

**We behave  
and comply**

**ASF Anti-Corruption Policy**

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## INTRODUCTION TO POLICY

As stated in our Code of Conduct, Agility Subsea Fabrication AS (ASF) will comply with applicable anti-corruption laws. Corruption is unacceptable business conduct, constitutes a threat to fair competition and undermines legitimate business activities. Any violation within our organisation may subject both the company and individuals to criminal liability, and would represent a risk to our reputation.

We expect everyone within our organisation to understand what types of payments, transfers and business activities may expose our company to corruption risk. This Policy is developed with the purpose of describing our standards and expectations with respect to anti-corruption. Our aim is for the Policy to be a practical tool ensuring compliance.

For this reason, you are prohibited from:

- ❖ Giving or offering an improper advantage in connection with a person's position, office or assignment in either the public or private sector;
- ❖ Offering, promising or giving a financial or other kind of advantage to another person with the intention to (i) induce a person to perform improperly a relevant function or activity, or (ii) in order to reward a person for the improper performance of such a function or activity;
- ❖ Offering to pay, paying or authorising the payment of money or anything of value to a public official in order to influence any act or decision of the public official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business;
- ❖ Falsifying the company's books and records;
- ❖ Paying a facilitation or grease payment;
- ❖ Offering or giving an improper advantage to a third party in exchange for this person trying to influence the conduct of someone else (trading in influence).

Tove Nilsen Ljungquist

CEO

12.11.2014

## LEGAL DEFINITION OF CORRUPTION

Our company and our personnel worldwide are subject to many different anti-corruption laws. Our policy is to comply with the Norwegian anti-corruption provisions, the UK Bribery Act (UKBA), the US Foreign Corrupt Practices Act (FCPA) and other applicable anti-corruption laws in the countries of our operations.

Both paying a bribe and receiving a bribe is strictly prohibited. You should be aware that presenting an offer is sufficient to be held liable under applicable anti-corruption laws. No actual transfer has to be made. You should also be aware that anti-corruption laws prohibit corruption both in the public sector and the private sector. Your personal opinions about the intention behind offering or giving an advantage will not be of much importance; the prosecution authorities will consider the facts objectively.

Corrupt payments will often have certain characteristics:

- ❖ Personal enrichment of decision makers (in public or private sector) or of someone in our company;
- ❖ Not offered or given in a transparent way;
- ❖ Given with the intent of influencing certain decisions; a tender, contract negotiations, a permit or licence from a public office, or the decision to enter into a joint venture;
- ❖ Measures are taken to hide or camouflage the money trail.

### Example #1 – Kickbacks

A procurement manager in an oil service company is offered 2 % of the value of a computer software contract paid to him personally if he can "deliver the contract". The contract is related to new software, and there are several possible suppliers of the software. Instead of transferring the money directly, the procurement manager and the computer software company agree to prepare fake contracts and fake invoices with the procurement manager's private investment company to make it look like a normal deal.

**Legal implications: The procurement manager and the software company may be subject to criminal liability under the applicable anti-corruption laws.**

Whether an advantage will be regarded "improper" by the prosecutor or a judge will depend not only on monetary value, but also on the roles and responsibilities of the persons involved, the frequency of a certain activity and the rationale for offering an advantage. To illustrate, it may be appropriate to give a gift to the CEO of a joint venture partner to celebrate the ten year

anniversary of a certain project at a company event; however, it may not be appropriate to give the same gift to their general counsel secretly during the contract negotiations to try to influence the joint venture agreement in our company's favour.

Examples of benefits that may constitute bribery:

- Cash
- Loans
- Gifts
- Entertainment
- Travel
- Services
- Scholarships
- Donating to a charity for improper reasons
- Hiring a relative as a favour

## **Dilemma #1 – Services**

Your company is using a carpenter for renovation work at the office building. He delivers good services and is dependable. When you plan to renovate your summer house, you ask the same carpenter for a fee quote. The carpenter presents a fee quote and is willing to offer a 30% discount, as your company is an important customer.

**Advice: By accepting the discount you will be exposed to a certain risk. It can be argued that the 30% discount is a bribe offered to you in connection with your work. You should discuss the case with your manager. To be on the safe side, you should not accept this type of favour from the company's suppliers.**

## **TRADING IN INFLUENCE**

Trading in influence is a concept from the European Council Criminal Law Convention on Corruption from 1999. Trading in influence is accordingly made a criminal offence under many applicable anti-corruption laws. We prohibit the offering or giving of an improper advantage to a third party in exchange for this person trying to influence the conduct of someone else. If we ever engage lobbyists or agents to influence a public office or political decisions, certain precautions must be made, namely:

- ❖ We must attempt to identify any links between the lobbyist/agent and a politically exposed person;
- ❖ The lobbyist or agent must be open about his assignment for our company in contact with the decision makers;

- ❖ The fee must be reasonable based on the service provided by the lobbyist or agent.

## WHAT ARE FACILITATION PAYMENTS?

Facilitation payments are also called “grease payments” and describe payments that are made to speed up decisions and approvals the company is entitled to. Facilitation payments are typically made to a public official in order to secure or expedite routine, non-discretionary government actions to which a company is legally entitled. Facilitation payments will typically only affect the timing of a decision and not the outcome.

Typical examples of facilitation payments:

- ❖ Paying a small sum to a public official to obtain certain approvals which are needed to conduct business in that country;
- ❖ Paying a small sum or giving a small gift (as a money substitute) to port authority officials to be given priority in the harbour;
- ❖ Making cash payments to customs officials to release goods held in customs;
- ❖ Paying a small sum in unofficial fees to obtain visas or work permits or to get through immigration/customs at the airport.

Facilitation payments are still a major challenge in many parts of the world and getting rid of facilitation payments is a long term objective requiring the co-operation of governments and other international bodies. Under certain countries' laws, facilitation payments are not seen as corruption. Other countries' anti-corruption laws do not distinguish between a bribe and a facilitation payment. Our company has decided to prohibit facilitation payments. Our policy is based on the recommendation from the OECD that such payments have a corrosive effect. If you are ever requested by someone to make a facilitation payment, you should immediately report it to your line manager.

We do not prohibit payments made under duress or blackmail. If you ever feel that there is an imminent threat to your health or safety if you refuse to make a certain payment, you should make the payment and report the matter to your line manager afterwards.

### **Example #2 – Facilitation payments**

An oil service company needs to import a spare part into an African country and the part is held up in customs. The spare part is needed for the oil rig and without the spare part, the oil service company may be held liable for financial loss of hundreds of thousands of dollars to the oil producer. The customs official in the African country explains that there is something wrong

with the documentation submitted, and that the process may take another two weeks unless he is compensated for extra overtime work. The oil service company agrees to pay overtime compensation in the amount of USD 2,000, and the payment is made in cash to the local official.

**Legal implications: The oil service company and individuals involved may be punished for paying a bribe to the customs official. Here, overtime compensation is just another name for a 'bribe': a non-transparent, unofficial payment to the local official personally. A 'fast-track fee' paid to the customs office with an official receipt would be ok.**

## WHO IS REGARDED A PUBLIC OFFICIAL?

Under most anti-corruption laws, the term 'public official' includes

- ❖ Employees of national, regional or local government;
- ❖ Officials who hold a legislative, administrative or judicial position of any kind;
- ❖ Officials or agents of a public international organization (e.g. United Nations, European Union, the World Bank);
- ❖ Political parties, political party officials and candidates for public office;
- ❖ Any person acting in an official capacity for or on behalf of a government agency or entity.

Under certain anti-corruption laws (like the FCPA), employees of state-owned or state-controlled entities will also be regarded as 'public officials'. As the Code of Conduct and this Policy prohibit corruption both in the public sector and the private sector, the distinction will not have too many practical implications. You should be aware that employees of state-owned oil and gas companies under certain anti-corruption laws will be regarded as public officials, and for this reason the appropriateness of gifts and hospitality involving employees of such entities should be assessed carefully.

## FURTHER GUIDANCE ON CERTAIN ACTIVITIES

### Gifts and hospitality

Reasonable and proportionate business hospitality expenses are not prohibited under applicable anti-corruption laws. It is, however, evident that gifts and hospitality expenses may be misused for bribery purposes. It is recognised that bona fide hospitality or other business expenditures intended to improve the image of our company, present our products or services, or establish cordial relations are important parts of doing business. Such expenses will not represent a violation of the Code. You should comply with the general principles described below and also with our gifts and hospitality

procedure. This is important both when accepting a gift or an invitation and when you decide to offer a gift or make an invitation.

The term 'business hospitality' should be taken to mean meals, travel, accommodation and entertainment. Gifts and business hospitality should always be given and offered in a transparent way, and must never be used for the purpose of influencing a particular decision or negotiation. Special care must be taken when providing business hospitality to public officials. Because of their trusted positions, public officials will be subject to strict rules, and no representative of our company should ever try to influence the decisions of a public official by the use of any improper means.

## Dilemma #2 – Hospitality

A supplier invites you to attend their yearly seminar in Nice. The programme includes one day of presentations and speeches and one day with sightseeing and various outdoor activities. You would like to attend, but not if it exposes you to personal risk.

**Advice: You should discuss the invitation with your manager. If the company may benefit from you attending this seminar, you will probably get the invitation approved. However, the cost of travel and accommodation will be paid by our company. If the professional content of the seminar is weak, your manager will most likely not approve the invitation.**

These general principles apply for all kinds of business hospitality:

- ❖ All expenses must be in compliance with applicable laws and internal guidelines;
- ❖ There should always be a proper business context when offering or receiving business hospitality;
- ❖ Gifts and business hospitality must never be extravagant and should be in line with customary business practices;
- ❖ No gifts or business hospitality may be given or received during a tender or bidding process;
- ❖ You should never offer or receive any business hospitality that is indecent, illegal or may expose our company to reputational damage;
- ❖ Cash or cash equivalents may never be offered, given or received;
- ❖ When assessing whether business hospitality offered to a particular recipient is appropriate, not only monetary value, but also the frequency must be taken into consideration.

In the Business Hospitality Procedure you will find further guidance on gifts and hospitality. Please note that the following self-approval limits for gifts and hospitality currently apply:

- ❖ Gifts in the private sector must not exceed NOK 400 on each occasion;
- ❖ A working lunch must not exceed NOK 500 per person;
- ❖ A working dinner must not exceed NOK 1,500 per person.

## **Engaging business partners**

By buying services from or forming partnerships with other companies we expose our company to a liability for the violation of anti-corruption laws by others. Under the applicable anti-corruption laws and in particular the UKBA, we are expected to make efforts to avoid illegal payments being made by a person 'associated with' our company. An associated person is someone who 'performs services' for or on behalf of our organisation. Examples are suppliers, sub-contractors, vendors, consultants, agents, lobbyists, brokers, financial advisors and lawyers.

We should always engage business partners for legitimate business purposes only and on commercially reasonable terms. Compensation must be both proportionate to the services performed and commercially justifiable. Fee structures that will increase the corruption risk include lump sum payments, success fees, pre-payments and reimbursements of unspecified expenses incurred by the business partner.

We will select our business partners carefully. This means that you should identify relevant information about a business partner's legality, reputation, experience, technical skills, track record and potential risk or liabilities. Some of our business partners have to undergo an integrity due diligence (IDD), and in such cases you are asked to consult our IDD Procedure for the criteria and scope of an IDD. The level and complexity of the due diligence should be proportionate to the perceived risk. Risk factors will typically include:

- ❖ Whether the business partner is likely to interact with a public official on our behalf;
- ❖ If the services are to be provided in a country perceived to have high corruption risk;
- ❖ If the business partner is new to the industry, with no proven track record;
- ❖ If a public official has tried to influence our company to use a particular local company;
- ❖ If the company is a private limited company and it is difficult to identify its owners and ultimate beneficial owners.

All contracts with business partners should be in writing. We will use our best efforts to include anti-corruption clauses in our contracts to ensure that our business partners are obliged to comply with our standards. If any of our business partners are suspected of violations of anti-corruption laws in relation to work performed under our contract, the contract should be terminated immediately and further payments suspended.

## **Dilemma #3 – The local partner**

To meet the requirement for 'local content' in a particular country our company offering drilling rigs forms a joint venture with a newly established local oil service company. When we approach the Ministry of Oil, the ministry's representative talks very favourably about the new local oil service company. A couple of meetings are arranged with the local company and they give a good impression even though they will need to develop their technical skills and a more professional organisation. They will clearly benefit from the joint venture partnership both financially and in terms of technical skills. Can we work with this company?

**Advice: A thorough due diligence has to be carried out in relation to the local company. The fact that the local company seem to be preferred by a public official is a 'red flag'. The due diligence has to reveal the owners and beneficial owners of the local company. If you choose to work with the local company, you should monitor their performance and ensure that expenses appear from the joint venture accounts.**

## **Working with agents**

Agents or intermediaries act as a link between our company and a third party. The use of third-party agents in international operations or business development, whether consultants, sales representatives, customs brokers, contractors or distributors is often unavoidable. Beware that agents have sometimes been used to transfer bribes on behalf of the contractor to a third party. Working with agents in countries perceived to have high risk of corruption calls for special care and attention. If any of our agents pays a bribe, we will most likely be investigated in respect of violations of anti-corruption laws.

The retention of a business development agent or a lobbyist must always be approved by the board of directors.

When engaging an agent you should ensure:

- ❖ That a written agreement is concluded;
- ❖ That the fee is proportionate with the services rendered;

- ❖ That the services are entered in the accounts in accordance with generally accepted accounting principles;
- ❖ That anti-corruption clauses are included in the contract;
- ❖ That you monitor the work of the agent.

## Example #3 – The agent

A country in Africa has recently made promising oil discoveries and a European E&P company has decided to engage in bidding for oil licenses in the country. The country has a reputation for corruption, and it is a common perception that the president of the country may be personally involved in the license award process. Your company is approached by an agent from the Middle East who claims to have personal contacts with the son of the president in the African country, and he offers his assistance. In order to assist he requests an up-front payment of USD 1 million and a success fee of USD 2 million if your company is awarded the license. Your company engages the agent, is awarded the license, and makes the payments to the agent's bank account in the Cayman Islands.

**Legal implications: The E&P company has most likely paid a bribe to the president of the African country through the agent. As this is a well-known corruption scheme, police authorities will not believe your explanation that you thought these expenses were appropriate fees for lobbying services. They will ask what services were delivered in order to justify a fee of USD 3 million. In some jurisdictions, the expenses may also be a violation of the trading in influence prohibition (if no transfer of money from the agent to the president can be proven).**

## Joint ventures

If we participate in joint ventures with other companies we should keep in mind that such structures can be used to channel bribes without the knowledge of all the joint venture partners. Turning a blind eye to what is happening in a joint venture in which we have a participating interest may not be a viable strategy. A joint venture will partly be financed by us and may act on our behalf. For this reason it is important:

- ❖ To perform a risk-based due diligence on any potential joint venture partners;
- ❖ To implement measures in the joint venture company to ensure compliance with applicable anti-corruption laws;
- ❖ To ensure that we have a right to audit the joint venture accounts and that we establish an audit committee with at least one representative from our company;

- ❖ To include clauses in joint venture agreements under which we can leave the joint venture in the event of misconduct by our partners.

## **Acquisitions**

If we acquire shares or assets in another company, we should address the corruption risk in relation to the target. The anti-corruption risk should be addressed in the due diligence process prior to the acquisition. If a country or industry risk is identified, we may also choose to conduct a post-closing due diligence.

## **Social projects, donations and scholarships**

Engaging with local communities and making social investments is an important part of taking corporate social responsibility. Unfortunately, there are also certain compliance risks in relation to such expenses. If a social project or donation disproportionately benefits a decision maker in either the public sector or the private sector, the payment could potentially represent a violation of anti-corruption laws. If a scholarship or a training bonus is granted to relatives of the decision maker, the risk of non-compliance is evident. Always make sure that social projects, donations and scholarships are given with the intent of improving our general image and reputation. To avoid any compliance risks we expect you to:

- ❖ Develop objective criteria if your line entity plans to engage in social projects, make donations or scholarships, and comply with such criteria;
- ❖ Ensure that a social project, donation or scholarship does not disproportionately benefit a public official important to our operations;
- ❖ Ensure that we engage with persons and organizations capable of using the funds as intended by our company;
- ❖ Ensure that we have proper documentation for the investment and that we describe the investment with accuracy and reasonable detail in our books and records.

## **INTERNAL PROCEDURES**

### **Risk assessments**

CFO is responsible for performing a yearly assessment of the external bribery risks related to our operations. The risk assessment must, as a minimum, cover country risk, business partnership risk, and transaction risk.

### **Implementation and training**

All employees must attend training on anti-corruption, and it is the responsibility of HR manager to oversee the training efforts within the organisation. The frequency and amount of training will be based on the results of the risk assessment. Certain business units and functions may require more extensive training than is required for employees in general.

## **Monitoring and review**

CFO is responsible for monitoring the effective implementation of the Anti-Corruption Policy and supplementary procedures. Compliance with the policy and procedures must be subject to internal control and supervision, and review should be performed of certain activities and expenses to identify possible non-compliance.

## **Handling of reports of misconduct**

We encourage you as our employee to speak up if you ever come across violations of the Code of Conduct or the Anti-Corruption Policy. Consult our whistle-blowing policy or file a report with your line manager or the CEO.

A report on possible corruption involving the company should always be brought to the attention of the CEO.

The CEO and the board of directors may initiate internal or external investigations to clarify relevant facts in relation to a report on possible corruption, and may decide to notify findings to the relevant public authorities. Violations of anti-corruption laws will trigger disciplinary action or result in dismissal with or without notice.

## **Accurate books and record keeping**

Any transactions you are involved in must be recorded accurately and in reasonable detail in our books and records. A failure to do so may constitute a criminal offence under applicable laws.

## CONFIRMATION FROM EMPLOYEE

I hereby confirm that I have received a copy of ASF's Anti-Corruption Policy and that I will make my best efforts to comply with the guidelines in every respect.

My position in the company:

My name:

Date:

Signature:

**We behave  
and comply**

## **ASF Business Hospitality Procedure**

## INTRODUCTION

This procedure applies in the following circumstances:

- ❖ When you plan to give a gift on behalf of the company to a person in the private or public sector;
- ❖ When you receive a gift in connection with your work;
- ❖ When you are invited to a meal, on a business trip or to a corporate event in connection with your work; or
- ❖ If you plan to invite a person in the private or public sector to a meal, on a business trip or to a corporate event.

Reasonable and proportionate business hospitality expenses are not prohibited under applicable anti-corruption laws. However, since such expenses may be misused for bribery purposes, it is important that you understand and comply with this procedure.

CFO] is responsible for the implementation and monitoring of the business hospitality procedure.

The procedure has the following elements: (i) a general checklist and (ii) self-approval limits and further guidance. Gifts and business hospitality expenses exceeding the self-approval limits must be reviewed by CFO on a case-by-case basis.

## GENERAL CHECKLIST

These general principles apply for all kinds of business hospitality:

- ❖ All expenses must be in compliance with applicable laws and internal guidelines;
- ❖ There should always be a proper business context when we offer or receive business hospitality;
- ❖ Gifts and business hospitality must never be extravagant and should be in line with customary business practices;
- ❖ No gifts or business hospitality may be given or received during a tender or bidding process;
- ❖ You should never offer or receive any business hospitality that is indecent, illegal or may expose our company to reputational damage;
- ❖ Cash or cash equivalents may never be offered, given or received;
- ❖ When assessing whether business hospitality offered to a particular recipient is appropriate, not only monetary value, but also the frequency must be taken into consideration.

- ❖ You should always pay for travel and accommodation for your spouse, family members or friends if you personally decide to invite them to any company events or trips.

## **SELF-APPROVAL LIMITS AND FURTHER GUIDANCE**

If the gift or business hospitality is acceptable according to the general checklist, you may give and accept gifts and business hospitality in accordance with the limits set out below.

### **A. Gifts**

#### Private sector:

- ❖ You may give or receive a gift of a value of up to NOK 400 for each occasion, but no more than one gift should be given to or received from the same recipient in a twelve-month period;
- ❖ You may accept flowers, a book or low value promotional items (e.g. with the company logo) without making inquiries about the value of the gift.

If refusing to accept a gift is likely to offend or it may hurt the business relationship between the companies, you may accept the gift and hand it over to CFO as soon as possible.

#### Public sector:

- ❖ Unless you are in a country where gifts are part of a recognised and well-established tradition, and it is regarded as impolite not to bring a gift, we do not give any gifts to public officials;
- ❖ If the giving of ceremonial gifts is expected in connection with public holidays according to local tradition (e.g. Ramadan, Eid), you may also include public officials in the exchange of such gifts, provided that is allowed under local laws and that the value is below NOK. You should always obtain advice on local laws before giving any such gifts.
- ❖ If bringing a gift to the leader of a delegation from a private company or a public office is expected under local traditions, you may give such gifts, provided that the value of the gift does not exceed NOK 400 and that the exchange takes place in an open meeting or at a corporate event.

### **B. Meals**

#### Private sector:

- ❖ You may participate in or host a working lunch at a cost of up to NOK 500 per person or a working dinner at a cost of up to NOK 1,500 per person. More costly meals must be pre-approved by CEO, within the limits given in the authority matrix.

## Public sector:

- ❖ If there is a legitimate need for inviting a public official to a meal (for instance in connection with a visit to our offices, inspections, or a conference sponsored by us) you may host a working lunch at a cost of up to NOK 500 per person or a working dinner at a cost of up to NOK 1,500 per person. The business context criterion must be applied strictly in relation to public officials.

## **C. Travel**

Payment of reasonable and documented travel costs for public officials according to the requirements of national laws or government decrees may always be paid by the company. If there is a need to arrange transportation in connection with an inspection, meeting or other business-related event in your country of operations, you may provide transportation for a person from the private sector or the public sector.

You are not allowed, without approval from CFO to arrange transportation or pay accommodation costs for business partners or public officials for any travel abroad. The only exception is when we have a contractual obligation to reimburse travel and accommodation costs for any of our business partners. If you are ever invited to an event abroad, and CFO approves the invitation, our company should cover your travel and accommodation costs for the event.

You are not allowed to make any per diem payments (daily allowance for expenses) to anyone outside our company without approval from CFO.

## **D. Entertainment**

You may be invited to a sporting event, a concert or other types of events that combine business and entertainment.

Some of these events can be useful networking opportunities for our employees; however, you must always seek approval from CFO prior to accepting an invitation to an event involving entertainment. If the event is too extravagant, has a limited professional content or appears to be indecent or serve to cause an improper influence, you will most likely not obtain approval to attend the event.

**We behave  
and comply**

**Code of Conduct  
for ASF**

## 1. The Code of Conduct [Introduction from the CEO]

I am pleased to introduce you, as a member of the Agility Subsea Fabrication (ASF) team, to our Code of Conduct. The Code of Conduct, or "the Code", sets out the rules and standards that we must follow in our company. We have developed ten core principles that describe our expectations with respect to business conduct. We expect you to study these principles and adopt them as your own guiding principles when you make decisions, and we expect you to always act safely within the limits set out in the Code. Our overall ambition is to make **ethical, responsible and profitable** decisions.

You are expected to read the Code and confirm in writing that that you will comply with the Code. If you have any questions about the Code and its principles you should not hesitate to raise it with your line manager.

ASF shall be a good corporate citizen and a major participant and team player in the oil & gas subsea fabrication industry.

We shall base our activity on innovation and open-mindedness to changes. We shall promote the company's business skills, so that all Agility Group's activities will bring values to clients, owners and employees.

### ASF's Values

- **One team – All winners**  
*ASF is one company.*
- **Short communication routes**  
*We have a non-bureaucratic and informal style.*
- **Personal care and open-mindedness to changes**  
*We care for each other. We find solutions to challenges, and change if necessary.*
- **Capabilities, determination and target orientation**  
*We further develop our technical and marketing capabilities by accepting challenging tasks. We take action and accomplish our tasks in an efficient manner, and deliver good and appropriate solutions.*
- **Business skills based on sound premises.**  
*We obtain results based on sound commercial principles and work processes.*

The Code applies to all employees. It also applies to the members of the board of directors, representatives for the owners, independent contractors/consultants, temporary staff and hired staff. Whenever we engage someone to perform services on our behalf, we will request the service provider, agent or consultant to comply with our Code, or with a business ethics policy sufficiently strict to ensure ethical, responsible and profitable decisions also by our service providers.

The ten principles in this Code are:

- 1. We comply with laws**
- 2. We respect our colleagues**
- 3. We ensure healthy and safe working conditions**
- 4. We protect our assets and confidential information**
- 5. We respect fundamental human rights**
- 6. We never make illegal payments**
- 7. We select our business partners carefully**
- 8. We avoid conflicts of interest**
- 9. We compete fairly**
- 10. We operate in an environmentally responsible manner**

If you are ever in doubt if a decision upholds the principles set out in the Code, you should not hesitate to ask and seek guidance. Your first point of contact should always be your line manager. Management acknowledges that most employees will face ethical dilemmas in the course of their employment. We encourage you to raise these dilemmas so that they can be dealt with. Open and honest discussions are needed to ensure that we are all on the same track.

To protect the interest of the company we expect you to speak up if you ever see someone acting in breach of the Code. Talk to your manager or use the whistleblowing channels described in our whistleblowing policy if you have concerns. You will never experience negative reactions from the company if you report an issue in a proper manner and in good faith.

Take your time to study the Code. Thank you for your efforts!

Best regards,

Tove Nilsen Ljungquist

CEO

## Principle 1: We comply with laws

A culture of compliance is fundamental to protect our company values and our reputation in the market. Compliance is about operating within the legal framework of the countries in which we operate. Our objective is complete and absolute compliance. By allowing minor deviations or exceptions we legitimate more serious violations of the laws. Consequently, we do not distinguish between important laws and less important laws.

The term 'laws' should be taken to mean statutes/acts, regulations and government decrees at national and local level. Furthermore, we expect that you comply with our own internal policies and procedures. These guidelines are intended to help us comply with laws, fulfil important company objectives and make our teamwork easier. Such 'company laws' must be studied and complied with.

Compliance requires commitment. We expect you to seek guidance and obtain legal advice if you ever find yourself in a situation where you do not know whether your acts are legal. You should not operate in 'grey zones' and expose yourself and the company to unnecessary risks.

Regulatory compliance is a joint responsibility. For the purpose of this Code, we would like to remind you of certain legal obligations that are especially important:

- ⇒ Complying with laws and regulations concerning the safety of our employees;
- ⇒ Complying with laws and regulations protecting the environment;
- ⇒ Complying with accounting standards and laws intended to ensure accurate books and record keeping;
- ⇒ Complying with laws concerning the calculation and deduction of tax and public duties;
- ⇒ Complying with laws in relation to the working environment;
- ⇒ Complying with laws that ensure fair competition and that prohibit illegal business conduct such as corruption and fraud;
- ⇒ Complying with laws that for foreign policy and security reasons prohibit trading and engaging in business with certain countries, organizations and individuals;
- ⇒ Complying with anti-money laundering laws, rules and regulations;
- ⇒ Complying with data protection and privacy laws applicable in our operations.

For certain areas, such as trade sanctions compliance, our company may have decided on more strict policies than is required by national laws. The reason may be that we operate in various regions and for company reasons

have decided to adhere to other laws than those applicable in our home country. Where differences exist between the standard of the law or regulations and the requirements of the Code concerning our internal policies, the higher standard will be applied.

## Principle 2: We respect our colleagues

Our goal is to recruit, develop and retain the best people, and we want a creative, diverse and inclusive working environment.

We want our employees to perform to their full potential and to be recognised and rewarded fairly for their performance. To help you aspire and perform to your full potential, colleagues may give honest feedback in a constructive and respectful way. Management also welcome and encourage input from our company's employees.

We want to ensure that the workplace is safe and free from harassment, discrimination and bullying. We will never tolerate any form of abuse or harassment of our colleagues, contractors, suppliers, customers or anyone whom we deal with.

We will treat everyone with courtesy and respect, regardless of race, gender, national or social origin, disability, sexual orientation, religious belief or political opinions, or other status.

We believe everyone should have equal opportunities. We recruit, select, train, promote and reward our employees on merits, and irrespective of their race, gender, national or social origin, age, disability, sexual orientation, religious belief or political opinions. All employee-related decisions will be based on qualifications, demonstrated skills, achievements or other professional criteria.

We also expect our contractors, suppliers, customers and other business partners to pursue similar fair treatment and equal opportunity standards in respect of their employees. The term 'contractors' should be taken to mean both those working within our organisation as hired staff and those working on behalf of any supplier or service provider.

You should never:

- ⇒ Behave in a way that could reasonably be considered offensive, intimidating, discriminatory or insulting. Avoid abusive language or inappropriate jokes, such as jokes of a racial or sexual nature, in the workplace;
- ⇒ Engage in any form of harassment. Harassment does not have to take place at work or involve a colleague to violate our Code;
- ⇒ Humiliate, ridicule or injure another person;
- ⇒ Directly or indirectly discriminate an employee on the basis of race, gender, age, national or social origin, disability, sexual orientation, religious belief or political opinions;
- ⇒ Turn a blind eye to harassment or discrimination in the workplace. Voicing concerns or reporting incidents to management will never result in retaliations.

For more guidance, please consult:

- Our employment handbook
- Our HR Policy

## **Principle 3: We ensure healthy and safe working conditions**

We strive to have a healthy workforce and a safe working environment, and we are committed to safeguarding the health and wellbeing of all our employees.

The company will always comply fully with all applicable laws and regulations relating to workplace health and safety. You must familiarise yourself, and follow, all policies and procedures that apply to your line of work.

All employees must follow company guidelines and instructions from management and co-operate with those responsible for ensuring that applicable health and safety requirements are observed. In certain projects we may also be requested to comply with instructions from other companies, such as the client or the operating company. It is important to always comply with such instructions and you should be aware that failure to do so may have severe financial consequences to our company in addition to causing injury or damage if anything goes wrong.

Health and safety concerns, work-related injuries or illnesses must be reported immediately. Any employee who is aware of a potentially dangerous situation or a 'near miss' incident should also report this without delay. You may always report such concerns to your line manager or by following the company's whistleblower procedures.

Being under the influence of alcohol or drugs, or the misuse of medications, affects our judgement and performance at work and will not be tolerated in the workplace. It may also affect your safety and the safety of your colleagues.

Only undertake work that you are qualified to do and if you are sufficiently fit, prepared and rested. We always take the time to plan or work properly and to make sure everyone involved fully understands all aspect of our activities and also of any other activities that might be on-going at the same time and have the potential to impact our activities.

As an employer, we will ensure that:

- ⇒ We comply with all laws and regulations concerning the safety of our employees;
- ⇒ Working conditions in the company meet or exceed international labour standards, including the International Labour Organisation's conventions and recommendations;
- ⇒ The workplace, machinery, equipment and processes are safe and without risk to our employees' health;
- ⇒ Appropriate measures of protection are taken at all times.

As an employee you must always use the protective equipment and clothing provided by the company, as it is provided to prevent risk of accidents or

adverse health effects. You have a duty to study the requirements for the use of protective equipment and clothing for the various operations you are involved in.

You are required to be careful about your own health and safety. You have an absolute duty to stop any work that you believe is unsafe, may harm your own or other people's health or result in an accident.

## **Principle 4: We protect our assets and confidential information**

We always take care to protect our business assets and information of a confidential nature. Such assets and information include our property, time, intellectual property, business opportunities, customer lists, pricing proposals, company funds and company equipment. We also respect the intellectual property and protected information of others.

As a company, we are committed to properly managing our records and complying with legal, financial and regulatory requirements. We are committed to disclosing the company's dealings in a transparent and accurate manner, and to providing financial statements or other public records as may be required by law.

We also safeguard access to, and the appropriate use of, the company's information and IT resources.

We are all responsible for making sure our assets are not misused or wasted. Examples of misuse are thefts of supplies, equipment, documents, cash or other property.

In particular, you should ensure that you:

- ⇒ Take reasonable care when using our property at all times, making sure that it is not damaged or lost;
- ⇒ Report lost or stolen property or equipment without delay;
- ⇒ Treat company funds as you would treat your own funds and do not misuse telephones, computers or other equipment;
- ⇒ Do not use company property for personal activities without prior authorisation;
- ⇒ Protect company information and never disclose confidential or company information to non-employees. This obligation applies not only during your employment, but also after termination of your employment with the company;
- ⇒ Talk to your manager if you suspect that confidential information has been misused or revealed to others.

All media contact is to be coordinated by the CEO or by a person with delegated authority to give statements on behalf of the company. You are not allowed to give statements to the press about company matters without prior approval.

## Principle 5: We respect fundamental human rights

We are committed to protecting the fundamental human rights of anyone affected by our operations. This is of particular importance where we operate in areas and regions with poor living standards and a weak protection of human rights by the national authorities. We recognise that the respect for human rights is a global standard and that upholding such rights is a responsibility to be expected of all businesses wherever we operate. This standard applies over and above national laws and ensures that people's fundamental rights are protected even if local laws and local standards fail to do so.

The respect for human rights implies that we will:

- ⇒ Avoid causing or contributing to adverse human rights impacts through our operations;
- ⇒ Address human rights impacts if and when they occur;
- ⇒ Seek to prevent and mitigate human rights impacts directly linked to our operations, products or services;
- ⇒ Never use child labour or forced labour in our own operations and commit our contractors and suppliers to the same policy;
- ⇒ Recognise the right to collective bargaining and the freedom of association;
- ⇒ Provide our employees with decent wages and regulated working hours;
- ⇒ Respect the cultures of indigenous peoples and recognise their rights as distinct peoples to practise their traditions and customs.

Human rights are defined by conventions and principles, such as the United Nations International Bill of Human Rights and the ILO Core Conventions of Labour Standards. As a company, we are committed to complying with the United Nations Global Compact Principles (UNGC). By expressing our support for UNGC we are committed to upholding ten internationally recognised principles in the areas of human rights, labour standards, environmental sustainability and anti-corruption. If you have foreign relations in your work at ASF, we expect that you familiarize yourself with the ten UN Global Compact Principles ([www.unglobalcompact.org](http://www.unglobalcompact.org)).

Furthermore, we understand that the protection of human rights is not only the responsibility of states and governments. As a company, we are committed to avoiding adverse human rights impacts through our operations.

Our goal is to make a positive contribution to the communities in which we operate by developing businesses, encouraging innovation and enhancing international competitiveness.

## Principle 6: We never make illegal payments

Illegal payments comprise all types of payments that are illegal under applicable laws. The term 'illegal payments' should be taken to mean not only corruption, but also embezzlement and fraud. Illegal payment will typically lead to the enrichment of a person or several persons at the expense of the company. In making an illegal payment you will most likely be acting against the best interest of your company. Such payments are strictly forbidden and will in most cases lead to the immediate termination of your employment.

Corruption is a threat to fair competition, and it undermines legitimate business activities. Any violation within our organisation will be a threat to our reputation and credibility in the market. Corruption is wrong and unacceptable, and no business advantage for our company will ever justify paying a bribe.

The definition of corruption may differ from one jurisdiction to another, however, the main concept is the same: giving an improper advantage to a person in the public sector or the private sector in the conduct of their duties is not permitted. Our policy is to comply with the Norwegian anti-corruption provisions, the UK Bribery Act (UKBA) and the US Foreign Corrupt Practices Act (FCPA). For this reason, you are prohibited from:

- ⇒ Giving or offering an improper advantage in connection with a person's position, office or assignment in either the public or private sector;
- ⇒ Offering, promising or giving a financial or other kinds of advantage to another person with the intention to (i) induce a person to perform improperly a relevant function or activity, or (ii) in order to reward a person for the improper performance of such a function or activity;
- ⇒ Offering to pay, paying or authorising the payment of money or anything of value to a foreign official in order to influence any act or decision of the foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business;
- ⇒ Falsifying the company's books and records;
- ⇒ Offering or giving an improper advantage to a third party in exchange for this person trying to influence the conduct of someone else (trading in influence).

The company does not only prohibit active bribery, but also the acceptance or receipt of an improper advantage in connection with your position in our company. Never accept a kickback, "private commission" or money from any of our business partners.

You should be aware that it is not only the transfer of money that constitutes bribery. Also gifts, services, offering preferential terms for a product or a

service, and travel and accommodation may in certain cases expose the company to a compliance risk.

It is also strictly forbidden to make any unauthorised transfer of money or anything of value from the company to yourself, to any of your close relatives or to any person acting on your behalf. Stealing company assets or funds will never be accepted.

For more guidance, please consult our:

- Anti-Corruption Policy
- Business Hospitality Policy

## **Principle 7: We select our business partners carefully**

Our business partners are important to the success of our company and we strive to build good and lasting relations with these partners. The term 'business partners' should be taken to mean our suppliers, contactors, joint venture partners, agents, customers, consultants, professional advisors etc. Our business partners and the conduct of our business partners may in some cases expose our company to reputational damage and other negative consequences. For this reason we must carefully select our business partners, especially business partners conducting services on our behalf.

The due diligence efforts needed in respect of a new business partner will depend on whether any risk factors or "red flags" are present. We expect you to:

- ⇒ Investigate if the home country of the business partner is perceived to have a high risk of corruption (consult for instance the Transparency International Corruption Perceptions Index);
- ⇒ Perform risk-based due diligence as instructed in the company procedures. You should never work with any business partner without making an initial assessment of its reputation and gathering certain key facts about the company;
- ⇒ Use contract clauses to commit our business partners to adhere to our standards with respect to anti-corruption, labour standards, and standards with respect to the environment and human rights;
- ⇒ Monitor the performance of our business partners and immediately take action if a business partner fails to comply with its undertakings under the contract or if you suspect illegal activities;
- ⇒ Be alert to the risk of receiving or handling proceeds from a criminal act (money laundering). You should know who the business partner is, obtain confirmation that transfers are made to and from the correct bank accounts, and look out for red flags in a particular transaction;
- ⇒ Familiarise yourself with applicable laws in relation to trade sanctions and anti-terrorism, and ensure that you do not become involved with sanctioned companies or persons;
- ⇒ Ask yourself whether an agreement seems to be according to market practice and on commercially acceptable terms. The fee and price must be reasonable and proportionate compared to the goods or services provided;
- ⇒ Be alert to the possibility of fake invoices, fake agreements or unidentified expenses in invoices to be paid by our company.

The use of agents or intermediaries to obtain or retain business or to obtain certain permits from government authorities will in certain instances expose the company to an unacceptable level of risk. You should never engage an

agent or intermediary to assist in business development or to achieve a result in relation to public authorities without prior authorisation from the CEO.

For more guidance, please consult our:

- IDD Procedure

## Principle 8: We avoid conflicts of interest

Conflicts of interest occur where our personal, social, financial or political activities affect the job we perform or our loyalty to the company. We expect you to always act in the best interest of the company, and not make decisions based on what will benefit you personally. You can also never use confidential company information that you receive as an employee of the company for your own personal gain or for that of others.

Wherever possible, conflicts of interest should be avoided. Sometimes the mere appearance of a conflict of interest can be harmful to the company. If and when a potential conflict of interest occurs, it is important that you recognise it, disclose it to your manager and ask for the appropriate guidance.

It can sometimes be difficult to identify conflicts of interest. You should ask yourself whether the situation affects how you perform your job or whether it affects the decisions you make for the company. You should also consider how the situation looks like from the outside. Would your colleagues or the company's shareholders, contractors or customers think that the situation would influence the performance of your job for the company?

You should be aware that the following situations may create an actual or apparent conflict of interest:

- ⇒ If you have a second job or perform services for one of our competitors, customers or suppliers;
- ⇒ If you carry on a business in your own time of a similar nature to your work in the company;
- ⇒ If you have a personal or financial interest in any business that has transactions or dealings with the company, such as one of our competitors, customers or suppliers;
- ⇒ If one of your family members, or anyone else who you have a close personal relationship with, has business dealings with the company;
- ⇒ If you, or your family members, or anyone else with whom you have a close personal relationship, invests in a competitor, supplier, or customer of the company.

You should always disclose actual or potential conflicts of interest to your manager.

## Principle 9: We compete fairly

We support fair and open competition in all markets.

We are committed to complying with all laws that prohibit behaviour that limits trade or restricts competition. Such laws are known as competition laws or antitrust laws.

We will not engage in any anti-competitive practices. Anti-competitive practices include agreements with a competitor to fix prices, to share or allocate markets, to rig bids or to limit or restrict supply to customers. It could also include agreements that impose restrictions on customers and suppliers.

Exchanging information may also be anti-competitive. You should therefore never share with a competitor competitively sensitive information, such as information about current and future prices, costs, strategies, customers or suppliers. Receiving such information from a competitor is also illegal. Such prohibition also applies when we participate in trade associations or joint ventures with competitors.

By way of example, you should never agree or signal your agreement to:

- ⇒ Fixing prices vis-à-vis third parties with a competitor, or the timing of an increase or decrease in price, or other terms relating to pricing, with a competitor;
- ⇒ Dividing up certain customers, territories or markets with a competitor;
- ⇒ Discussing competitive bids or tenders with a competitor, or agreeing on who should win a bid;
- ⇒ Agreeing with a customer the price it can charge to its customers or agree a minimum resale price;
- ⇒ Limiting a customer to only buying from the company, or require a supplier to only sell to the company;
- ⇒ Restricting the area in which or to whom a customer can sell or the territories in which the customer can sell;
- ⇒ Behaviour abusing a position of market dominance.

Penalties for breaching competition laws are severe and allegations of anti-competitive practices could harm the company's reputation. Seek advice in all situations which you think may involve a risk of breaching competition laws - immediately report to management if there is a risk of exposure for the company.

## **Principle 10: We operate in an environmentally responsible manner**

We are all responsible for protecting the environment. As a company, we will comply with all legislation and regulations protecting the environment.

We are committed to ensuring that the environmental impacts of our operations are reduced wherever possible. We will monitor and assess the negative environmental impacts of our operations and will always address and seek to improve these. We are committed to pursuing best industry practice whenever possible. We strive to ensure the efficient use of natural resources and will consider environmental impacts when choosing a product or work procedure for a project we are engaged in. We will work to lessening our impact on the environment by trying to:

- ⇒ Reduce waste from our operations. Where possible, we will minimise waste and maximise recycling;
- ⇒ Use energy and materials efficiently;
- ⇒ Support initiatives that focus on sustainable development or promote a greater environmental responsibility;
- ⇒ Encourage innovation and promote and develop environmentally friendly technologies and practices.

You should report any incident that occurs which may affect the environment or any apparent breach of environmental laws to management in order that management can investigate the incident and its cause, and take appropriate further action.

For more guidance, please consult our:

- HSE Policy
- Golden rules

## CONFIRMATION FROM EMPLOYEE

I hereby confirm that I have received a copy of ASF's Code of Conduct, that I have read and understood the Code, and that I will make my best efforts to comply with the Code in every respect.

My position in the company:

My name:

Date:

Signature:

**We behave  
and comply**

**Integrity Due Diligence Procedure  
for ASF**

## INTRODUCTION

The purpose of this procedure is to describe the efforts of Agility Subsea Fabrication (ASF) to reduce the risk in relation to business partners. The process of reviewing and assessing the risk in relation to business partners is in this procedure referred to as 'integrity due diligence' ('IDD'). The term 'business partners' should be taken to mean all entities or individuals with which our company enters into a business relationship, and includes suppliers, consultants, agents, joint venture partners, lobbyists and other intermediaries.

A key principle in our Code of Conduct is that we should select our business partners carefully. Our IDD efforts should be risk-based, meaning that we will not apply the same process to all business partners. The level of due diligence will be determined on the basis of the application of a step-by-step approach described in this procedure.

*Senior Purchaser, ASF* is responsible for the implementation and monitoring of the IDD procedure.

This procedure refers to Transparency International's Corruption Perceptions Index and the latest version can be found on [www.transparency.org](http://www.transparency.org).

### A. Initial assessment of any red flags

If you are responsible for selecting a new business partner, you should first make an initial assessment of the potential partner's reputation, skills and experience. Review any relevant information that you can find about the company, its management and directors, covering topics like financial information, media profile, corruption risk in the country where the company is registered/operates, company history etc. Look for any 'red flags' in relation to a new business partner. Examples of 'red flags' include:

- ⇒ The business partner is a new entity and it is difficult to identify the owners of the company or the individuals ultimately controlling the company;
- ⇒ The business partner has a very complex company structure and has a holding company or operating entities in countries known for secrecy laws or considered 'tax havens' (examples include Panama, the British Virgin Islands, the Cayman Islands);
- ⇒ The company and/or its management have recently been investigated for violations of anti-corruption laws;
- ⇒ The company and/or its management have recently been involved in scandals related to 'social dumping' or human rights violations;
- ⇒ The company is registered in a country that is subject to trade sanctions and/or the subject of anti-terror laws;

- ⇒ The business partner is believed to have family or business links to government officials or politically exposed persons ('PEPs');
- ⇒ A public official has exercised pressure to persuade someone in our company to use a particular business partner;
- ⇒ The business partner pretends to have influential connections to PEPs in a country perceived to have a high corruption risk, and asks for large up-front payments, lump sum payments and success fees that are not reasonable and proportionate with the services to be provided;
- ⇒ The business partner requests payments to be made to another legal entity and/or to bank accounts in a country not related to the business partner or the services provided;
- ⇒ The business partner is unwilling to co-operate in the IDD process, and will not accept standard representations and warranties about its business conduct.

The list of red flags is not exhaustive and you should use your best judgment to identify risks. The identification of a red flag does not necessarily mean that we cannot engage the company; it means, however, that a further review and risk mitigation is necessary. We should never select a business partner that does not adhere to acceptable business standards.

## **B. Situations where no IDD is required**

If no red flags have been identified and the business partner or transaction falls into any of the categories below, no IDD is required. We have decided to exclude from the IDD procedure:

- ⇒ Transactions with companies listed on a stock exchange in an EU country, an EEA country, Canada or the USA;
- ⇒ Transactions with suppliers that sell goods (equipment, hardware, machines etc.) based on standard price lists;
- ⇒ Contracts with a contract value of less than NOK 1.500.000 per year

## **C. Performance of IDD**

The purpose of an IDD is to collect key information about a business partner and to analyse and assess 'red flags' that may appear.

An IDD will include the following action points:

1. The business partner must complete our standard IDD questionnaire, providing us with information about its owners, company history, governing policies / business ethics etc;

2. Screening of the business partner, its management and directors by the use of a database such as World Check, Dow Jones Risk & Compliance or similar, and by the use of open source searches (google, media coverage, on-line business registers etc.);
3. If there are still red flags, or if vital information about the business partner cannot be confirmed, an enhanced due diligence report should be requested from an external provider.

When performing an IDD, is it important to make continuous assessments as to whether the information provided is reliable and actually addresses the risk related to the business partner. The amount of IDD effort to be expended must be determined based on contract value, our company's exposure and the facts revealed in each case.

#### **D. The IDD result**

*Senior Purchaser* and the line manager of the responsible business unit will review the result of the IDD and decide whether the business partner should be categorised as 'approved' or 'not approved'. If the IDD has not removed all 'red flags', the decision as to whether to engage the business partner should be made by CEO. In some IDD reviews, the involvement of outside legal counsel may be required. In certain cases we may engage a business partner even if certain 'red flags' are identified in the IDD, but with additional risk mitigation and monitoring performed as described below.

*Senior Purchaser* is responsible for keeping a register of IDD results available for all employees that may be involved in engaging a new business partner.

An IDD is valid for two years, but *VP Execution Support* may decide that it should be valid for shorter or longer periods.

#### **RISK MITIGATION AND MONITORING**

For certain business partners, risk mitigation and monitoring should be used actively to ensure compliance and ethical business conduct. Such risk mitigation and monitoring measures include:

- ⇒ Asking all business partners performing services (agents, consultants etc.) to comply with our Code of Conduct;
- ⇒ Using contract clauses related to anti-corruption, trade sanctions, labour standards etc. and monitor compliance with such contract clauses;
- ⇒ Requiring compliance/anti-corruption training of certain business partners;
- ⇒ Requiring audit rights of the business partner;

- ⇒ Ensuring that we have termination rights and the right to suspend further payments if there is a suspicion of irregularities;
- ⇒ Performing a thorough review of invoices and the work performed by the business partner.

## DATA PRIVACY IN RELATION TO IDD

Although information collected in an IDD normally relates to businesses, and not individuals, the IDD will generally involve the processing of personal data.

We must ensure that any collected personal data under this IDD procedure are adequate, relevant and not excessive in relation to the purpose for which it is gathered. The categories of the personal data to be collected and processed in connection with IDD processes will vary depending on the case at hand. ASF may in this respect process sensitive personal data, including information on the suspicion of criminal conduct, e.g. breach of laws applicable to accounting, bribery, corruption, discrimination and health, the environment and security. Further, we may process information on whether employees or consultants have any relations to government entities or political parties. Although such data may not be considered sensitive under applicable data privacy laws, we must strive to treat them as sensitive.

The result of an IDD will be shared on a need-to-know basis. Only the information regarding whether a business partner is approved or not-approved will be available for employees with access to the IDD register. IDD documents and reports will be kept by Senior Purchaser and only shared with employees that have a work-related need to access such documents.

*ASF's processing of personal data requires a legal basis as set out in sections 8 and 9 of the Personal Data Act.*

*The processing of personal data in relation to IDD processes is based on the following:*

- Statutory basis, cf. section 8, 1<sup>st</sup> paragraph and section 9b: Section 276a of the Norwegian Penal Code, section 1-6 of the Compensation Act (no: skadeserstatningsloven), the UK Bribery Act and the US Foreign Corrupt Practices Act.
- Necessary in order to carry out an agreement with the data subject, cf. section 8a:  
*Our company needs to ensure that our contractual partners act in compliance with applicable laws and regulations.*
- Necessary for the purpose of fulfilling a legitimate business interest, cf. section 8f:  
*Our legitimate interest of fulfilling our legal, social and ethical responsibilities overrides the privacy interests of the data subjects.*

- Necessary for the establishment, exercise or defence of a legal claim, cf. section 9e:  
*We need access to relevant information to defend possible allegations of misconduct.*
- Authorization from the Data Protection Authority:  
*We will apply for and maintain an authorisation from the Data Protection Authority. If obtained, the authorisation will provide an additional legal basis.*

*Personal information that we collect for the purpose of an IDD may not be stored any longer than as necessary for the purpose of the processing, cf. the Personal Data Act, sections 11, 27 and 28.*

*When data concerning business partners is no longer needed, it must be deleted. IDD personal data may be retained for no more than six years, unless such data is required in relation to on-going legal proceedings or investigations, or unless further storage is required to comply with statutory requirements.*

*Before an IDD file is deleted, it should be reviewed in order to ensure that the content is in accordance with the guidelines. The stated retention period is set in order to ensure the availability of such data within the criminal statute of limitation periods in Norway, the UK and the USA.*

## Attachment 1 – IDD Questionnaire

### **[COMPANY NAME] DUE DILIGENCE QUESTIONNAIRE**

Please complete the questions below and write N/A if a question is not relevant for the company.

1. **Company Name:**

2. **Contact Information:**

**Address:**

**Telephone:**

**Fax:**

**E-mail:**

**Website:**

3. **Business Registration Information (if applicable)**

**Business Register Number:**

**Registration Date:**

**Expiration Date:**

**Agency:**

**City, Country:**

**Tax Identification Number and Country:**

**Please provide a copy of any registrations or other documentation required by local law, authorising the Company to carry on its business. Please also provide a copy of documentation evidencing the establishment or incorporation of the Company.**

4. **Number of persons employed by the Company:**

\_\_\_\_\_

5. **Is the Company or the parent of its group listed on a U.S. or European stock exchange? Yes \_\_\_\_ No \_\_\_\_ . If Yes, provide the name of the exchange and listing information:**

6. **List banking or financial references:**

\_\_\_\_\_

\_\_\_\_\_

7. **Please describe the legal structure of the Company (i.e. corporation, partnership, individually owned, other) and list the name of any parent company, subsidiary or affiliated company:**

\_\_\_\_\_

\_\_\_\_\_

8. List all members of the board of directors:

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9. List any other individuals able to exercise control over the Company through any arrangement:

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10. Please describe the active management of the Company, including name, address, and nationality and any ownership interest in the Company:

Name and Address	Nationality	% Ownership

11. Please identify all owners/principals, including name, nationality, and percentage of ownership. Please also identify the ultimate beneficial owners:

*(Note: If an owner is a corporate entity, please provide the names, nationalities, and ownership percentages of its owners to identify all ultimate individual or beneficial owners. Ownership must equal 100%. If the corporation is a public entity, please identify all shareholders holding more than 5%.)*

Name of Owners (Legal and Beneficial Owners)	Nationality	% Ownership

12. Please identify key or senior employees:

Name	Nationality	Position/Role


**13. Please provide the Company's financial statements or appropriate alternative financial information for the last two years (audited, if available), including balance sheets and profit and loss statements. If financial statements are not available, please explain why and provide reasonable and appropriate substitute financial information.**

**14. Please provide a copy of the company's code of conduct, ethics policy or similar.**

**15. Please provide the name and contact details of the Company's chief compliance officer or manager with similar functions.**

**16. Does any public official have a beneficial ownership, financial or other direct or indirect interest in the Company?**

**If yes, please identify the public official(s):**

**17. Is or was (within the last 3 years) any close relative or close business associate of a public official an owner, director, officer or employee of the Company or does any owner, director, officer or employee of the Company have a close relative who is a public official?**

**If yes, please identify the position held, the name of the person holding the position, and the person's relationship to the owner, director, officer or employee of the Company:**

**18. In the past five (5) years, has the Company (including any associated or previously associated entity or any predecessor entity), or any director or employee on management level of the Company been: (1) suspended from business in any capacity, (2) investigated for, charged with, convicted of any violation of laws or regulations, or (3) subject to any allegation of fraud, misrepresentation, money laundering, bribery, corruption, tax evasion, or other related fraudulent or corrupt activities?**

**If yes, please provide details:**

**I have reviewed this questionnaire and I am duly authorised to respond to the questions and provide the information requested herein. I declare and certify that the information provided is accurate and complete to the best of my knowledge and belief.**

---

Name:  
Date:  
Title:  
Company:

**We behave  
and comply**

**ASF Sanctions Compliance Policy**

## INTRODUCTION

We have a policy of strict compliance with all applicable laws in relation to trade sanctions and anti-terrorism.

This policy describes the legal framework and company policy in relation to trade sanctions and regulations governing the cross-border movement of products, funds, technology and services. You should ensure that you familiarise yourself with the applicable sanctions regimes and that you follow the procedures described in this policy in order to minimise any risk of breaching financial and trade sanctions in our business operations.

In this policy, the term 'Business Activities' includes making investments, entering into contracts, performing operations, performing services, exporting, importing and other similar activities.

Our business partners may expose us to a risk of breaching trade sanctions laws. This policy should, therefore, be read in conjunction with our Integrity Due Diligence Procedure which sets out the procedure for carefully vetting and monitoring business partners. Business partners include our contractors, customers, suppliers, consultants, agents, joint venture partners, lobbyists and other intermediaries and third parties that are involved in a transaction.

CFO is responsible for the implementation and monitoring of this sanctions compliance policy.

## LEGAL FRAMEWORK

Financial and trade sanctions are measures imposed as a foreign policy response to situations of international concern.

Trade sanctions are penalties or restrictions imposed by a country or group of countries on another country. Typically the sanctions take the form of import tariffs, export or import bans on certain goods and technology, prohibitions on investments or restrictions on the transfer of funds and financing, or other administrative regulations.

By way of example only, countries like Iran, Syria and Sudan are currently subject to trade sanctions:

- ⇒ The EU restricts the exportation of certain equipment and technology for use in the oil and gas industry in Iran and Syria, and prohibits the importation of petroleum products from Iran.
- ⇒ The U.S. sanctions go further. Virtually all dealings with Iran are prohibited under the U.S. sanction regime, including all export to Iran from the U.S. or by U.S. companies or nationals wherever located, and all import into the U.S. of Iranian-origin goods and all investments in Iran.
- ⇒ Furthermore, the U.S. also imposes "secondary" sanctions on non-U.S. companies or individuals that make certain investments in the Iranian

petroleum sector. These are, therefore, not sanctions against Iran as such, but rather U.S. sanctions against third-country companies that do business with Iran.

In addition to the restrictions in terms of countries, international trade sanctions laws restrict transactions with certain individuals, groups and organizations, e.g. because of their suspected involvement in promoting terrorism, illegal weapons trading, organized crime, the spreading of weapons of mass destruction, human rights abuse, or the undermining of democratic processes in certain countries, or because of their suspected affiliation with certain governments, e.g. former governments in Libya and Liberia. The names of such 'restricted' or 'Specially Designated Nationals' are regularly updated.

Anti-terrorism sanctions include an obligation to freeze bank accounts or financial instruments controlled or used for the benefit of Al-Qaida- and Taliban-associated individuals.

Sanctions mainly fall into three different categories:

- ⇒ Sanctions regulations enforcing UN Security Council resolutions in national laws;
- ⇒ Sanctions adopted by the European Union as part of its Common Foreign and Security Policy; and
- ⇒ U.S. sanctions monitored by the U.S. Office of Foreign Assets Control (OFAC).

## **COMPANY POLICY**

We have a policy of strict compliance with sanctions enforcing UN Security Council resolutions, sanctions adopted by the European Union and U.S. trade sanctions. This applies even if our company is not considered a U.S. person and/or is located outside the European Union. Certain company policies have been imposed due to the requirements of our investors.

### **Our company will not:**

- ⇒ Engage in Business Activities with any person or legal entity subject to trade sanctions imposed by Norway, the European Union or the U.S.;
- ⇒ Engage in Business Activities with legal entities from Iran, Sudan, North Korea, Syria and Cuba;
- ⇒ Invest in any company that manufactures, distributes or sells weapons or other military material to Myanmar.

If you are ever in doubt as to which sanctions our company must comply with, you should consult with *CFO*.

Violating trade sanction laws is a criminal offence, and such violations may cause our company to become subject to investigations. Both intentional and unintentional/negligent violations may be punishable under applicable laws.

The penalties that may be imposed on the company and its individuals are severe and include fines and imprisonment. A prosecution may also cause significant reputational damage to our company.

Non-compliance with this policy may have severe consequences for your employment.

## RESPONSIBILITIES

If you are responsible for any Business Activity of a global nature, you need to be familiar with this policy and use your best efforts and judgement to ensure compliance.

In our company, CFO has the following responsibilities:

- ⇒ Being updated on applicable sanctions regimes;
- ⇒ Performing regular risk assessments in relation to contracts, transactions and countries of operations to understand the risk of violation of trade sanctions;
- ⇒ Performing screening against trade sanction lists by the use of World Check or tools indicated in the Useful Links section below.
- ⇒ Obtaining legal advice from outside legal counsel whenever needed.

It is, however, the responsibility of everyone to make sure never to engage in Business Activities with countries, organisations and individuals on applicable sanctions lists or as prohibited by this Policy.

If you believe that a transaction may involve an individual or a country to which a sanction regime applies, you should notify management without delay.

You should never enter into an agreement or transaction without first ensuring that you are certain that you know who ultimately controls the company or benefits from the company's operations.

If you are planning Business Activities in a country or region in which there is on-going political and/or military disturbance, you must contact CFO and we will make an assessment of the potential risk in relation to trade compliance, human rights, terrorism and other identified situations of risk.

## USEFUL LINKS

U.S. Specially Designated Nationals List (SDN):

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

U.S. Office of Foreign Assets Control (OFAC) sanctions programs and country information:

<http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>

Information about EU sanctions:

[http://eeas.europa.eu/cfsp/sanctions/index\\_en.htm](http://eeas.europa.eu/cfsp/sanctions/index_en.htm)

The list of companies excluded from the investment universe of the Norwegian Government Pension Fund (Global):

<http://www.regjeringen.no/en/dep/fin/Selected-topics/the-government-pension-fund/responsible-investments/companies-excluded-from-the-investment-u.html?id=447122>

**We behave  
and comply**

**ASF Whistleblowing policy**

## INTRODUCTION

This policy sets out the procedures under which all employees can report an issue or voice concerns about the company's operations in a responsible and effective manner.

We encourage open and honest discussions in the company and will protect our employees' right to freedom of speech.

Management acknowledges that whistleblowing is positive for the company. It ensures compliance, reduces misconduct and can prevent damaging incidents from occurring. Employees who speak up about matters within the company are therefore a valuable resource to the company.

An employee who reports an issue (the 'Whistleblower') in accordance with this policy will never experience disciplinary action or any negative reactions from the company as a result.

### A. When should you report an issue?

As an employee, you should make a disclosure if you suspect actual or potential breaches of laws, our Code of Conduct, internal policies or procedures or ethical norms, or other kinds of wrongdoing by the company that affects employees, suppliers, customers, the company itself or the public in general. The policy is not designed for employees to question the company's financial or business decisions.

Employees have a general duty to report to management if they are aware of any criminal activity or practices that may endanger anyone's life or health. You must always report instances of non-compliance with important company values as expressed in the Code of Conduct, and matters that may subject our company to significant reputational damage.

By way of example, you should report the following:

- ⇒ Breach of security or safety procedures;
- ⇒ Non-compliance with the requirements of applicable labour laws relating to the working environment or safe working conditions;
- ⇒ Harassment, discrimination, unfair employment practices or the abuse of alcohol, drugs or other substances;
- ⇒ Non-compliance with competition laws;
- ⇒ Non-compliance with environmental laws;
- ⇒ Corruption, fraud or other financial irregularities.

### B. Your duty to follow an appropriate procedure

You are required to follow an appropriate procedure when you file a report or voice concerns about the company's operations. The appropriate procedure will depend on the circumstances and the nature of your concern.

An internal report to the company in accordance with this policy will always be appropriate, and we encourage all employees to always report matters internally first.

## **C. Who should you report to within the company?**

- ⇒ You should always initially report matters to your line manager, who can take matters further on your behalf.
- ⇒ If it is likely that your line manager is be involved in the issue to be reported, you can file a report with any person qualified to investigate the matter. For example, you can file a report in respect of financial irregularities with the company's finance director or voice concerns in respect of employment issues to the company's human resources manager or employee representative.
- ⇒ You can also report to HR-Manager (the company's designated whistleblowing officer / compliance officer). He/she can also answer general queries in respect of the company's whistleblowing policy.
- ⇒ An employee can also file a report directly with the company's chairman of the board of directors if the employee believes reporting to his/her line manager or HR Manager will not result in an appropriate investigation into his/her concerns.
- ⇒ Reporting to [whistleblower@agilitysubsea.no](mailto:whistleblower@agilitysubsea.no), goes directly to company's chairman of the board of directors.

## **D. How should you make an internal report?**

You should make it clear that you are reporting an issue in accordance with the company's whistleblowing policy (and for instance mark any written correspondence as confidential). This will ensure that the recipient realises that it is a disclosure under the policy and that he or she takes the necessary actions to investigate the matter and to protect your identity. The person receiving the report must always record the date of the report and its main content.

Reports made under this policy will be treated confidentially. Only persons taking part in the investigation will be informed of the subject matter. Upon a further investigating of the matter, however, it could become apparent to other employees who the whistleblower is. You may also be required to give a statement. If it is likely that your identity will become known, you will be notified first.

We appreciate that you may find it difficult to report particularly sensitive issues or matters involving colleagues. If you decide to report anonymously, it will generally be more difficult to investigate the matter effectively.

If the whistleblowing concerns other employees, they also have the right to protection and to be notified about the subject matter. The company will handle, store and delete all personal data that it receives, collects or registers

under this policy in accordance with applicable data protection and privacy laws.

## **E. What the company will do**

All reports made in good faith will be investigated, normally by a small investigation team from the company. In case of serious allegations, the company may decide to engage external resources to assist with the investigation. If you raise an issue, you will be given a quick and clear response in writing. If the company concludes that there was no reason for concern, you will receive an explanation as to why.

The report may result in consequences for those involved in the wrongdoing, and the company may make a disclosure to the relevant public authorities.

## **F. Disclosure will not have adverse consequences**

The use of disciplinary actions or negative reactions towards a person who has provided a report in an appropriate manner is unlawful under this policy and applicable local laws.

You will never experience any negative reactions, whether formal or informal, such as dismissal, suspension, change of duties or relocation, as a result of raising a concern in accordance with this procedure. This applies even if you are mistaken, provided that you raised concerns in good faith.