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Message from the CEO

Too many people do not have their fundamental human rights protected, and many too often take this protection for granted.

The safety, health and security of people involved in our business is a priority one for Equinor. This is emphasised by our ‘Always Safe’ strategic pillar, Code of Conduct and Human Rights Policy. Strong focus on compliance, transparency and responsible business conduct will be essential in our transition into a broad energy company.

In 2022, we communicated our Just Transition plan, where we put human rights at the heart of our approach. Conditions for workers in our global supply chains have been a key priority in our human rights efforts in 2022. Particular attention has been paid towards fabrication and construction activities, where we, gradually, more proactively and often through worker dialogue, look for indications of forced labour and substandard practices. As a result, we have found examples of workers not being provided with the working and living conditions they are entitled to.

Together with our suppliers, we have addressed these issues and managed to improve in many areas. But more is needed. I believe we need to further increase our efforts together - within our company and with others.

Government support is essential to our efforts to promote respect for human rights. Regulatory developments, such as the newly adopted Transparency Act in Norway and proposed legislation within the EU, show how governments expect and require companies to further enhance their human rights efforts. New regulations, if introduced in a balanced way based on frameworks such as the UNGPs and OECD guidelines, create space for companies like Equinor to find solutions to our common challenges and create better outcomes for people.

With this statement, we share how we work, what actions we take, and where we still have room to grow, creating transparency in our ongoing efforts to respect the rights of people we work alongside and depend on across our operations.
Introduction

In this Human Rights Statement we have used the United Nations Guiding Principles on Business and Human Rights (UNGPs) Reporting Framework as a guide to detail how we, across our global operations and activities, embed our commitment to respect human rights and provide decent working conditions in line with the objectives of the UNGPs and the Norwegian Transparency Act.

Equinor is an international energy company headquartered in Norway¹, with activities in more than 30 countries. Most of our operations take place in our core countries Norway, the United Kingdom, Brazil and the United States. Our activities span from exploration and accessing acreage, through development and production or electricity generation, to transportation, processing and refining. Our products; oil, gas and electricity, are offered to the market through our marketing and trading operations. Globally, we engage with around 7,500 first tier suppliers. We have around 22,000 employees, of which 85% are based in Norway.

Equinor can be connected to human rights impacts on our workforce, workers in the supply chain, and communities affected by our business. This connection to risks and impacts can happen mainly through these paths:

a. Directly through our operations
b. Through suppliers and their sub-suppliers
c. Through partnerships, where we are a non-operating partner
d. Together with partners, in joint operating companies / joint ventures or other forms of shared responsibility for a project execution or operation

How we assess and address risks of adverse human rights impacts in these different scenarios varies, although they all are guided by our Human Rights Policy (Policy) which is valid for the whole Equinor group. Further information on how our business is structured through business areas, including details of the activities undertaken in the various parts of our business, can be found in the Annual Report for 2022, available on equinor.com.

Understanding and managing risk of adverse human rights impacts related to our business remains at the core of our human rights commitment. We recognise that our business can cause, contribute, or be linked to negative human rights and other social impacts, especially in jurisdictions with weak regulatory frameworks or enforcement. As a result of this we are working hard, using a risk-based approach, to embed our human rights commitment in our business activities, from the initial business development stages through project planning, execution, operations, decommissioning and any potential exits.

This statement is divided into three main sections.

Part One presents Equinor’s general approach to the core elements of the responsibility to respect human rights under the UNGP Reporting Framework.

Part Two details human rights due diligence (HRDD) efforts undertaken by Equinor during 2022.

Part Three describes Equinor’s aspiration and intent for 2023 onwards.

Given the range of the salient issues covered by our Policy, layered onto the complexity of our business activities, we have in this statement particularly focused on the human rights risks and issues that are most prevalent in our current portfolio. Other topics that intersect with human rights include our approach to the just transition, safety performance related to the more traditional health and safety aspects, our work to address discrimination and harassment, and diversity and inclusion. These are all covered separately in our Annual Reports, previous Annual Sustainability Reports and on equinor.com.

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¹For more information on the Equinor group – please see Equinor’s Annual Report for 2022.

Equinor’s value chain

Examples of potential human rights risks across our business

- **Safety**
  - Hazardous work conditions
  - Injuries and fatalities
  - Work-related mental/psychological illness

- **Labour standards**
  - Modern slavery
  - Child labour
  - Discrimination

- **Security**
  - Human rights issues in use of armed security - public or private
  - Dealing with violent conflict, protests, demonstrations

- **Communities**
  - Land use
  - Resettlement
  - Livelihood
  - Water and waste
  - Health and safety

- **Country risk**
  - Privacy
  - Data protection
  - Political expression
  - LGBTIQ+
Part I: Our approach

In this section we provide an overview of how we embed the business responsibility to respect human rights in our policies, governance and internal work processes.

1. Human Rights Policy commitment

In 2000, Equinor (Statoil at the time) was one of 33 companies that supported the UN Global Compact Principles from day one, an initiative that now has 15,000 participating companies. In 2011, the UN Human Rights Council gave us an even more tangible tool to address human rights with the publication of the United Nations Guiding Principles on Business and Human Rights (UNGPs). The same year, we were among the first companies to commit to the UNGPs which later were included as part of the OECD Guidelines for Multinational Enterprises.

We have had a stand-alone Human Rights Policy (Policy) since 2015. The Policy confirms our commitment to working consistently with the UNGPs and expresses our respect for all internationally recognised human rights, including those set out in the International Bill of Human Rights, and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.

In the Policy, we list five main areas of risk (commonly referred to as ‘salient issues’) which guide our human rights work:

- Treating those working for us and those impacted by our operations fairly and without discrimination
- Providing safe, healthy, and secure working conditions
- Opposing all forms of human trafficking, forced labour and illicit forms of child labour
- Respecting the human rights of people in communities we are linked to, including, but not limited to, the right to property, livelihood and the use of land and natural resources, security, health, and the right to water and sanitation
- Conducting activities in line with our commitment to the Voluntary Principles on Security and Human Rights

We updated the Policy in 2020, clarifying expectations towards business partners and suppliers, strengthening commitments on access to remedy and clarifying commitment to respect certain rights at particular risk, such as land, water, and workers’ rights. The Policy exists in 11 languages and can be found on equinor.com.

Substandard conditions for workers and the possibility of forced labour in our supply chains has been the most prominent area of concern in recent years. Accordingly, specific ‘Human Rights Expectations of Suppliers’ have been adopted, intended for all current and future suppliers, available on equinor.com: ‘Becoming and Equinor supplier’. We seek for all our suppliers to have an approach consistent with the goals of the UNGPs. Specifically, we expect our suppliers to share our values, be transparent about efforts and challenges, engage their own supply chain and be determined to continuously improve, underpinned by our commitment to support suppliers in their efforts.

To support the implementation of these expectations, we have developed internal guidelines of how these standards could be met, based on international frameworks, norms and good practices.

Our Policy was developed based on a bottom-up assessment of typical risks relevant to our sector and footprint, aligned with specific issues we had come across or were concerned with. Various internal and external stakeholders and experts were consulted for inputs and advice.

Although our overall commitment stays firm, we will continue to revisit our Policy to ensure it reflects relevant requirements and risk factors in the spirit of continuous improvement. In such efforts, we commit to seek input both from internal and external stakeholders and expertise. Ensuring that predefined salient issues are adequately reflective of portfolio, footprint and strategy will also be important in future updates.

Human rights standards we expect of all our suppliers

- Ensuring fair treatment and non-discrimination
- Providing safe, healthy and secure workplace and accommodation
- Providing fair wages and reasonable working hours
- Respecting freedom of assembly, association and the right to collective bargaining
- Preventing modern slavery
- Preventing child labour and protecting young workers
- Respecting affected community members
- Providing access to remedy
Governance

In Equinor, our practice and behaviours are led by the principles captured in the ‘Equinor Book’. It hosts our Code of Conduct and our Policy as directives; mutually reinforcing documents, owned by the Board of Directors (BoD), which outline how we believe respecting people also is a key business enabler. These two documents are essential to our human rights efforts and apply to all our activities.

Twice a year the BoD Safety, Sustainability and Ethics Committee (SSEC) receives a report on the efforts to implement the Policy. Deep dives on specific human rights matters, cases or risks are brought to the BoD or the SSEC regularly and upon request. As part of the regular, bi-annual corporate risk and performance updates to the BoD, all identified severe human rights risks shall be reported individually.

A Human Rights Steering Committee meets at least four times per year. The committee oversees the status of our human rights work, discusses specific challenges and dilemmas, reviews external trends and developments, and endorses internal improvement initiatives and new requirements. The committee is chaired by Executive Vice President (EVP) Safety, Security and Sustainability and comprises EVPs for: Projects, Drilling and Procurement; Exploration and Production International; Midstream, Marketing and Processing; Renewables; Communications; Legal and Compliance; and People and Organisation.

The functional ownership of human rights in Equinor sits within Corporate Climate and Sustainability, which is a part of the Equinor Safety, Security and Sustainability corporate function. Practically, this means that Corporate Climate and Sustainability is responsible for developing internal requirements, guidelines and tools for HRDD, support implementation throughout the business, perform capacity building and report internally and externally.

Assessing and addressing human rights risks in our daily operations is a business line responsibility. That means that the relevant line, within its portfolio, shall make sure that a risk-based approach to HRDD is applied, and that activities that fall within the priorities are subject to HRDD in accordance with our Policy and specific internal requirements. Similarly, the business line is responsible for acting on signal should it become aware of reasons to conduct further HRDD on activities which had previously not been prioritised.

A Competence Centre holds a group of specialists that support the business line. Since its inception in 2021, we have already seen the need to grow this capacity to deliver against the needs of the business. Similarly, there are dedicated specialist resources in Equinor’s legal department to assist both the business line and Corporate Climate and Sustainability function on human rights issues.
Enterprise Risk Management system

Internationally recognised human rights are embedded in our enterprise risk management system (ERM), which is a mandatory tool for risk management for all our business activities. By utilising the tool, we assess the potential for adverse impacts on the human rights of people touched by our business, including the activities of our suppliers and partners. Requirements to mitigate and report on human rights risks is aligned with how we manage safety risks; risks above a certain severity level must be mitigated as soon as possible, and shall be escalated through the line, including to CEO and BdD as part of regular risk updates. See more in Section 5 Assessing and addressing human rights risks.

Capacity building

From a natural initial focus on policy and expectations, our leadership engagement has evolved towards issues and issue management alongside increased dialogue with suppliers, peers and associations. Such engagement offers insights and experiences to enable a more open discussion on challenges and how to manage them.

HRDD in business development

As part of our overall business development process, we have developed a specific guideline and tools for HRDD. This includes targeted questionnaires, templates for contract clauses, potential ‘red flags’ to consider, and recommendations for actions and deliverables per decision gate supported by examples of good practice. The purpose of the guideline and tools are to support the identification of risks as early as possible and allow decisions to be made based on all available information, including to which extent risks can be prevented or effectively mitigated. This also allows for early identification of actions to enable effective risk management.

HRDD in our Supply Chain Management process

Requirements for how to perform HRDD in procurement are embedded in our corporate Supply Chain Management process. This includes requirements for performing basic desktop human rights risk assessment for all new procurements. Where the initial assessment has identified that there is a high human rights risk further actions should be considered. These could include detailed prequalification questionnaires, supplier engagement, verifications and on-site assessments including worker interviews. All supplier contracts include either basic or extensive human rights provisions, dependent on risk.

External engagement

To stay informed and further improve, as well as to contribute to helping others advance through openness and sharing of experiences and good practices, we engage and collaborate externally with key partners and associations:

- We have been a long-standing participant to the international Shift Business Learning Programme
- We engage regularly with the Confederation of Norwegian Enterprise (NHO) and other state-owned companies in Norway
- We engage with human rights specialist organisations such as Shift, Impactt, Triple R Alliance and Synergy Global Consulting
- We are a member of IPIECA, the global oil and gas association for advancing environmental and social performance across the energy transition
- We are observers to the Business Network on Civic Freedoms and Human Rights Defenders
- We have a Commissioner role in the World Business Council for Sustainable Development - Business Commission to Tackle Inequality
- We deliver guest lectures through our CEMS (global alliance in management education) corporate partnership and upon request from other academic institutions or organisations

Different tools for learning are available to employees based on their role and exposure to the topic of human rights. Everyone in Equinor is encouraged to take our human rights e-learning. In addition, all personnel involved in procurement activities are mandated to complete a full-day classroom course covering ethics, anti-corruption, and human rights. Awareness raising sessions are regularly delivered across different teams in the organisation. For those that have a role which interconnects to human rights and in high-risk environments, we consider the need for targeted training and dilemma discussions, as well as experience transfers. On the job learning, peer coaching and externally available education, are core elements of capacity building of the central expertise.
3. Prioritisation of risks and key concerns

To further guide our efforts in line with the Policy, we define generic and specific human rights priorities for different parts of our business. A generic priority could be a type of activity that generally carries high risk and as such should as default be subject to deeper HRDD, while a specific priority could be a project, asset or supplier with known or potential high risk. The priorities are re-assessed and updated at regular intervals, and inform how we build capabilities and deploy expert capacity.

When deciding where to focus, the concept of scale, scope and irremediability (severity) is applied:

Who are the people most at risk, how severe is the potential impact and how many people might be impacted?

People in this context encompass supply chain workers, employees, and community members. Vulnerable groups include low- or unskilled workers, migrant workers, children, women and indigenous peoples.

To further prioritise our proactive HRDD efforts, we consider the following:

Whether a product is standard or industry specific, the degree of impact Equinor has on the technical specification of the product or service delivered by a supplier, the duration of the relationship, whether the activity is managed by us or a partner, where in the value chain the activity is performed, whether we own, lease, rent or utilise a plant etc.

We apply the UNGPs concept of cause, contribution and linkage to determine what actions we should take for each priority.

Based on our current portfolio, priorities and experience from previous HRDD work we consider the most severe human rights risk to be the risk of forced labour like conditions in parts of our supply chains. The Equinor supplier universe is sizeable due to the sheer number of parties involved. Our main suppliers typically have multiple sub-suppliers, which in turn have their own supply chains. All these entities deliver products and services, directly or in most cases more indirectly, towards an end-product which forms part of Equinor’s business activities. Hence, the many workers in these supply chains fall within our human rights scope.

Following the above principles for a risk-based approach, accordingly, we have established specific priorities for HRDD towards suppliers for the period 2021-2023:

- Construction of fixed and floating oil and gas installations
- Solar cells and wind turbine generators
- Marine operations and installation of facilities for offshore wind and oil & gas projects
- Integrated drilling and well services
- Services to onshore and offshore producing assets in Norway involving foreign personnel
- IT and business support services delivered to Equinor from supplier offices
- Security, catering and cleaning services to select Equinor offices based on known risk

In addition to risks within our supply chain, there could also be possible impacts on land and fishing communities related to on- or offshore infrastructure or activities we are linked to.

Relevant to our internal workforce, the main risk is identified to be various forms of discrimination and harassment. The limited specific risks and impacts identified or reported are routinely handled through our established internal procedures for misconduct matters, and not covered in this statement.
4. Stakeholder engagement

Engaging with potentially and actually affected people, typically through the Impact Assessment (IA) process where we map stakeholders and seek their inputs, is an integrated part of our model for planning and execution.

Given the different types of business activities we have, engagements with potentially affected stakeholders may take place before we have finalised agreements with host authorities. Practicing stakeholder engagement in these situations can be challenging, and we often use trusted third parties with knowledge of local conditions and international standards, to support us. We might perform public consultations, surveys, interviews, one-to-one meetings or community panels to better understand concerns from members of local communities. IAs performed for Equinor operated assets are published and available on equinor.com.

Once our projects are in operation, regular stakeholder engagement shall be handled by our asset management team. This can range from having community liaison officers working in community locations, to having office-located points of contacts assigned to community groups or municipalities. We seek to have multiple methods of contact to suit the situation, such as centralised local landline numbers, in-app communication messaging, email addresses, and where appropriate, operational-level grievance mechanisms. See Section 7 Remedy and grievance mechanisms for more details.

In our supply chains, we use third-party experts to visit certain identified sites and construction yards, to conduct on-site interviews directly with workers in local languages. This allows us to hear their experiences and concerns first hand and establishes a feedback loop for continued engagement.

It is imperative that our own employees feel respected, safe, and secure and that they can have an open dialogue with the organization. Such dialogue is fostered through leadership, employee representations and safety delegates. We respect our employee’s freedom of association, and thus also their right to collective bargaining and cooperation through representative bodies. This policy is a guiding principle for all our activities, in all markets. The specific ways in which we involve and consult employees or their appropriate representatives may vary according to local laws and practices. We continuously seek to improve how to have meaningful and continuous engagement with employees.
5. Assessing and addressing human rights risks

As referenced in Section 2, our requirements for assessing human rights risk are integrated in our Enterprise Risk Management (ERM) system. How deep and often an asset or unit assesses its human rights risks will depend on several factors, such as the complexity of business operations, supply chain and other business relations, the severity of risks, and the nature and context of planned operations. Operating in higher risk or volatile contexts may create an additional need to revisit a previous risk assessment.

During these assessments, we seek to identify who might be affected by our activities, and which of their human rights might be negatively affected. In the instances that we are not able to engage directly with potentially affected stakeholders, for example if we have no access or prior relationship, we use credible sources such as independent expert advisors or resources, local or international NGOs, human rights defenders or other members of civil society and credible proxies to inform our assessment.

We also seek to understand the context of the risk, looking into risk-factors and risk-drivers, for example:

- Operating context: national laws and their enforcement, access to justice, systemic social practices impacting human rights, inequality
- Asset activities: any land acquisition, resettlement, competition for natural resources, activities triggering unsafe or unhealthy working environment
- Vulnerable groups: whether any indigenous peoples, un- or low-skilled or migrant labour, women or children are at risk
- Internal management: capabilities in the asset/project team; time available to address issues, inability to raise issues or use grievance channels
- Business relations: level of visibility into potentially high-risk relationships, business relations in possible conflict with stakeholders

Potential impacts are categorised by severity, likelihood, and number of potentially affected people, to give us an evaluated impact risk level.

As risks are identified, measures to avoid or effectively mitigate these can be explored to inform decision making as the business case moves towards the next milestone. For instance, in the event an IA has concluded that a physical installation could impact a local community or create a conflict with other stakeholders in the area, we consider alternative concepts or execution methods to avoid such impacts entirely. Potential measures could include re-routing a pipeline or cable, scaling down the footprint of a plant or introducing specific technical barriers.

Actions to address remaining risks once a project is sanctioned or a deal is closed should be included in project execution or asset follow up plans. Where we have identified a risk of a supplier not meeting our standards, we seek to define actions in collaboration with the supplier, often supported by a third-party expert, and in accordance with our internal guidelines. The action plan can where possible form part of the contract, and follow-up procedures are sought included in internal project follow up plans.

Often, we perform on-site verifications to confirm that actions have been taken and outcomes of these have been effective. The risk level should not be reduced unless the mitigating action has proven effective.

For certain issues, typically of systemic nature, there might be limitations to what Equinor can achieve in terms of avoidance, mitigation, or remediation. See separate section on Systemic issues.

Where we have identified actual adverse impacts, such as for instance impacts resulting from resettlement of a household or the finding of payments of recruitment fees, we seek ways to make restitution to the satisfaction of the affected person, consulting external good practice and recognized international HRDD frameworks and guidelines.

Steps for assessing human rights risk level in our ERM system

- Define assets or activities in scope
- Mapping of mandatory key risk factors and key risk drivers
- Identifying potentially affected stakeholders
- Determine risk level using pre-defined impact categories and probability scale
Equinor’s ERM system should be used during the life cycle of the risk. Against the originally documented risk, mitigating measures shall be documented and the risk re-evaluated for consequence and probability. This enables transparency and allows us to track the risk reduction process and understand the effectiveness of the mitigating measure applied. Importantly, we aim to only use credible sources to evaluate the outcome of actions taken to reduce risk. This could be that we speak with the affected stakeholders to understand their satisfaction, or that our own employees report progress.

Although we seek to apply a zero-harm philosophy, there are occasions where, despite our best efforts, harm or infringement on rights might occur. In these instances, the process and responsibility of remediation is important, both to seek that those suffering from adverse impacts are remediated as appropriate, and to avoid potential future similar harms.

Grievance mechanisms form an important part of our human rights practice, including to support our stakeholder engagement process. We have several channels through which grievances can be formally raised; this includes an ethics helpline available for anyone involved in or affected by our activities to raise a concern. This helpline is a multi-language service available 24 hours a day, 7 days a week and provides a phone service and a web submission portal. It is available for any person who has a legitimate concern. Moreover, the helpline allows for anonymity, where allowed by law, and is available in six different languages.

Equinor seeks to cooperate with other potential non-judicial and judicial remedy processes, such as the OECD National Contact Points and Ombudsman offices. We do not tolerate any forms of recrimination or retaliation to those who raise a concern with us. We recognise the right to advocate for and to defend human rights in a peaceful manner on behalf of those who’s rights may be at risk.

Community-based grievance mechanisms
To address human rights concerns in our own operations, we typically implement community-based grievance mechanisms (CGM). Where we are not operator, we expect an equivalent grievance system to be in place by our business partner.

Corporate requirements for a CGM follow the UNGP’s 8 steps of ‘effectiveness criteria’ for non-judicial grievance mechanisms, see fact box. It is a business line responsibility to host and manage these mechanisms. This allows for the process of collecting concerns or complaints to be tailored to suit the potentially affected stakeholders. In our current portfolio, grievance mechanisms are supported through the same methods we use for stakeholder engagement, as outlined in Section 5 Stakeholder engagement.

Performance framework pillars

| 1 | Governance and leadership | Goal | To monitor - at corporate, business area and assets/project level - the degree to which Equinor governance and leadership behaviours support robust human rights performance |
| 2 | Risk identification and management | Goal | To monitor the quality of human rights risk identification and management with a focus on whether this is informed by appropriate expertise and insight |
| 3 | Partner and supplier maturity | Goal | To monitor the degree to which high risk partners and suppliers are embedding sound human rights risk management into operations and decision-making |
| 4 | Management of priority and material issues | Goal | To monitor risk avoidance, mitigation and remediation and measure quality of outcomes for people |

Guiding principles for our CGMs
- Prompt, consistent, and respectful
- Simple, local and culturally appropriate
- Free, well publicised and without retribution
- Designed and operated to the highest applicable standards and laws
- Not impeding access to judicial or administrative remedies

Handling grievances in our supply chains

As set out in our Human Rights Expectations of Suppliers, we expect our suppliers to provide appropriate mechanisms for raising complaints, and where necessary, provide remedy. This expectation is supported by specific compliance requirements related to remedy and grievance mechanisms within our standard supplier contracts.
In practice, and often because of site visits, we have seen there is a need to both raise awareness of the individuals’ rights, as well as the mechanisms available to them. In certain cases, we might establish a site level grievance channel managed by a specialist third-party. When establishing such a system we ask that our respective supplier dedicates a manager on site who can liaise with the third party to follow-up, investigate, and ultimately seek to provide remedy for any affected individuals as appropriate. Workers will typically be informed of how to use the channel and its purpose by the operators themselves and are free to contact the operators via e.g., text or through phone calls in workers’ native language.

Worker testimony that comes through the grievance mechanism shall be considered confidential and anonymous unless the worker wishes for their identity to be disclosed to the supplier’s management. The messages are logged on a tracker and categorised by severity and risk to the worker. The supplier shall be informed within 24 hours of a message being received if the request is considered high-risk.

Worker(s) are informed via the operator about the actions taken by the supplier. If the worker(s) consider the issue to be resolved, then the case is closed. However, where the action taken by the supplier is considered not to be satisfactory to the worker(s), further actions could be suggested by the operator. The process remains the same where severe impacts are identified through other due diligence methods, e.g., human rights assessments in that remediating actions taken by the supplier are relayed to worker(s) via the grievance mechanism operator to get their opinion on the effectiveness of such actions.
Part II: Human Rights Due Diligence undertaken in 2022

In this section we have included an overview of human rights work undertaken in 2022, supported by select cases underpinning how we apply our requirements in specific situations, and information about main risks and adverse impacts identified and addressed through our HRDD efforts. From the five salient issues we have identified in our Policy, our efforts mainly focused on providing safe, healthy and secure working conditions and opposing all forms of human trafficking, forced labour and illicit forms of child labour due to scale and scope of our supply chains.

We have categorised our efforts below in three sub sections: i) supply chain, ii) assets outside Norway, and iii) employees and contracted personnel. In addition, we have included information about how we address systemic issues that are typically not manageable in a single project or activity alone.

Assessing and addressing risk of adverse impacts in the supply chain

In 2022, we have had over 30 different projects in the project portfolio. These projects include new build offshore oil and gas installations and vessels, modifications, subsea developments, renewables and low carbon projects, in planning phase and in execution. Our risk-based approach has directed our HRDD efforts towards suppliers performing fabrication and construction activities in countries with known risk of forced labour like conditions.

Measures applied prior to contract award

In 2022, we have taken additional steps to further front-load our HRDD work in projects in the planning phase, as early engagement with possible suppliers prior to contract award is required to facilitate compliance with our expectations and to identify and implement effective ways to avoid or mitigate risks. Specifically, we have performed or initiated in-depth risk assessments and supplier engagement prior to contract selection in six projects reaching 12 potential suppliers in five countries.

Findings in human rights supplier assessments 2022

- Management system
- Ensuring fair treatment and non-discrimination
- Providing safe, healthy and secure workplace and accommodation
- Providing fair wages and reasonable working hours
- Respecting freedom of assembly, association and the right to collective bargaining
- Preventing modern slavery
- Preventing child labour and protecting young workers
- Providing access to remedy
- Subcontracting
Measures applied during execution

In 2022, in our active contract portfolio, we have performed 21 supplier assessments, reaching 808 workers directly through interviews conducted by a third party.

The most severe findings relate to indicators of forced labour referenced by the ILO Forced Labour Indicators. Although all such findings are concerning, our attention is directed firstly towards payment of recruitment fees, retention of identity papers and lack of freedom of movement, as the prevalence of these indicators knowingly increase the risk of forced labour. 61 persons have been identified to be subject to one or more forced labour indicators in contracts in execution in 2022.

During the year we have also followed up towards suppliers with previously identified gaps; in 2021, we conducted on-site assessments that identified one or more indicators of forced labour for 15,323 workers at several mega yards where we undertook construction activities. Follow-up activities have included management engagement, capacity building, inspections and third-party verifications including worker interviews confirming that agreed actions were effectuated by the supplier and sub suppliers where relevant.

Going forward, as we perform construction activities in several new larger projects, we expect to again observe an increase in these numbers, from the 61 persons identified in 2022, in projects of limited scale. As we perform verifications to assess whether actions based on previous findings have been closed and effective, we would typically also find new people at risk, which will be reflected in these numbers. These numbers will likely continue to vary due to nature of activity in scope of assessments, as well as in which phase of a projects the assessment is performed. People identified at risk of forced labour prior to award of contract are not included in these numbers.

Where relevant and possible, we will work with our suppliers to provide remedy, including compensation towards undue payments. In 2022, payment has been made to 1,791 previously identified workers, to the value of over USD 2 million, where Equinor contributed with approximately half the amount. While remediation plans are designed to reach the individuals subject to impacts, the ‘Enabling remedy’ case box illustrates the complexity of remediation towards migrant workers.

Reacting on signal

Case 1

In 2022, sub-contracted workers on board a delivery vessel with a load of casing supporting a drilling & well operation reported that they had not been paid for over 2 months. Unloading of the boat was halted until proof of payment was shown. Additional follow up included:

- Awareness sessions with our direct supplier
- Further verification of the direct supplier’s human rights work
- Awareness of issue brought to the broader internal drilling & well ‘community’

Case 2

Due to media reports of unsatisfactory working conditions at a yard in Norway, we decided to perform a verification of a yard under the same ownership in Asia, where we currently undertake construction activity. The verification was led by our contracting party and included two Equinor representatives. No major findings were identified.

Case study - Enabling remedy

In early 2021, we commissioned a third-party expert to conduct an assessment at a project site in South-East Asia. The assessment confirmed the presence of different intensity levels, of ILO Forced Labour Indicators. To seek remediation of these issues, we formed a task force consisting of key persons in charge from Equinor and from the main contractor responsible for the project, as well as an independent third-party forced labour expert. The task force met once a week for a period of almost two years to provide guidance and monitor the implementation of the remediation plan. Discussions during these meetings were based on the initial findings but also live information coming from workers onsite via the third party managed grievance line. The fluidity of the process allowed us to get real-time information on issues that mattered to workers and how effective the remedy was. However, operating under this pressure meant that there were occasional when remedy was not fully provided or took multiple attempts before an issue was resolved.

At the end of 2022, the task force had completed most of the remediation activities. This included a reimbursement of recruitment fees to migrant workers, hired by sub-contractors of our counterparty, to the value of approximately USD 1.5 million, of which Equinor volunteered to contribute half. The reimbursement was made to 1,308 out of 1,866 workers from five different nationalities employed at the site. After attempts through different channels spanning over several months, we were unable to contact the remaining 558 workers.

This project brought us valuable insights that we bring into our ongoing capacity building and establishing of good practice, for example, the importance of robust contractual language and awareness of its meaning among our suppliers, the value of conducting on-site and early human rights assessments in projects of this nature, providing a confidential channel for workers to bring their grievances, and to seek further insight into the sub-contracting arrangements of suppliers.
Continued efforts to minimize community impacts in Tanzania

In 2022, Equinor together with Shell have continued to work towards minimizing human rights risks and impacts associated with the potential LNG site – details on previous years’ updates for this project are available in Equinor’s Annual Sustainability Reports. As risks remain with regards to longer term sustainability for impacted households, we have continued to actively engage with TPDC, the company responsible for the acquisition of the LNG site, regarding impact mitigation and the compensation process through the signature of a land memorandum of understanding.

In addition, the companies supported by a local NGO undertook an Agricultural Livelihood Baseline Assessment, as preparatory stage for an agricultural livelihood restoration program to be pursued in 2023. This Agricultural livelihood program will be one of different interventions that will be overseen by a Program Coordinator commissioned by the companies in December 2022.

HRDD processes in selected countries where Equinor is involved in partner-operated licenses

The operators of our licenses in Angola have at a policy level taken a stance on the importance of respect for human rights and processes for HRDD similar to those of Equinor; the human rights dialogue also is continuous with an openness to support multi-stakeholder actions on salient human rights issues for the oil and gas industry in Angola. Equinor’s in-country procurement is regarded as an opportunity by contractors and suppliers to improve their own performance in alignment with international human rights standards, however local suppliers have requested more relevant engagement and capacity-building. We will continue to proactively engage with the operators of partner-operated licenses and contractors and suppliers.

Over the last two years some stakeholders have challenged Equinor’s activities in Argentina – either from a local community perspective related to our onshore activities, or from a climate change and environmental perspective related to the offshore activities. Equinor takes these concerns seriously and consequently has stepped up engagement with local communities and local stakeholders, including by adopting a proactive stakeholder engagement approach to overcome the limitations created by COVID-19 for company-led engagement and authorities-led consultation related to Environmental Impact Assessment.

The conclusion of the HRDD is that no adverse human rights impacts requiring immediate action or remediation were identified. However, going forward, we will strengthen our follow up of how YPF manages social risks; for example, on issues such as consultation with local communities, access to remedy, and HSE risks for workers and communities. For offshore activities, Equinor will make efforts to effectively implement relevant management systems once seismic/drilling activities start, not only to manage potential direct adverse impacts but also those which could occur through the supply chain.

Equinor joined the Mendubim solar project in Brazil at the concept planning stage and initiated a human rights review to align the management of key risks in collaboration with Scatec, as well as to incorporate the learning for future projects in Brazil with similar joint venture set up. Site selection had already been completed through the acquisition of a parcel of private land occupied by the owner and two caretaker families. Equinor was therefore attentive to ensuring the resettlement process not only was in line with international best practices but also was respectful of the human rights of the two vulnerable families living and working in the site without rights to the land or formal contracts. After extensive dialogue with the Equinor-appointed Community Liaison Officers, the resettlement was completed for both families, who now have taken legal ownership of their new property, including land allocation for one family to continue farming activities.

Whilst no finding from the review required immediate action, potential risks of adverse impacts were identified, including poor/unfair working conditions for onsite contracted workers and in the supply chain, and absence of a project-level grievance mechanism for local workers. Resultingly, a review of the complete grievance process was undertaken. This was supported by raising awareness to workers about their rights, employment terms, and possibility to raise concerns through the site’s grievance mechanism. Engagement continues with local rightsholders regarding their rights and tools for engagement with the project.

Tanzania

Equinor has been in Tanzania since 2007 and is maturing opportunities for the development of the gas resources which are located about 100 km offshore from the coast of Lindi. Once future gas reaches shore it should be processed and cooled down to form liquefied natural gas (LNG). Early in 2022, Equinor and Shell signed a memorandum of understanding to jointly work together on the LNG facilities to be constructed, supported by a Framework Agreement with the government of Tanzania to align on some of the key fundamentals needed for the development of an LNG project in the country.

Argentina

Equinor has been present in Argentina since 2017 and our portfolio in the country includes both onshore and offshore oil and gas projects, as well as a solar project. Onshore, Equinor partners in two non-operated areas in Vaca Muerta in the province of Neuquén; Bandurria Sur and Bajo del Toro (both operated by state owned company YPF) and participates in the Guañizul 2A solar park in the province of San Juan (operated by Scatec). Offshore, we have exploration permits in eight blocks, operating six and as a partner in two.

Brazil

Mendubim is a large (531 MW) Brazilian solar investment project being developed together with our partners Scatec (operator) and Hydro Rein. The Angolan continental shelf has been one of the largest contributors to Equinor’s oil production outside Norway since 1991, when the company first entered the Angolan market. Currently, Equinor is a non-operating partner in three producing offshore blocks with other ongoing/planned exploration and development projects.

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The HRDD in Libya highlighted that Equinor has a range of measures in place to assess and manage human rights risks for Equinor’s own activities and personnel. However, the complexity of the continued conflict situation requires constant focus. Therefore, Equinor’s main challenge is to further improve understanding of how our business partners manages the human rights risks associated with the JV activities.

Most significant risks relate to security provisions, health and safety for workers, contractors and communities, and workers’ rights. Resultingly, Equinor is working with partners for relevant security providers in the fields to be familiar with, and trained on, internationally recognized principles on use of minimum force as set out in the UNGP and the Voluntary Principles on Security and Human Rights.

Libya
Libya has been in a prolonged state of conflict since 2011 and the country faces several human rights challenges. Equinor has been in Libya for 25 years and has ownership interest as partner in two oil fields onshore, Murzuq and Mabruk. More recently, our engagement in lifting and marketing Libyan crude oil has become a significant part of our business activities.

Responsible exit from Russia
As part of the exit process from Russia, we conducted a desktop human rights assessment to understand the potential impacts of our decision on main affected stakeholders; our employees, suppliers, and the local communities linked to our Joint Ventures. Engagement with potentially affected stakeholders was limited due to the international sanctions, security concerns and the highly sensitive and dynamic process around the exit.

The most severe risks identified in the desktop assessment were related to the potential psychological, social, and economic impacts for our 53 employees. It was also found that measures taken to support these employees such as severance packages reflecting Russia’s economic situation, psychological support and re-education funds were deemed appropriate to mitigate potential adverse impacts.

Due to the international sanctions, the range of options for Equinor and other companies to use their leverage and mitigate potential impacts on the JV’s employees or contracted workers were constrained.

Russia
After 30 years in Russia, Equinor has in 2022 exited all Joint Ventures in the country. Equinor decided to start this process in February 2022 following the Russian invasion of Ukraine. Since then, Equinor has halted all new investments into Russia, stopped trading oil and gas products directly from Russia and announced an impairment of USD 1.08 billion on the balance sheet as of 31 March 2022. End 2022, Equinor maintains an office in Russia to assist with the exit process.
HRDD efforts relevant to our employees and contracted staff

Equinor is committed to providing reasonable and competitive compensation and benefits to our employees in all locations. During 2022 we partnered with The Fair Wage Network, a recognised specialist in this field, to undertake an extensive review of our employees’ compensation against living wage benchmarks. Our analysis, carried out using the Anker Methodology, shows that Equinor has no employees globally below any applicable minimum wage or within 10% of the living wages threshold. The analysis was carried out on base salaries alone and did not include compensation items such as variable pay, allowances, or other benefits. Accordingly, we are confident that all our employees are paid a wage which meets the accepted definitions of the living wage.

A review of our IT suppliers located in India was performed in April 2022. Based on the review and reported concerns during the pandemic, it was decided to perform a human rights assessment by a third party of one of our suppliers with focus on local workers in India, and workers being deployed to Norway, including their subcontractors. Issues related to moving to home office, supplier’s system for complaints channels and treating complaints regarding working conditions were identified as general risk factors and are followed up also with other IT suppliers.

Systemic issues

At times, the risk of adverse human rights impacts we encounter is not specific to our supply chains, partners, or projects. Rather, it can be more systemic in nature and form an integral part of an economy, a particular sector, or an industry.

Such systemic challenges are often too large for one company alone to take on successfully. One example of such an issue is the occurrence of sub-standard working or living conditions, not least for migrant workers, in the construction sector (e.g., in EMEA and South-East Asia). Another example is the widely reported risk of forced labour in solar supply chains. Addressing systemic challenges on a project basis only, is not likely to be successful but rather calls for collective and lasting attention from governments and companies.

Multifaceted and often deeply engrained challenges like these require us to challenge ourselves and to explore a broad set of tools and levers in a search for meaningful solutions. Mitigating steps to address the risk can be of unilateral nature, e.g., by taking into account the financial cost of respecting human rights when evaluating bids as part of a tender process. More often, the building and use of collective leverage together with peer companies and through e.g., industry associations is needed. As such, we are actively pursuing opportunities for wider collaborations at specific locations, building on industry initiatives and joint commitments such as through IPIECA and between smaller and less formal groups of companies.

For needed change to ultimately come about, also more substantial governmental support might be required and given the nature of systemic challenges, we realize that change is not always likely to happen swiftly. However, our intent is to continue to stay impatient and to explore new ways, unilaterally and collectively, to address these challenges.

Due to publicly reported concerns of serious labour exploitation in solar supply chains, we have continued our task force focusing on actions to mitigate risks short and longer term. Actions include increasing and requesting traceability throughout the supply chain, seeking contractual safeguards, engaging with industry initiatives and investigating opportunities for alternative sourcing routes.
Part III: Our work going forward

The primary focus of our human rights work continues to be to perform risk based and continuous HRDD. This also includes gradually increasing the coverage of our HRDD efforts as we evolve our business, improving consistency and documentation.

As we continue to operationalise our Policy throughout our business, we have seen the need to strengthen certain parts of our internal work processes. This includes developing and implementing new corporate-valid requirements for HRDD and stricter requirements for data gathering and internal reporting on HRDD efforts and results. Assessing the effectiveness of our grievance mechanism ecosystem and tools for stakeholder engagement are candidates to become other priority areas for us in the coming year and beyond.

To become more effective in addressing systemic issues primarily related to larger construction projects, we will continue to leverage collaboration initiatives at a global or industry level, while also pursuing opportunities for location-specific initiatives. Further, as we continue to grow our renewables business, we will seek to build our understanding of any systemic human rights issues connected to offshore wind and batteries supply chains, internally as well as together with joint venture partners and the wider industry.

Longer term, we also intend to continue to explore how to approach the topic of living wage vis a vis directly contracted staff and staff working through onsite service providers. As part of this work, we intend to consider how we can encourage best practice on living wage matters within our supply chains.

Finally, efforts will continue towards developing a performance framework on human rights. In this regard, we will continue, through both internal and external efforts, to pursue meaningful leading and lagging indicators to track HRDD performance, including e.g., corporate level KPIs.
A Just Transition

As a responsible corporate citizen, we recognize the climate crisis the world is confronted with. Similarly, we acknowledge that not meeting the goals of the Paris Agreement might lead to serious consequences – including in the human rights space. Equinor supports the Paris Agreement and launched its first Energy Transition Plan (ETP) in March 2022. The ETP is an expression of our aim to be a leading company in the energy transition. It sets a clear ambition to reach net zero by 2050. A Just Transition (JT) plan to complement the ETP in which respect for human rights is at the core, was published in December 2022. The purpose of developing such a JT plan is to guide us in the face of the energy trilemma; how to contribute to providing the world’s population with reliable, affordable energy with lower emissions over time in a rights-respecting way. We invite you to learn more about our ETP and JT plan at equinor.com.

Handling information requests according to the Norwegian Transparency Act

To be able to effectively respond to information requests under the Act in force since July 2022, we have developed an internal procedure to receive and handle requests. We have adjusted the ‘Contact Us’ form on equinor.com, linking it to our internal workflow system, to ensure requests are handled in a timely manner. During the second half of 2022 we received three request relevant to the Act, and twelve requests deemed outside of scope.

About this statement

Equinor has for the purpose of this human rights statement made some delimitations. The statement does e.g., not cover alleged cases of discrimination or harassment within Equinor’s own workforce; these cases are reported in our Annual Reports. Further, the statement does not cover matters which only have a tenuous human rights dimension to them. It should also be noted that there will continue to be certain human rights risks and impacts linked to Equinor’s business which we remain unaware of, and which are hence not covered in this statement. You are invited to inform us about such matters via equinor.com.

The statement covers relevant aspects of Equinor’s human rights due diligence work undertaken in 2022 and was prepared in the period up to February 15 2023. It provides an overview based on our best knowledge at the date of the statement. We will not necessarily update this statement in case we become aware of inaccuracies or changes to the status presented in the statement after this date.