

# TOTALTEC CODE OF CONDUCT



## INTRODUCTION BY THE CHAIRMAN

At TOTALTEC, we believe that as a corporation we inherently share a responsibility that reaches beyond the interests of our immediate business and has impact on the interests of all our stakeholders. We support and respect the protection of internationally proclaimed human rights and we make sure that TOTALTEC's business is not involved in or related to any form of human rights abuses.

Our stakeholders - to whom we have this extended duty and responsibility - encompass first and foremost our shareholders, but also our customers, employees, suppliers, the local communities in which we operate, as well as the surrounding environment and the human beings occupying it.

The principles encompassed in our Code of Conduct cover all areas of TOTALTEC's operations and are intended to serve as the legal framework which all TOTALTEC employees are obligated to comply with.

Our Code of Conduct has been developed against relevant codes of corporate governance and international standards and shall continue to be reviewed and updated in accordance with these standards. Please be assured that as a corporation, TOTALTEC will act accordingly in case of a breach of this Code of Conduct and that you, as an employee, are responsible for reporting any violation that may have occurred.

By adhering to our Code of Conduct we help to secure perpetuity of the vision TOTALTEC has set forth for our continued innovative and successful growth.



Lars Mangal

Chairman

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## INTRODUCTION

This Code of Conduct is applicable to all companies in the TOTALTEC Corporation and all employees and consultants employed by any such company.

Each manager is responsible for ensuring that the principles set out in this policy are communicated to, understood and observed by all employees and for ensuring compliance in their area of responsibility.

The Board of Directors of TOTALTEC will not criticize management for any loss of business resulting from adherence to the principles set out in this policy.

No one in TOTALTEC has the authority to make exceptions or grant waivers with respect to this policy.

Regardless of how much difficulty encountered or pressure faced in performing our jobs, no situation can justify the willful violations of this policy.

Our reputation as a company and that of our employees and this Code of Conduct reflects general principles to guide our employees in their day to day conduct which shall always be in compliance with this policy.

## COMPLIANCE, MONITORING AND REPORTING

Compliance with this Code of Conduct will be continuously monitored and subject to review by the Board of Directors of TOTALTEC, supported by the Compliance Committee, if established. Compliance will be reported to stakeholders through TOTALTEC's Annual Report or, if

applicable, the annual Corporate Social Responsibility Report.

Employees who reasonably suspect that there has been a breach of this Code of Conduct must report it to their line manager, senior management, or other mechanisms established by TOTALTEC® to report such breaches. We recognize that employees may be reluctant to report concerns for fear of retaliation and we will take disciplinary action against any employee who threatens or engages in retaliation, retribution or harassment of any person who has reported or is considering reporting a concern in good faith.

## REVIEW, GUIDELINES AND APPROVAL

This Code of Conduct is subject to review by TOTALTEC's legal entity periodically.

From time to time, we may publish guidelines with respect to selected policies. Those guidelines are interpretive and administrative and are not part of this policy. Any employee who has questions concerning any aspect of these policies should not hesitate to seek answers from management or other sources indicated.

This Code of Conduct reflects general principles to guide our employees in their day to day conduct and cannot and is not intended to address every specific situation. As such, nothing in this policy prohibits or restricts TOTALTEC from taking any disciplinary action on any matters pertaining to employee conduct, whether or not they are expressly discussed in this document.

This Code of Conduct is approved by the Board of Directors of TOTALTEC.

## BUSINESS ETHICS

Our employees and officers are responsible for developing, approving and implementing plans and actions designed to achieve corporate objectives. The methods we employ to attain results are as important as the results themselves.

Our employees and officers should conduct their business affairs in such a manner that our reputation will not be damaged if the details of their dealings should become a matter of public discussion.

We strive to do business with customers and suppliers of sound business character and reputation and we do not knowingly support any public or private organization, which supports discriminatory policies or practices.

We expect all our employees to perform their work with honesty, truthfulness and integrity, hereunder to respect and abide by the guidelines expressed in this policy.

The high quality of our employees and officers is our greatest strength. The professionalism and dedication of employees ensure that we are competitive in the short term and well positioned for continued success in the long term.

It is our policy to comply with all governmental laws, rules and regulations applicable to our business. However, even where the law may be permissive, we will follow the course leading to the highest degree of integrity.

Our employees and officers must deal fairly with each other and with TOTALTEC's suppliers, customers, competitors, and other third parties.

Our directors and officers support, and expect all employees to support, any fellow employee who

passes up an opportunity that would sacrifice ethical standards.

All employees are responsible for the immediate and accurate reporting to higher management of work-related information of importance to this policy.

We strongly encourage dialogue among employees and officers to make each other aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations.

## ANTI-CORRUPTION

TOTALTEC will work against corruption in all its forms, including extortion and bribery. This section describes TOTALTEC's policy with regards to corruption, transparency and anti-corruption measures.

### BRIBERY

Bribery is to offer, promise or give any undue monetary or other advantage, whether directly or through intermediaries, to a person (the recipient). A bribe is a gift bestowed to influence the recipient's conduct or alter the recipient's behavior in relation to the performance of official duties in order to obtain or retain business or other improper advantage. In short terms, bribery is where a sum of money or a gift alters the behavior of a recipient whereby the recipient acts in violation of the recipient's public or legal duty. As such, bribery results in a behavior or decision by the recipient not consistent with the legal duties of that person. The purpose of bribery is to result in a commercial or personal advantage not in compliance with the law. Bribery is a crime and punishable under all legal systems.

Bribery is strictly prohibited and we will enforce a strict zero-tolerance approach to instances of bribery.

If one of our employees receives funds or other assets (including those provided as preferential treatment to the employee for fulfilling his or her responsibilities) for assisting in obtaining business or for securing special concessions from TOTALTEC, his or her employment will be terminated immediately and criminal proceedings may be initiated.

### FACILITATION PAYMENTS

Facilitation payments are ethically questionable payments made by a person (the facilitator) to secure or speed up routine actions such as issuing permits or releasing goods held in customs. A facilitation payment will result in the facilitator receiving only what the law permits, but in a more speedy fashion. It is also considered a facilitation payment if a government official refuses to perform his or her duty unless a payment is made.

As a company, we are strongly opposed to facilitation payments and such are strongly discouraged. Therefore, every employee shall do his or her utmost to avoid facilitation payments and, where illegal (e.g. as is the case under the UK Bribery Act), shall be prohibited from making such facilitation payments.

### GIFTS

Gifts such as merchandise or products as well as personal services or favors may not be offered unless deemed appropriate by special occasion, local custom or traditions and only if the gifts have a nominal value.

The nominal value shall be determined by the head of operations in the relevant territory and shall be in accordance with local custom and tradition; in case no nominal value is set by the head of operations, such gifts may never exceed USD 250.00 in value.

In case local customs mandate that presenting gifts only with nominal value will result in the recipient being offended or affronted, our employees may be allowed to exceed the nominal value. However, this is subject to prior approval from the Chairman only.

Gifts must only be offered where this can occur in strict compliance with the recipient's company governance and/or code of conduct.

Gifts of cash may never be offered.

## ENTERTAINMENT

Normal business entertainment such as lunches, dinners, theatre visits, sporting events, and the like, is appropriate when of a reasonable nature and when conducted in the course of a meeting or another occasion where the purpose is to hold bona fide business discussions or to foster better business relations.

All such entertainment where the value exceeds USD 500.00 per person should be reported by the employee to his or her supervisor. If practical, this should be reported in advance.

Our employees may not offer tickets or invitations to entertainment where they will not be present at the event with the recipient.

Finally, entertainment must only be offered where this can occur in strict compliance with the recipient's company governance and/or code of conduct.

## CONTRIBUTIONS, DONATIONS AND SPONSORSHIPS

It is our policy to not contribute, donate or sponsor, promote or solicit any specific political or religious agenda or direction. As such, our employees may not contribute to, promote or solicit any political or religious agenda or direction for or on behalf of TOTALTEC, or otherwise act in a way which could be construed to this effect.

Obviously, our employees are free to personally exercise the right to make political or religious contributions, promotions or statements in accordance with law. Such contributions or statements may never be or appear to have been made for or on behalf of TOTALTEC.

We will not reimburse any employee for political or religious contributions, and employees should not attempt to receive or facilitate such reimbursements.

The above does not apply to TOTALTEC membership of industrial conferences, employer's organizations, confederations or similar organizations working for and on behalf of the industry segment in which we operate. Such memberships are always subject to approval by the Chief Executive Officer.

Likewise, the above does not apply to sponsorships in local communities, participation in charity or similar activities if said sponsorships are non-religious and non-political and if the value of such sponsorship or charity donation does not exceed USD 1,500.00.

## HEALTH AND SAFETY

Our paramount concern is the health and safety of our employees, customers and everyone else that comes into contact with our activities. This concern reaches far beyond such measures required under applicable law, and we and any of our employees will ensure that any and all reasonable measures are taken to protect any person against personal injury when involved in or related to one of our activities.

Health and safety underpins all our operations and even if we may be focused on future developments in technology, all our employees are aware that safety is not an issue of the future, but an imminent element of every second.

Any situation where a person (being employee or non-employed) is injured in relation to one of our activities must be reported to senior management. The person responsible for Health and Safety is a member of TOTALTEC's senior management and reports directly to the Chairman.

Any injury or near miss incident is reported in our incident reporting system. Statistics of performance in health and safety are kept and analyzed to ensure implementation and improvement of best practices protecting the health and safety of individuals.

## THE ENVIRONMENT

Respect for and preservation of the environment is a key element of our business proposition and as such an integrated way of thinking in TOTALTEC.

We do support a precautionary approach to environmental challenges and we are willing to undertake initiatives to promote greater environmental responsibility. We actively encourage the development and diffusion of environmentally friendly technologies.

Any near miss environmental incident is reported in our incident reporting system and analyzed to ensure implementation and improvement of best practices in order to protect the environment to the benefit of us all.

At any local operation we will ensure that respect for the environment is applied such that sustainability and recycling is promoted and secured to the greatest extent reasonable possible.

One of our core competencies is to provide services that minimize negative impact on the environment. This results in actual reduction of carbon footprint whenever a customer applies our services.

Any un-intentional (potential) discharge into the environment of damaging substances in relation to one of our operations is reported to senior management. The person responsible for preservation of the environment is a member of TOTALTEC's senior management and reports directly to the Chairman.

## EMPLOYMENT

We believe that our employees are our most valuable asset, even if not shown in the balance sheet of the corporation.

We ensure the freedom of association of our employees and we recognize the right to collective bargaining.

TOTALTEC will work to eliminate all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in respect of employment and occupation. We actively participate in the well-being of our employees, beyond what can be expected with regards to protection of the health and safety of employees when performing work.

## SUBSTANCE ABUSE

We recognize that tobacco, alcohol or drug dependency is a treatable condition. To the extent required, we will offer programs to help employees deal with substance abuse. Employees who acknowledge or suspect they have such dependency are encouraged to seek advice and to follow appropriate treatment promptly before it results in job performance problems.

An employee who has a substance abuse problem or is undergoing treatment therefor is not permitted to work in certain positions identified by management as being critical to the safety and wellbeing of employees, the public or the corporation.

No one of our employees with alcohol or drug dependency will be terminated due to a request for help in overcoming that dependency or because of involvement in a rehabilitation effort.

All TOTALTEC sites are drug-free, non-smoking and non-alcohol work places and any employee may, subject to applicable law, be subjected to random drug and alcohol testing. TOTALTEC may conduct unannounced searches for drugs and alcohol on properties owned or controlled by TOTALTEC.

## EXERCISE

We will actively support any reasonable exercise and sports activities involving employees. Where food is being served at TOTALTEC sites, we will ensure that employees will have a low-fat alternative, and that a selection of fruit is available.

## DIVERSITY

At TOTALTEC, we consider diversity as a strength.

TOTALTEC is an equal opportunity employer and we will apply equal employment opportunities in conformance with all applicable laws and regulations to individuals who are qualified to perform job requirements.

We administer our personnel policies, programs and practices in a non-discriminatory manner in all aspects of the employment relationship, including recruitment, work assignment, promotion, transfer, termination, wage and salary administration. and selection for training.

All managers and supervisors are responsible for implementing and administering this policy. Further, such persons are responsible for maintaining a work environment free from any unlawful discrimination, and for promptly

identifying and resolving any problem areas regarding equal employment opportunity.

Individuals who believe they have observed or been subjected to prohibited discrimination should immediately report the incident to their supervisors, higher management, or their designated Human Resources Department contacts.

Individuals will not be subjected to harassment, intimidation, discrimination, or retaliation for exercising any of the rights protected by this Code of Conduct and the various Equal Employer Opportunities legislation.

## HARASSMENT

We prohibit and have a zero-tolerance policy towards harassment in any or our workplaces. We believe that a work environment that fosters mutual employee respect and working relationships free of harassment will result in better and more productive employees.

Forms of harassment include, but are not limited to, unwelcome verbal or physical advances and sexually, racially, or otherwise derogatory or discriminatory materials, statements, or remarks. All employees, including officers and managers, will be subject to disciplinary action up to and including termination for any act of harassment.

Individuals who believe they have been subjected to harassment should immediately report the incident to their supervisors, to higher management, or the Human Resources Department. All complaints will be promptly and thoroughly investigated.

Employees, managers or officers who observe or become aware of harassment should

immediately advise their higher management, or the Human Resources Department.

All our officers and managers will ensure that no retaliation will be taken against any employee because he or she reports a problem concerning possible acts of harassment. All employees can raise concerns and make reports without fear of reprisal.

## WORK ENVIRONMENT

We encourage an open-door policy such that all employees can ask questions, voice concerns, and make appropriate suggestions regarding business practices.

## COMPLIANCE WITH POLICIES

Any employee is expected to report promptly when expecting violations of law, our policies or internal controls, so that management can take appropriate corrective actions, hereunder initiate internal or external investigation and control measures.

It should be noted that any employee has access to alternative channels of communication depending on the subject matter, for example financial control functions, internal audit functions and internal investigations.

Any person involved in responding to questions, concerns, complaints, and suggestions are expected to use appropriate discretion regarding anonymity and confidentiality, although the preservation of anonymity and confidentiality may or may not be practical, depending on the circumstances.

Failure to behave honestly and failure to comply with law, our policies, and/or our internal controls may result in disciplinary action, up to and including termination with cause.

Any member of management is briefed on how such reports are to be addressed.

## CUSTOMERS

We consider all our customers as business partners and will ensure an open and transparent partnership with our customers. Frequent, relevant and informative communication with the representatives of our customers on how we best can and cannot serve their best interests, is considered a short term and long-term asset to the benefit of the partnership and the parties involved in it.

It is our policy to provide services and products that excel in quality and reliability and at any time conform to industry best practices and responsible standards of performance, hereunder taking due care and consideration to protection of the environment and the health and safety of all people involved. To the extent that our services and products do not excel in quality, reliability and industry best practices and responsible standards of performance, we will ensure an open dialogue with our customers in the best interest of the partnership.

At any time, we will strive to furnish correct, accurate, truthful and sufficient information about our services and products, including all details of the terms and conditions of sale, such that our customers can make informed purchasing decisions with full transparency.

We shall at any time seek to communicate truthfully, accurately and objectively in our advertising and other communications. All interactions with our customers are considered confidential of nature and all our employees and officers are under duty to maintain confidentiality and keep full secrecy with regards to any dealings with our customers.

## COMMUNITY

As an oilfield service provider, we are part of an industry with global importance in ensuring the future energy supplies; as such the scope of our services and products affects every person on the planet with the potential to impact positively on the quality of life.

It is one of our core competencies to solicit technologies, products and services that will leapfrog the industry into a new and innovative future, ensuring an increased recovery rate during the extraction of natural resources at lower cost, reduced impact on the environment and with less risks of health and safety of the people involved. We consider the continued focus on this competence as a vital part of our responsibility towards the community.

We operate from a significant number of properties in a variety of countries, and we have responsibility to our employees, to the people living and working nearby as well as the environment. Therefore, we engage with the community at a range of levels in our capacity of customer, neighbor employee, business, competitor and resident.

We seek to play our part in offering employment opportunities to all sectors of the community through non-discriminatory policies and promoting opportunities to disadvantaged and vulnerable groups. Further, we will actively be promoting engagement between our staff and the community including supporting local community groups and charities, hereunder support local initiatives for the development and education of young people in the areas where we operate.

We actively care and support measures improving the environment in and around our

operations and we are working closely with local law enforcement agencies to address antisocial behavior, crime and vandalism as well as promoting road safety. In addition, our local companies provide support to community-based charities and projects in their respective areas including support for employees' efforts in fund raising and for small-scale projects.

This Code of Conduct is approved by the Board of Directors of TOTALTEC.

Sevenoaks, October 4<sup>th</sup> 2016

The Board Directors of TOTALTEC Oilfield Services UK Ltd.