

Function	Supply Chain Management (SCM)				
Code No.	K-CW-GS-CC-005	Revision	12.0	Date	15/05/2017
Title	Supplier Code of Conduct				

Purpose

The purpose of this Code of Conduct (hereafter referred to as The Code) is to set out the requirements that all Suppliers of goods and services to KCA Deutag must agree to and accept in order to comply with us.

Where reference is made to 'Supplier' this includes all Subcontractors working on behalf of the Supplier. It is the responsibility of the Supplier to ensure that the 'KCA Deutag Supplier Code of Conduct' is understood and accepted by Subcontractors working for KCA Deutag in order for compliance.

This will enable us to achieve safe, effective, trouble-free operations.

KCA Deutag Core Values

At KCA Deutag, we believe in operating the KCA Deutag Way. This defines the type of company that we are and will continue to be for our people, our clients, the environment and the communities in which we operate. It's a global approach that every person believes in and it is each person's responsibility to work the KCA Deutag Way.

KCA Deutag is committed to conducting our business in an ethical, legal and socially responsible way. We have six Core Values which guide our business approach and culture. These are:

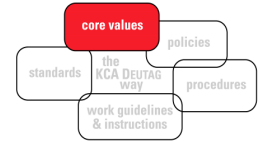
- Health and Safety
- Valuing All People
- Performance Improvement
- Environmental Stewardship
- Business Integrity
- Sustainable Growth

KCA Deutag's commitment extends to our global supply base and we therefore expect all KCA Deutag suppliers and subcontractors to adhere to similar good working standards and business ethics.

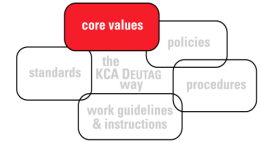
KCA Deutag expects suppliers to maintain a culture where their employees are able to raise concerns and report breaches of laws, regulations and this Supplier Code of Conduct. Suppliers must have appropriate 'whistleblowing' procedures in place and communicated, so that their employees can report their concerns confidentially and without fear of retaliation. If suppliers have concerns or complaints about conduct of KCA Deutag staff, they must report them.

Requirements

1.0	Health and Safety
1.1	Safety is KCA Deutag's top priority and we are committed to achieving safe, effective, trouble free operations.
1.2	Suppliers must provide a safe, healthy and secure working environment for their employees.
1.3	Standards, policies, procedures, conditions and equipment must be in place to manage operations to minimise incidents and accidents and to promote the general health and well-being of



	employees.
2.0	1.4 Suppliers must comply with all local and country laws and regulations pertaining to health and safety.
	Valuing all People
	2.1 KCA Deutag is committed to ensuring that all people are treated fairly and with respect.
	2.2 Suppliers must support and respect the protection of human rights and ensure the personal dignity, privacy and legal rights of each employee.
	2.3 Suppliers must ensure fair labour conditions, conform to applicable employment law, comply with all applicable child labour laws and regulations and in particular must not employ any person below the legal minimum age. Suppliers must not employ, engage or used forced labour or trafficked labour; nor engage in or condone abusive or inhumane treatment of workers.
	2.4 Suppliers must refrain from employment discrimination based on gender, colour, ethnicity, religion, disability, union membership, political affiliation or sexual orientation.
	2.5 Suppliers shall recognise and respect the right of employees to freedom of association and collective bargaining.
	2.6 Suppliers shall compensate employees fairly and follow local laws and regulations regarding minimum wages and benefits. Suppliers must pay their employees promptly and regularly and be fair in respect of work performance. Working time periods must not exceed the legal limit, should include at least one uninterrupted day off per week and employees should be granted annual, sick and any other leave entitlements.
2.7 All work performed must be in compliance with national laws and practices, including but not limited to UK Modern Slavery Act 2015 where applicable.	
3.0	Performance Improvement
	3.1 KCA Deutag is a learning company which encourages the capture of knowledge and ideas to improve performance. Suppliers should be open to review performance in their area and evaluate ways in which improvements can be made. High standards of technical integrity should be a primary focus allowing world class service to be delivered.
	3.2 Suppliers are responsible for communicating the requirements of the Code to their employees, and the Code should be made freely available to employees in their local language and in a readily accessible place.
4.0	Environmental Stewardship
	4.1 KCA Deutag is committed to minimising the environmental impact of our operations.
	4.2 All suppliers shall as a minimum comply with all applicable national and local environmental legislation and regulations.
	4.3 Suppliers shall show due regard and respect for the social and physical environment in which they operate including a commitment to reducing energy usage and waste, and the responsible management of dangerous or hazardous materials.
5.0	Business Integrity
	5.1 Compliance with applicable laws, regulations and standards
	5.1.1 Suppliers must know, understand and fully comply with all applicable national and international laws and regulations when contracting with and delivering work for KCA Deutag
	5.1.2 Where compliance with industry standards is required, suppliers must ensure that they have sufficient procedures and controls in place to maintain compliance

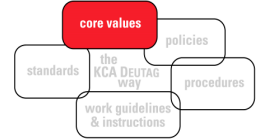


5.2 Commercial discipline

- 5.2.1 Suppliers must avoid conflicts of interest, and ensure that all business with KCA Deutag is conducted in an honest and fair manner.
- 5.2.2 Engagement with KCA Deutag on commercial matters must only be conducted with the involvement of an authorised purchasing or contracts representative within the KCA Deutag Supply Chain Management function.
- 5.2.3 Suppliers must not accept informal or verbal orders from KCA Deutag employees. Contracts and purchase orders should only be accepted on a valid KCA Deutag purchase order from the Supply Chain Management function and work commenced only upon receipt of such.
- 5.2.4 All invoices submitted to KCA Deutag for payment must reference the relevant purchase order number. Failing to do so will result in the invoice being rejected for payment processing. Where a purchase order is not required, the Supplier must provide the details of the KCA Deutag initiator and the contract number, where a valid contract is in place.
- 5.2.5 Invoices submitted shall correspond to the line items as specified on the purchase order and not any other instructions received.

5.3 Anti-bribery and anti-corruption

- 5.3.1 Suppliers must never take part in any form of bribery, corruption or improper payments of any kind and must have a programme in place to prevent and detect fraud, bribery and corrupt business practices. Suppliers must comply applicable anti-bribery laws, including but not limited to the UK Bribery Act 2010, the US Foreign Corrupt Practices Act 1977, and other laws appropriate to the countries where you perform work for KCA Deutag.
- 5.3.2 Suppliers must not make any facilitation or 'grease' payments, and must prohibit your suppliers and subcontractors from doing the same.
- 5.3.3 Suppliers must not give, offer or promise gifts or favours to KCA Deutag employees that are, or may be seen as, either inappropriate or an attempt to influence business decisions.
- 5.3.4 Suppliers must not give, offer or promise any money, gift, hospitality, or other advantage to any person carrying out a business or public role, or to a third party associated with that person, in order to influence them to do something improper or influence them to their business advantage.
- 5.3.5 Suppliers must not use intermediaries or contractors for the purpose of committing acts of bribery.
- 5.3.6 Suppliers must not {employ government officials or} allow government officials to have a direct or indirect interest in their company or in the proceeds of a contract with KCA Deutag.
- 5.3.7 Suppliers must conduct appropriate risk-based due diligence on all subcontractors and ensure they agree to comply with anti-bribery and anti-corruption obligations and undertakings equivalent to those they are contracted to comply with.
- 5.3.8 Suppliers must inform KCA Deutag promptly if they become aware of bribery or corruption, including facilitation payments, in relation to their work for KCA Deutag;
- 5.3.9 Suppliers must maintain adequate books, records, accounts and supporting information to clearly explain the transactions they have entered into whilst working for KCA Deutag and to demonstrate that they are compliant with the above requirements.
- 5.3.10 KCA Deutag reserves the right to check adherence to the requirements of The Code and to conduct compliance audits from time to time. Suppliers shall keep proper records to demonstrate compliance with The Code and required laws. When requested, Suppliers will provide the necessary access to data and documentation for our representatives to verify compliance with The Code.



5.3.11 Suppliers must maintain sufficient internal controls, policies, and procedures to ensure compliance with the above expectations.

5.4 Confidentiality

5.4.1 Suppliers who have access to commercially sensitive information provided by KCA Deutag must operate with due discretion, and should not disclose this information to any third parties or seek to benefit from it through financial dealings or other activities.

5.5 Trade Sanctions and Export Controls

5.5.1 Suppliers shall not do anything to cause KCA Deutag to breach any applicable EU or US sanctions laws and regulations.

5.5.2 Suppliers must code their products and components accurately, provide this information to KCA Deutag, and comply with relevant export licensing requirements.

6.0 Sustainable Growth

6.1 Suppliers should be committed to maintaining trust through delivering operational and engineering excellence.

6.2 Financial discipline is encouraged to promote profitable, long term growth. KCA Deutag puts this at the forefront of operating our business efficiently and we expect our Suppliers to operate in the same manner.

Full Name:.....

Position:.....

Company:.....