

# Modern Slavery Act Statement

**Effective Period: FY 2019**

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PAGE 1 of 6



# Contents

<b>Modern Slavery Act Statement</b>	<b>3</b>
1. Effective Period	3
2. Group Name Change	3
3. Our Business Structure and Supply Chain	3
4. Our Culture	3
5. Our Policies to Prevent Modern Slavery	4
6. Our Due Diligence Methodology	5
7. Our Risk Management, Measurement, and Monitoring	5
8. Our Training and Communications	6
9. Reporting Concerns	6
10. Authority and Approval	6

# Modern Slavery Act Statement

## 1. Effective Period

This Modern Slavery Act Statement (“Statement”) is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 (the “Act”) on behalf of Altera Infrastructure L.P. and its relevant subsidiaries (“Altera”, the “Group”, “we”, “us”) for the period 1 January 2019 to 31 December 2019 (the “Effective Period”).

## 2. Group Name Change

During the Effective Period, Altera Infrastructure L.P. operated under the name of “Teekay Offshore Partners L.P.”, and the Group traded under the brand “Teekay Offshore”. Effective 24 March 2020, Teekay Offshore rebranded as Altera Infrastructure, and Teekay Offshore Partners L.P. changed its name to Altera Infrastructure L.P. Although this Statement applies to a time period during which the Group was operating under the Teekay Offshore brand, to avoid confusion, this Statement has been drafted as for the Altera Group, and has been reviewed and approved by the Board of Directors of Altera Infrastructure L.P. on behalf of the Altera Group. For clarity and where appropriate, this Statement references both the current and the former names of entities within the Group.

## 3. Our Business Structure and Supply Chain

The Group is a midstream services provider to the offshore oil and gas industry. As of 31 December 2019, the Group owned/operated approximately 58 offshore assets, including floating production, storage and offloading (“FPSO”) units, shuttle tankers (including newbuilds), floating storage and offtake (“FSO”) units, long-distance towing and offshore installation vessels, and a unit for maintenance and safety (“UMS”). During the Effective Period, the Group’s activities were international in nature but were primarily focused on the offshore oil regions of the North Sea, Brazil and the East coast of Canada. We relied on a supply chain of reputable subcontractors and suppliers to support our service obligations to our offshore energy customer base.

## 4. Our Culture

Altera values ethical and honest business. The Board of Directors of our general partner, Altera Infrastructure GP L.L.C. (the “Board”) and the Group’s Executive Leadership seek to set a strong tone from the top throughout the organisation to reinforce the importance of trust and integrity.

We support a shared leadership approach in which trust and integrity are embraced as a shared responsibility by all employees. This approach was also in place during the Effective Period.

## 5. Our Policies to Prevent Modern Slavery

Modern Slavery, as used in this Statement, refers to any offense set forth in the Act (and any other similar applicable legislation) including slavery, servitude, forced / compulsory labour, child labour, and human trafficking. Altera prohibits any Modern Slavery in our supply chain. We relied on the following policies, procedures, and practices to prevent Modern Slavery during the Effective Period:

- During the Effective Period, the Group operated according to the Teekay Offshore Standards of Business Conduct (“Standards”), which served as the cornerstone of our business ethics program. The Standards were mandatory for all Teekay Offshore employees and set out the rules of ethical conduct required of all employees. The Standards reinforced our strict approach to business ethics, including our firm stance against Modern Slavery, and provided guidance on how employees could report suspected violations of the Standards. *Effective March 2020, the Standards will be replaced by the Altera Code of Conduct, which contains similar provisions (available on our website [www.alterainfra.com](http://www.alterainfra.com)). Requests to review the prior Standards should be directed to: [compliance@alterainfra.com](mailto:compliance@alterainfra.com).*
- During the Effective Period, the Group also provided employees with a Compliance Guide (“Guide”), which supplemented the Standards with further instruction and detailed guidance to enable Group employees to understand and adhere to the Standards on a practical level. The Guide contained case studies, including in relation to the Act, to demonstrate how employees should conduct themselves when faced with business decisions that involve integrity issues. *As from March 2020, the Compliance Guide will be replaced by a series of revised compliance-relevant policies and procedures adopted by Altera.*
- During the Effective Period, the Group operated according to a Ship Recycling Policy (“Recycling Policy”), which governed the processes and standards applicable to recycling end-of-life vessels. The Recycling Policy established requirements that met or exceeded the requirements of the 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships. We also undertook significant activities to check and approve the integrity and labour practices of potential recycling yards and service providers and only engaged those parties that demonstrated acceptable environmental and labour practices. During the Effective Period, the Group participated in the Ship Recycling Transparency Initiative (“SRTI”), which supports and promotes socially

and environmentally responsible ship recycling. *As from March 2020, the Ship Recycling Policy will be replaced by an Altera policy containing similar provisions and the Group expects to pursue SRTI membership under the Altera name.*

## 6. Our Due Diligence Methodology

During the Effective Period, the Group adhered to a risk-based due diligence procedure to vet third parties that might reasonably present a compliance risk, including a risk of violating the Act. This process included review of a potential third party's performance track record, reputation, and commitment to observe the Act, as well as other applicable laws. *As from March 2020, the former Teekay Offshore Due Diligence Methodology will be replaced by Altera procedures containing similar provisions.*

During the Effective Period, the Group's contract review procedures mandated the inclusion of business ethics clauses, which refer to the Act, in our contracts and subcontracts. These clauses required our suppliers and service providers to take appropriate steps to prevent Modern Slavery in their supply chains and to strictly refrain from abusive labour practices in violation of the Act. *As from March 2020, the former Teekay Offshore contract review procedures will be replaced by Altera procedures containing similar provisions.*

## 7. Our Risk Management, Measurement, and Monitoring

In accordance with the requirements of the Sarbanes Oxley Act of 2002, during the Effective Period, the Group operated according to a series of internal governance controls, including a formal enterprise risk management process, to identify existing and emerging risks which may originate internally or externally. We used these risk inputs to assess and prioritise our mitigation responses. Business ethics, including Modern Slavery considerations, were routinely considered as part of these risk assessments during the Effective Period.

During the Effective Period, measuring and monitoring was an essential part of our business ethics compliance efforts—we tracked and analysed our due diligence, training, reporting, and other relevant data to monitor the effectiveness of our efforts, to identify areas of improvement, and to focus our resources on the most relevant issues. Because certain geographic areas (e.g. jurisdictions that score poorly in the Global Slavery Index), activities (e.g. work involving migrant, casual or less skilled labour), and suppliers (e.g. shipyards, manning agents) may present a heightened risk potential for Modern Slavery, we employed a risk-based approach to coordinate our due diligence, training, and monitoring efforts so that resources were allocated proportionately to assessed risks.

To further ensure that we appropriately mitigated risks during the Effective Period, including Modern Slavery risks, our independent Risk & Audit Services ("RAS") function conducted regular

audits of our internal control framework. Guided and informed by risk management data, RAS supplemented the ongoing monitoring of business ethics risks, including Modern Slavery risks.

*As from March 2020, the Altera RAS function will continue to conduct risk management activities for the Group as described above.*

## 8. Our Training and Communications

During the Effective Period, the Group provided business ethics training to its shore-based and seafaring employees in a variety of ways, including via an annual e-learning course, function-specific web-based training, and tailored in-person training on an ad hoc basis.

## 9. Reporting Concerns

The Standards in place during the Effective Period required Group employees to report business ethics violations, including any suspected modern slavery offences, either to the Chief Compliance Officer, who reported to Teekay Offshore's Audit Committee, or via our confidential reporting hotline, the details of which were available from our website and in our Standards. *As from March 2020, our Reporting Hotline will be available at [www.alterainfra.ethicspoint.com](http://www.alterainfra.ethicspoint.com).*

## 10. Authority and Approval

The Board of Directors of Altera Infrastructure GP L.L.C. (formerly Teekay Offshore GP L.L.C.), the general partner of Altera Infrastructure L.P. (formerly Teekay Offshore Partners L.P.), has approved this Statement for and on behalf of the Group and its subsidiaries for the Effective Period.

The Group's subsidiaries for the Effective Period are listed in its Annual Report 20-F 2019 (available on our website [www.alterainfra.com](http://www.alterainfra.com)) and included: Petrojarl UK Limited, Teekay Varg Production Limited, Teekay Voyageur Production Limited, and Tiro Sidon UK L.L.P.



**William Utt**

Director and Chairman of the Board  
Altera Infrastructure GP L.L.C.

March 2020