedy the situation. We expect suppliers to hold their own suppliers to the same standards. These commitments apply to all Neptune Energy employees, contract staff and business partners, including joint ventures where Neptune Energy is the designated operator. Where Neptune Energy does not have operational control, best efforts are made to influence the adoption of equivalent practices and high standards of integrity prior to, and during, the operation of the joint venture.

In our Labour Rights and Modern Slavery Standard, we set out our expectation that everyone working within our operations, whether directly in our business, or for suppliers, or in joint ventures, has the right to work without being subject to abusive or inhumane practices. We set out human rights requirements that we are committed to embedding in our processes and procedures.

Relevant policies include:

- Code of Conduct
- Labour Rights and Modern Slavery Standard
- Equality, Diversity and Inclusion Policy
- Anti-Bullying, Harassment and Discrimination Standard
- Health and Safety Policy
- Ethics and Compliance Due Diligence Standard
- Supplier Compliance Due Diligence Procedure
- Whistleblowing Reporting Procedure

Neptune's fundamental principles:

1. Act in accordance with laws and regulations.
2. Consolidate a culture of integrity.
3. Speak up.
4. Behave fairly and honestly.
5. Respect others.

Improvement actions

- In 2023, we plan to revise our Social Investment Standard, which requires that due diligence is carried out on social beneficiaries, before any social investment is made. We will also provide training to the organisation, to raise awareness of potential ethical concerns that might arise through social investment, including potential human rights risks.

- We will develop an e-learning training on our Code of Conduct for personnel of our suppliers, which will include Neptune Energy's stance towards labour conditions and human rights abuses.
- We will continue to raise awareness of how our staff members can raise concerns using the channels set out in the Whistleblowing Reporting Procedure.
- We will also continue to raise awareness of how the personnel of suppliers and business partners can raise concerns, using the whistleblowing reporting tool, the Vault Platform. This is so that we can encourage them to speak up if they have a concern about unethical conduct.

Governance

Our Board of Directors has responsibility for ensuring that Neptune Energy has a programme in place for mitigating the risk of modern slavery in our business and supply chains. It delegates the principal oversight of this risk management to the Audit and Risk Committee and the ESG Committee. The Head of Global Ethics and Compliance is responsible for developing key standards in our operations to manage the risk of modern slavery. Key functions and roles within our business, including human resources, supply chain, health, safety, environment and quality (HSEQ), internal audit and country management, are responsible for the implementation of our standards in our own operations, as well as managing the contracts we have with our suppliers.

Improvement actions

The priority for our business is keeping our workforce safe and ensuring our behaviours and practices are fully aligned with our values. As we deepen our focus on labour rights and modern slavery, we will improve our processes for managing the risk of modern slavery in our supply chains.

In 2022, we revised the business ethics clause in our supplier standard forms of contract in the UK. The clause includes a specific reference to (i) compliance with human rights and modern slavery legislation, and (ii) a supplier having in place policies and procedures to mitigate the risk of human rights abuse and modern slavery in its own business and supply chain. In 2023, we plan to roll out this revised business ethics clause into supplier standard forms of contracts in the other locations where we operate.

The ongoing performance review processes in place with our major suppliers will provide us with an opportunity to monitor and test the supplier's compliance with this clause and will provide further assurance in the prevention of all forms of modern slavery in the delivery of services to Neptune Energy.

Risk assessment

Our business

In our business, we engage regularly with our employees through town halls, employee forums and online sessions, as well as through formal measures, such as our annual employee engagement survey. As part of this survey, we identified mental health as a priority focus area for our employees. We have implemented a Group-wide programme to promote mental health support. We are also continuing to promote (both to staff and supplier personnel) reporting of issues of concern through the whistleblowing reporting tool.

A total of 24% of our employees are covered by collective bargaining agreements and we have structured arrangements for consultation and engagement with trade unions and works councils.

We are focused on ensuring we provide a workplace free from bullying, harassment, discrimination and unfair conduct. We continue to work on our Group-wide programme to promote equality, diversity and inclusion. Our ED&I Committee meets every two weeks and has representatives from across our countries. We held our second global ED&I month in November 2022, with 587 staff members participating. We also launched two affinity groups – our Women in Neptune group and our LGBTQ+ group – in 2022. Both groups are led by executive sponsors and provide a space to discuss ideas, share stories and provide advice.

To check that quality exists in jobs of equal value, we conducted reviews across our countries in 2022 and took action where necessary to ensure fair pay. Our assessment confirmed that we have a strong commitment to equal pay principles. We will continue to conduct these reviews on an annual basis.

We published our first gender pay data for the UK in March 2023, which considers average pay across the employee population. Our analysis indicates that we have a gender pay gap driven by two key factors. First, our workforce is predominantly male. Second, we have more men than women in senior leadership roles, and more women than men in junior roles.

One of the ways we are addressing our gender imbalance is by setting an ambitious goal to achieve gender parity. We are targeting equal gender representation in all our external hires and internal promotions, which applies across our bands, functions and locations.

Our business relationships

The area of greatest risk for modern slavery in Neptune Energy is with our business relationships. We rely heavily on suppliers, and in most cases, they and their workforces, are operating on highly regulated sites and are under strict observation for safety and security. Nonetheless, there are inherent risks, particularly in higher risk locations; where suppliers provide support services that require a lower-skilled workforce; or in non-operated JV relationships where we may have more limited oversight. We are also aware of risks when we procure goods and products from suppliers based in higher risk locations or performing higher risk activities.

We consider the risk of modern slavery and unacceptable working conditions in the supply chain as part of our risk assessments, and we have integrated labour and modern slavery risk into our enterprise risk management system. In 2021, we adopted a five-year roadmap to improve our processes for protecting labour rights and preventing modern slavery in our relationships with suppliers and business partners, and for continuing to strengthen our environmental, social and governance (ESG) performance. We have been working to embed ESG requirements into our pre-qualification, tender and contract documentation and in our contract management process. We have also initiated conversations with our suppliers on ESG in ongoing business reviews and set our expectations, which include regular reporting on these topics.

Improvement actions

Neptune Energy has an ongoing performance review process in place with our major suppliers. This gives us the opportunity to monitor and test the application of the supplier's commitment to our requirements and policies, providing further assurance in the prevention of all forms of modern slavery in the delivery of the services to Neptune Energy. We will enhance our assurance of these

requirements through our audit programme, ensuring that it includes a focus on working conditions within our supply chain.

Due diligence: steps to address risk

During 2022, we onboarded all suppliers and business partners onto our due diligence screening platform. Once onboarded, such suppliers and business partners are monitored on a daily basis against international sanctions lists and in respect of adverse media reports. In the event of an adverse media report relating, among other things, to human rights violations, the relevant Neptune staff members are alerted, and can determine what action is required in respect of the issue raised.

Improvement actions

As noted, we are working on improving the identification of labour rights and modern slavery risk. Our five-year plan includes the following steps:

- **Contract risk management:** Integrate labour and modern slavery risk in the categorisation of contract risk and corresponding due diligence; strengthen risk-based monitoring using self-assessment questionnaires and social audits, maintain our strong culture of engagement with workers and with suppliers and share learning across the group about prevention and remediation.
- **Reporting:** Continue to promote a 'speak-up' culture so no one hesitates to report concerns.
- **Training and awareness-raising:** Raise awareness of modern slavery across the workforce and train key functions on modern slavery prevention.
- **Supplier support:** Communicate the principles of our Labour and Modern Slavery Standard through a supplier e-learning on Neptune Energy's Code of Conduct.

Training and awareness raising

Every year, we launch our mandatory online training on our values and Code of Conduct, as well as on how to report issues of concern using the whistleblowing reporting tool. In 2022, 99% of our staff members completed this training. There is an ongoing communications campaign to encourage a 'speak-up' culture around ethical and safety concerns.

In 2022, we delivered awareness raising training on modern slavery, and how it could impact Neptune Energy's business, to key functions responsible for oversight and management of labour rights and modern slavery risk. This training was attended by 146 staff members across Neptune Energy's business.

Improvement actions

We plan to assign an e-learning course on our Code of Conduct to personnel of suppliers. This includes a section on the principles set out in our Labour and Modern Slavery Standard, with details about how supplier personnel can spot the signs of forced labour and how they can report a concern to Neptune Energy. Our purpose is to ensure everyone is equipped to help us prevent forced labour.

Key performance indicators

We currently track indicators that assess our performance in handling whistleblowing reports, Code of Conduct e-learning completions and completion of an annual certification, through which staff members confirm their understanding and compliance with the Code of Conduct and a number of other key ethics policies. We also track trends in Neptune Energy's employee engagement.

Improvement actions

As part of our five-year plan, we will develop key performance indicators to promote the implementation of our labour and modern slavery risk commitments.

Goals: progress on our commitments

Actions	Timeline	Status
Independent assessment of labour and modern slavery risk management	2021	Completed
Develop five-year improvement plan	2021	Completed
Develop consolidated Labour Rights and Modern Slavery Standard	2021-2022	Completed
Develop programme to increase awareness of equality, diversity and inclusion	2021 (and ongoing)	In development. We held our second global ED&I month in November 2022, with 587 staff participating.
Raise awareness with workforce and train key functions in respect of labour and modern slavery risks	2021 (and ongoing)	In development. In 2022, our Code of Conduct e-learning, which include a section on labour conditions and human rights, was completed by 99% of our staff. A teams training, to raise aware of the risk of modern slavery, was delivered to those functions responsible for managing labour and human rights risks. The teams training was attended by 146 staff members. An e-learning for personnel of suppliers on our Code of Conduct (including details of the requirements set out in our Labour and Modern Slavery Standard) will be rolled out to specific suppliers in 2023.
Enhance the process of identifying and monitoring labour rights and modern slavery risk in our relationships with suppliers	2022-2023	Completed for pre-qualification stage and tender stage. In development for business reviews post-award including contract management plans.
Implement supplier ESG monitoring framework	2023	In progress: Stage 1 has been completed (ESG pre-qualification and tender requirements have been implemented and contract management process adapted); Stage 2 is in development (covering emissions reporting and supplier audit

		programme development and reporting).
Promote speak-up culture	2021 (ongoing)	In progress. In 2022, top level commitment demonstrated through regular CEO blogs on this topic, and through presentations given to the organisation by external speakers on psychological safety.

Publication

We have submitted this statement to the UK Government Modern Slavery Statement Registry.

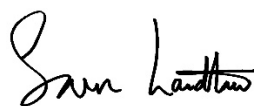
This statement is available on our website in two prominent places:

- In the 'footer' of the Neptune Energy website, which is visible at www.neptuneenergy.com
- In the 'Reports and Presentations' section of the Neptune Energy website (Home/Investors/Reports and Presentations)
<https://www.neptuneenergy.com/investors/reports-presentations/year/2022>

Approval

Approved by the Board of Directors 25/05/2023

Signed by Director



25/05/2023