

Anti-Bribery Policy
(NOS – POL – 001 Rev 1)
of Nobel Oil Services (UK) Limited

Approved by:



Ali Batu
(Chief Executive Officer)



Jorgen P. Rasmussen
(Chairman of the Board of Directors)

Revision History:

Anti-Bribery Policy NOS-POL-001 Rev 1: May, 2016

Anti-Corruption Policy NOS-POL-001 Rev 0: April, 2015

Contents

1. POLICY ON ANTI-BRIBERY	4
2. RATIONALE FOR POLICY	4
3. POLICY APPLICABILITY	4
4. POLICY IMPLEMENTATION	5
A) DEFINITIONS	5
B) PRINCIPLE OBJECTIVES OF THE POLICY	6
C) COMPLIANCE	7
D) TOP LEVEL COMMITMENTS	8
E) BRIBERY RISK ASSESSMENT	9
F) GIFTS AND BUSINESS ENTERTAINMENT EXPENSES	9
G) CHARITY AND SPONSORSHIP	10
H) INVOLVEMENT IN POLITICAL ACTIVITIES	10
I) FACILITATION PAYMENTS	10
J) RELATIONS WITH GOVERNMENT OFFICIALS	11
K) EMPLOYEE TRAINING	11
L) SUBSIDIARIES, JOINT VENTURES, AND COUNTERPARTIES	11
M) PAYMENTS VIA INTERMEDIARIES IN FAVOUR OF THIRD PARTIES	12



N) ACCOUNTING AND RECORD KEEPING 12

O) DUTY TO REPORT (WHISTLE BLOWING) POLICY 13

P) NO PUNISHMENT OR SANCTIONS 13

Q) AUDIT AND CONTROL 13

R) REPORTING..... 13

S) PARTICIPATION IN ANTI-CORRUPTION INITIATIVES 13

T) RESPONSIBILITY FOR COMPLIANCE 13

U) MONITORING 14

1. POLICY on ANTI-BRIBERY

“The Company has zero tolerance for any bribery. Offering, giving, requesting or receiving of bribes in any form by the employees within the Nobel Oil Services group of companies or by those individuals or companies who are retained to work on behalf of the Company or its subsidiary companies are prohibited and will not be tolerated.”

2. RATIONALE for POLICY

This Anti-Bribery Policy (hereinafter referred to as the “policy”) of the Company (see definition on page 6) sets out the Company’s key principles and requirements designed to;

- (i) Support the Company’s commitment to preventing bribery.
- (ii) Enhance the Company’s bribery risk mitigation measures.
- (iii) Strengthen governance practices.

In addition, the policy document was developed to be in line primarily with the UK Bribery Act (2010) and the Company’s Code of Conduct & Business Ethics. The policy recognises that international treaties such as the OECD Convention Combating Bribery of Foreign Public Officials in International Business Transactions and the United Nations Convention against Corruption are also relevant.

Specific definitions, prohibitions, commitments, and requirements related to the policy statement are described in section four (4).

3. POLICY APPLICABILITY

This policy is applicable to all directors and employees of Nobel Oil Services (UK) Ltd and all directors and employees of the subsidiary companies, such as but not limited to Nobel Oil Ltd, Glensol, Prokon, LLAMREI DMCC, and Nobel Oil Downstream. For avoidance of doubt, this policy also applies to employees of the branch offices of any of the subsidiary companies.

Subsidiary companies may develop and implement their own anti-bribery policy but it must include, as a minimum, all the requirements of this group level policy.

All directors and employees of the Company, subsidiary companies and branch offices must follow this policy and strictly comply with its principles and requirements.

The principles and requirements of this policy shall also apply to the Company's counterparties, such as contractors, consultants, service providers, and representatives when they are contracted to provide goods and services to the Company. For avoidance of doubt, this applies to the counterparties of the Company's subsidiary companies and branch offices.

For joint venture companies in which the Company or any of its subsidiary companies have a controlling interest, the Company shall ensure that the joint venture has an anti bribery policy in place.

The CEO of Nobel Oil Services (UK) Limited shall be responsible for ensuring that this policy is enforced.

4. POLICY IMPLEMENTATION

a) Definitions

For the purposes of this policy and all related internal documents and activities, the following definitions shall be used.

The policy classifies bribery into two categories:

- i. Active Bribery (offering, promising or giving a bribe)
- ii. Passive Bribery (requesting, agreeing to receive or accepting a bribe)

This policy defines bribery as:

- i. An act of offering, or giving, requesting, or receipt of any gain, advantage or benefit, financial or otherwise, in return for any kind of misuse or abuse of a position of confidence, or a function, which is normally expected to be discharged without bias and partiality, or in good faith.
- ii. A gift bestowed upon a person in order to influence, affect or otherwise alter the beneficiary's line. The gift could be in the form of cash, commodity, interest in a claim, property, preferential treatment, privilege, emolument, any object of value, advantage, gain or benefit, or merely a promise or commitment to induce or alter the actions of the person receiving the gift.

This policy defines a **commercial bribe** as any of the following:

- i. Grafting a procurement officer with a view to prompting such officer to closing a deal
- ii. Collusion with the agents or employees of prospective buyers in order to secure competitive advantage.

This policy defines a **public official** as an individual:

- i. Who holds legislative, administrative or judicial office (either appointed or elected) of any kind.
- ii. Responsible for a public function in the government.
- iii. Responsible for a function in a public agency.
- iv. Responsible for a function in a public enterprise.
- v. Responsible for a function in a state-owned enterprise.
- vi. Who is an employee of an international public institution.

This policy defines a **facilitating payment** as a payment made to a public or government official:

- i. With an aim to facilitate approval of some type of business transaction or activity.
- ii. With the intention of expediting an administrative process.
- iii. To incentivize said official to complete an activity or process as quickly as possible, for the benefit and in favour of the payer.

The term **Company**, unless otherwise referred to depending on the context of the sentence, refers collectively to Nobel Oil Services (UK) Limited, the subsidiary companies in which Nobel Oil Services (UK) Limited has majority ownership, and the branch offices of the subsidiary companies.

The term **employee** refers to those people employed by the Company, that is, Nobel Oil Services (UK) Limited, its subsidiary companies and branch offices of the subsidiary companies either as direct employees or service contract personnel.

b) Principle Objectives of the Policy

The policy reflects the commitment and dedication of the Company, board of directors and employees to; (i) the highest of ethical standards in conducting ~~its~~ business in an open and transparent fashion, (ii) adopting best practices and standards of corporate governance and (iii) upholding the business reputation of the Company to a high standard.

The Company's specific anti-bribery objectives are:

- a. To minimize the risk of involvement of the Company, members of the board of directors, in corrupt practices.
- b. To ensure that board of directors, employees, shareholders, the investor community, counterparties, members of the governing bodies, and other relevant persons have a clear and complete understanding of this policy.

- c. To communicate and elaborate on the key requirements of the United Kingdom anti-bribery laws and any local anti-bribery laws that may apply to the Company.
- d. To obtain a commitment from the board of directors and employees that they are knowledgeable of and are adhering to the principles and requirements of this policy, related anti-bribery procedures and the key provisions of the applicable anti-bribery laws.

c) Compliance

The board of directors and all employees must comply with the policy, the UK Anti-Bribery Act, local anti-bribery legal framework, including, but not limited to, Codes, Laws and other statutory and legal documents, wherein the key requirements impose strict prohibitions as to giving and receiving bribes, taking part in commercial bribery and mediating a bribe.

The Company, the board of directors, and all employees shall comply with the provisions of the UK Bribery Act 2010. The principal requirements of the Act include:

- i. Prohibition to offer a bribe, i.e., (i) an offer or (ii) a promise to offer any financial or other benefit / gain with an intention of inducing any person to discharge their responsibilities improperly.
- ii. Prohibition to take a bribe, i.e., (i) receipt or (ii) a consent to receive any financial or other benefit / gain in exchange for performing one's professional duties improperly.
- iii. Prohibition to bribe foreign government officials, i.e., (i) an offer or (ii) a promise to offer (directly or through a third party) financial or other benefit / gain to a foreign government official with an intention to influence such individual in their capacity as a government official with a view to securing / retaining business or securing a competitive or any other advantage for a business.
- iv. Prohibition to fail at bribery prevention, i.e., a business has no adequate procedures are in place designed to stop any of the entity's affiliated persons from offering or taking bribes with an intention to secure or retain business or to secure a commercial or competitive advantage.

For assistance in understanding the principles covered by the Act, employees are encouraged to read a document titled "The Bribery Act 2010 – Guidance" prepared by the UK Ministry of Justice.

In the United Kingdom and worldwide, "corruptive acts" typically imply offering or taking of a bribe, acting as an intermediary in the offering or taking of a bribe, abusing office or authority, commercial bribery, facilitation payments, illegal use of

one's position for personal gain in cash, valuables, other assets, services, any type of rights for self or other persons, or an illegal grant of rights or benefits by other persons to such individual.

Considering all of the above stated, any employee of the Company shall be strictly prohibited from taking part in any corruptive acts, actions or activities, either directly or indirectly, in person or through a third party, including, but not limited to, offering, giving, promising, soliciting or taking bribes, grafts, facilitation payments (as defined below) in any form, including, among other things, cash, valuables, services or any other gain, benefit or profit, to or from any persons or institutions, including businesses, central or local governments, public officials, private companies or their representatives. For avoidance of doubt, this statement applies to all employees in any of the Company's subsidiary companies.

d) Top Level Commitments

The Company's board of directors, executive and line managers should foster and nurture a culture of integrity and compliance.

To support implementation of this policy (and the policy statement) and as a demonstration of the Company's commitment to not engage in corrupt practices, executive and line management should communicate to employees the Company's commitment to preventing bribery and specifically stress:

- a) The Company's commitment to fair, honest and open conduct of business.
- b) The Company's zero tolerance policy with respect to bribery.
- c) The consequences of failure to comply with the policy.
- d) The consequences of failure to comply with the anti-corruption clauses of contracts signed by the Company.
- e) Business benefits of rejecting bribes.
- f) The requirement to report any suspected instances of bribery (refer to the Duty to Report policy and procedure).
- g) Reference to the Company's involvement in any public anti-corruption activities.

The Company shall foster communication and education by through training, posting this policy (and related policies) on the Company web-site and encourage compliance with this policy by all stakeholders, and shall support efforts aimed at enhancing the anti-bribery culture within the Company.

e) Bribery Risk Assessment

The Company shall ensure that a bribery risk assessment is carried out on a regular basis by identifying and updating the corruption risk indicators inherent in its operations and the potentially vulnerable business processes.

For guidance in undertaking the assessment, the Company may refer to a publication prepared by Transparency International titled *“Diagnosing Bribery Risk – Guidance for the Conduct of Effective Bribery Risk Assessment”*.

The Company should make reasonable efforts to minimize the risk of doing business with any counterparties that may be involved in corruptive practices and activities. To this end, the Company shall evaluate the counterparty’s tolerance to bribery, including a check of whether they have their own anti-bribery policies and procedures and their willingness to comply with the requirements of that policy. In addition, the Company should include anti-bribery clauses into contracts, and to facilitate conduct of business in good faith.

The Company may engage an external audit firm to carry out regular "transaction tests", an inspection of certain selected transactions from an accounting verification perspective, with an aim to detecting any ‘red flags’ that warrant further investigation.

The Company may engage an external audit firm to conduct a bribery risk assessment by examining to what extent the existing business structures or procedures may contribute to risks and identifying the following internal factors that may have an input to the company's risk profile:

- a) Deficiencies in employee training, skills and knowledge.
- b) Remuneration culture that rewards excessive risk taking.
- c) Unclear institutional policies and procedures on hospitality and promotional spending, political and charitable donations.
- d) No clearly defined financial controls.
- e) No clear anti-bribery message from the top management.

f) Gifts and Business Entertainment Expenses

Expenses on gifts and business entertainment, including business hospitality, which employees may offer to, or receive from, other persons or organizations on behalf of, or in relation to their work for the Company, **must meet all of the criteria as set out below:**

- a) Must be in direct relation to the legitimate business objectives of the Company, e.g., completion of business projects, successful execution of contracts, or to common holidays.

- b) Must be reasonable, substantiated, justifiable, of adequate value, and not luxurious.
- c) Must not be implied or treated as covert reward for a service, action, omission, connivance, protection, grant of rights, transaction, agreement, license, permission decision, etc., or an attempt to influence the recipient with any other purpose of unlawful or unethical nature.
- d) Must not pose any reputational risk for the Company, its employees or other persons in the event information about such gifts or business entertainment expenses becomes available to the general public.
- e) Must not be in conflict with the principles and requirements of this Policy, Code of Conduct, and other regulations of the Company or the existing laws such as the UK Anti-Bribery Act and others.
- f) No gifts in any monetary form (cash or bank transfer), in any currency, is permitted on behalf of the Company, its employees or representatives.

g) Charity and Sponsorship

The Company shall not fund any charity or sponsorship activities with an aim to gaining any commercial advantage or benefit for specific projects of the Company or its subsidiaries and affiliates. Requests for charity donations or those opportunities that are identified by the Company shall be assessed using the following criteria:

- a) What is the purpose of the donation?
- b) Is the donation consistent with the Company's charity / donation guidelines?
- c) Has the donation been requested by a government official?
- d) Is a government official associated with the charity and, if so, is that official in a position to make decisions concerning the company's business?
- e) Is gaining business, profits or other benefits pre-requisite for making the donation?

h) Involvement in Political Activities

The Company shall not fund any political parties, organizations or movements with an aim to securing commercial advantages or benefits for specific projects or business activities.

i) Facilitation Payments

The Company does not recognize the legality of facilitation payments and does not delineate such payments from bribes and grafts. Therefore the Company WILL NOT entertain any requests for facilitation payments nor will the Company offer any facilitation payments in any of the countries in which it is considering to or is currently conducting business.

The Company views facilitation payments as:

- a) Unfair competition - smaller businesses have less opportunities and financial capacities to "grease" foreign officials.
- b) Fuelling questionable business practices.
- c) Overreliance on irregular payments creates additional risk and therefore discourages investment.

j) Relations with Government Officials

The Company shall not pay for any expenses, such as but not limited to; travel, accommodation, meals, entertainment, PR-campaigns, etc., of government officials and their family members and relatives (or in their favour) with the intention of securing commercial advantages / benefits, such as but not limited to; customs clearance, licenses, permits, taxation, etc. for specific projects or routine business activities.

k) Employee Training

The Company shall require all of its employees to comply with this policy, and shall communicate to employees the key principles, requirements and punitive consequences of non-compliance.

The Company shall conduct training programs focused specifically on preventing bribery. The Company shall regularly update and adjust such training programs to reflect any legislative changes. The Company shall periodically conduct such training for its current employees, and shall require full attendance.

The Company's induction training program for new employees shall include a section on anti-bribery to foster a proper understanding of anti-bribery culture. The induction training program will cover provisions of this policy and related documents. All new employees shall attend this induction training program.

Staff performance appraisal, career development and promotion, as well as disciplinary actions will consider each employee's compliance with this Policy.

l) Subsidiaries, Joint Ventures, and Counterparties

The Company shall consider compliance risk during the assessment all new business opportunities and business development possibilities from a compliance risk perspective.

This policy shall be applicable to the Company's subsidiary or affiliated companies in which the Company has a controlling interest.

The Company shall take reasonable efforts to ensure that any joint ventures, where the Company holds a controlling interest, as well as its counterparties, comply with the fundamental principles and requirements of this policy.

If the Company has an interest in a joint venture, it shall:

- a) Review and assess all information available on the reputation of the prospective partners and shareholders, as well as their tolerance to corruption.
- b) Inform them of the key principles and requirements of this policy.
- c) Check that the joint venture has in place a similar anti-corruption policy.

The Company may use independent parties, as necessary, to undertake due diligence on the anti-bribery compliance of subsidiaries, joint ventures, and counterparties. A bribery risk assessment shall be undertaken on those companies that are being evaluated for a potential acquisition or joint venture.

Relevant anti-bribery representations, warranties and audit rights shall be included in shareholder agreements, joint venture agreements, and all third-party contracts.

m) Payments via Intermediaries in Favour of Third Parties

The Company and its employees shall be prohibited from engaging and using intermediaries, partners, agents, joint ventures or other persons to perform any actions that contravene the principles and requirements of this policy or provisions of the applicable anti-corruption laws.

As required, the Company will carry out due diligence verification of intermediaries, partners, agents, joint ventures and other persons in order to prevent and / or identify any of the aforementioned offenses with an aim to minimizing and mitigating the risk of the Company's involvement in corruptive activities.

n) Accounting and Record Keeping

Accurate, correct and appropriately detailed records of all financial transactions shall be maintained by the Company and these records shall be made available for review upon request.

The Company shall appoint designated employees who shall be accountable for preparing and submitting complete and accurate accounting reports within stipulated timeframes. Misstatement or misrepresentation of the Company's accounting records shall be strictly prohibited and deemed fraudulent.

o) Duty to Report (Whistle Blowing) Policy

Should any director or employee have doubts on whether their actions are legal and ethical, as well as the actions, omissions or offers made by other employees, counterparties or other persons interacting with the Company, the director or employee can refer to the Company's Duty to Report Policy.

p) No Punishment or Sanctions

The Company declares that no employee shall be punished or otherwise persecuted, including termination of employment, demotion, or bonus revocation, if they report an alleged act of bribery, or if they refuse to offer or to accept a bribe, commit an act of commercial bribery or act as an intermediary in bribery, even if as a result of such refusal, among other things, the Company lost profit or failed to secure a business or competitive advantage

q) Audit and Control

The scope of internal and external audits will periodically include a check for; (i) the presence of relevant policies and adherence to the principles and requirements of those policies, (ii) compliance with applicable laws and regulations, and (iii) a determination as to what extent the information presented in the accounts is complete and accurately presented.

The audit may include spot checks of payment legitimacy and shall verify whether supporting documents are available and complete, and whether the payments and expenses are in line with this policy.

r) Reporting

The Board should, review management and audit report in regards compliance with this policy and provisions of the applicable anti-bribery laws.

s) Participation in Anti-Corruption Initiatives

The Company may participate in international anti-corruption conferences such as those organized by TRACE International, the American Conference Institute, C-5, Momentum and the World Forum on Governance.

t) Responsibility for Compliance

The board of directors and employees, irrespective of their positions, shall be individually responsible for compliance with the principles and requirements of this policy, and for actions (omissions) of reporting breaches of these principles and requirements.

Considering that the Company may be subject to legal action due to the involvement of its employees, counterparties, subsidiaries and other individuals in corruptive activities and practices, it shall initiate in-house investigations on each reasonably suspected or confirmed case of bribery to the extent permitted by the applicable laws.

Individuals failing to comply with the requirements of this policy may be subject to disciplinary, administrative, civil or criminal sanctions initiated by the Company, law enforcement agencies and other bodies in accordance with the existing laws, internal regulations and policies or employment contracts provided there are reasonable grounds, in accordance with the provisions of the UK Bribery Act or other similar foreign laws that may be applicable to the Company.

u) Monitoring

This policy shall be reviewed periodically and amended, as necessary, to address areas that are found to be in need of modification or improvement and to reflect any changes in applicable laws in the United Kingdom. In addition, relevant procedures shall be developed to support implementation of this policy.