

Duty to Report Policy
(NOS – POL – 002 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:

Duty to Report Policy: NOS-POL-002 Rev 1, May 2016

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Nobel Oil Services (UK) Ltd. Group Business Principles

Our Business Principles express our core values and behaviours. We are committed to our relationships, and conducting ourselves with integrity and to the highest ethical standards. It is our imperative to provide safe and secure working environments, and developing our employees to their full potential. Our principles dictate that we treat each other, our partners, our customers, our suppliers and all others with whom we interact with fairness, respect and decency. We believe that abiding by with these Business Principles is essential for outstanding performance, creating long-term value, and sets the tone for the development of our policies, standards, procedures, and guidelines.

Integrity and Conduct	Sustainability, Safety & Environment
<ul style="list-style-type: none"> ✓ We are honest with others and ourselves. ✓ We hold ourselves responsible for our actions and inactions. ✓ We act with integrity and fairness. ✓ We comply with legal and regulatory requirements. ✓ We do not tolerate corruption in any form, whether direct or indirect. ✓ We manage our business to high ethical standards and sound governance. 	<ul style="list-style-type: none"> ✓ We conduct our business according to the highest standards of social, safety & environmental practices. ✓ We place a high priority on the health, safety and security of our employees and protection of our assets. ✓ We work to ensure that the communities in which we conduct business benefit from us being in the community. ✓ We work diligently to protect the environment and minimise the environmental impact of our activities.

Relationships	Diversity	Efficiency
<ul style="list-style-type: none"> ✓ We treat people with fairness, respect and decency. ✓ We value productive, collaborative and mutually beneficial relationships with our partners, customers, communities and each other ✓ We encourage and support employees in developing their full potential. 	<ul style="list-style-type: none"> ✓ We value and respect the uniqueness of the cultures and communities in which we work. ✓ We value an inclusive work environment and embrace a diversity of people, ideas, talent and experiences. 	<ul style="list-style-type: none"> ✓ We strive for excellence in what we do, aiming for a high level of performance and operational efficiency.

Approved:

Michael R. Wring
CEO

Sept 11th, 2014

Date



1. POLICY STATEMENT

“The Company requires its personnel to report any situation where they have reason to suspect that there has been a breach, or potential breach, of its Business Principles, Policies and Code of Conduct & Business Ethics. Reports will be investigated and action will be taken when necessary. The Company will not tolerate harassment or any retaliation against anyone who seeks advice, raises a concern or reports a breach or suspected breach.”

2. RATIONALE and OBJECTIVES of the POLICY

For the purpose of this policy, 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 as service contract personnel.

This policy has been developed and approved as part of a range of initiatives, activities and measures taken by the Company to enhance bribery risk prevention and mitigation.

The Company is an international company operating in different business environments and cultures. We rely on everyone who works for or on behalf of the Company to adhere to our business principles and policies by behaving ethically and responsibly. Failure to operate in accordance with our business principles and policies represents a risk to the reputation of the Company which could threaten the success of our business. If breaches occur despite our system of internal controls, reports by personnel and others provide a means for the Company to initiate proper investigation and to take any necessary action. We therefore impose a duty on employees to report actual or suspected breaches, any potential misconduct, any actual or alleged instances of corruptive practices, fraudulent activities or unlawful acquisition, disclosure and / or misuse of confidential, privileged or private information, as well as any other misconduct on part of Company.

By adopting this policy, the Company also follows the best practices of corporate governance commonly accepted in the UK which has demonstrated that this type of policy is an effective method, in addition to other internal controls aimed at preventing misconduct and minimizing the risks of corruptive practices, fraudulent activities or other instances of misconduct / non-compliance.

3. POLICY APPLICABILITY

This policy applies to the board of directors and employees of the Company.

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 a duty to report policy in place.

Joint venture companies not under the control of the Company, the joint venture shall be encouraged to adopt a similar policy. Contractors and consultants are required to act consistently within this Policy when working for the Company as our agent, on our behalf, or in our name, on any business activity including when delivering outsourced services.

For the purpose of guidance, breaches or suspected breaches could include (but not be limited to) the following areas:

- Breaches or suspected breaches of the company's Code of Conduct & Business Ethics and Anti-Bribery Policy.
- Willful non-compliance with the Company's business principles, code of conduct and policies.
- Misconduct.
- Corruptive and fraudulent operational, tendering, contracting, and project management practices, as well as other areas of the company's business.
- Willful erroneous; (i) accounting practices, (ii) preparation and approval of financial statements and related reporting.
- Wilful acquisition, disclosure and / or misuse of information that is unlawful, contrary to company policies and harmful to the company.
- Non-compliance, unauthorized or illegal use of assets and property.
- Breach of employee rights.
- Actions that have caused or may cause financial damages to Company and / or its subsidiaries / affiliates.
- Actions that adversely affect the Company's reputation and goodwill.
- Wilful non-compliance with UK anti-corruption, anti bribery laws (and other countries in which the Company conducts business).
- Fraudulent acts, such as but not limited to:
 - Dishonesty and embezzlement.
 - Misappropriation of the Company, customer, supplier or contractor assets.
 - Conversion to personal use of cash, supplies, any Company asset.
 - Unauthorised handling or reporting of Company business transactions.
 - Falsification of Company business documents, records or financial statements.
 - Misrepresentations about the Company's product or services.
 - Failure to disclose information when there is a legal duty to do so.



4. IMPLEMENTATION of POLICY

a) Communication

To enable effective implementation of this policy, it shall be communicated to the board of directors and employees of the Company.

b) Responsibilities of the Company

To enable reporting of breaches or suspected breaches, the Company will:

- Promote an environment where remaining silent is not acceptable and where personnel feel able to raise concerns and report actual or suspected breaches.
- Develop relevant procedures and methods on how to report a concern, a breach or suspected breach and ensure that such procedures/methods are communicated and readily available.
- Promptly and thoroughly investigate all reports raised and during the investigation respect the rights of personnel under investigation.
- Not tolerate harassment or any retaliation against anyone who seeks advice, raises a concern or reports a breach or suspected breach.
- Not tolerate misuse of this policy against employees for the settling of personal scores, pursuit of personal agendas, or personnel deriving any benefit from whistle blowing.
- Protect the anonymity of anyone reporting a concern, a breach or suspected breach, while recognising that in certain circumstances the Company may be required to disclose information and identities of individuals, for example in legal proceedings or government investigations.
- Protect the anonymity, as far as practical, of those personnel that may be under investigation.
- Track the progress of each case and ensure that appropriate actions are taken when required.
- Where appropriate, report actual or suspected breaches of law to the relevant law enforcement agencies.

c) Responsibilities of Employees

When working for the Company or its subsidiary companies or joint venture companies controlled by the Company, employees must:

- Report promptly if they have reason to suspect that there has been a breach or potential breach as per section 3 of this policy.
- Report the concern to line management or, if they feel that unable to do so, report their concern to an independent reporting channel.
- Provide as much information as possible to ensure that a proper investigation can be carried out and respond to requests for further information.
- Line managers or other parties that receive the report shall promptly deal with the issue raised



in the report and support any investigation that may be required.

- Personnel responsible for undertaking investigations shall do so promptly and make recommendations on any action that is required.

d) Reporting Channels and Reporting Methods

Breaches or suspected breaches of this policy shall be reported to the Company's

Compliance Officer:

Name: Narmina Gardashkhanova

Email: ethics_nbo@nobeloil.com

Phone: +994 70 299 49 73

Mail: 10Q A. Qayibov Street, SDN Plaza, 6th floor, AZ1029, Baku, Azerbaijan

The Compliance Officer has the responsibility to investigate notifications concerning breaches and violation of the anti-bribery policy and code of conduct & business ethics, prepare related reports and submit the reports to the CEO.



APPENDICIES

Nobel's Business Principles



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Approved:

Michael R. Wring
CEO

SEPT 11th, 2014

Date