

Maersk Drilling's

Third Party Code of Conduct

Introduction

At Maersk Drilling, being a good corporate citizen has always been an integral part of the way we do business. It is reflected in our core values that we believe in constant care, our name, our employees and that we strive to be upright yet humble in our activities, globally as well as locally. This is communicated internally and externally through Maersk Drilling Code of Conduct.

We are committed to work with our partners to promote responsible practices in general and throughout our supply chain around the world. Our aspiration is to ensure that all our partners acknowledge our values and share our

commitment to conduct business in an ethical, legal and socially responsible manner.

We strongly believe that implementing our 'Third Party Code of Conduct' (the Code) towards our partners and in our supply chain will create value for all parties and this is a step to establish a long term sustainable relationship with our partners, our employees and the societies where we operate.

The Code reflects our commitment as a company and our support to the United Nations Sustainable Development Goals, which encompass the areas of human rights, labor, environment and anti-corruption.

Scope of the Code of Conduct

The Code applies to the following entities with whom Maersk Drilling does business; these include suppliers, contractors, and joint venture partners, for easy reference termed "Supplier(s)":

1. All direct Suppliers to any legal entity of Maersk Drilling
2. Selected sub-suppliers, as decided by Maersk Drilling
3. All contractors and/or agents of any legal entity of Maersk Drilling
4. For Joint Ventures, all joint venture partners, selected direct Suppliers and contractors of that joint venture
5. For operations with chartered material or installations: selected direct Suppliers and contractors engaged in these operations
6. Government owned or operated utility companies

7. Distributors who source on behalf of Maersk Drilling

The Code describes what we consider to be appropriate business conduct by Suppliers. Further guidance to the Code is provided in the document "Guidelines & Good Business Practice" included in this document.

We recommend that the Supplier implements the standards of the Code to its own business partners, including Suppliers, contractors and joint venture partners.

Where the Supplier acts as an agent of Maersk Drilling to supply goods and services closely related to the name of any entity of Maersk Drilling, we intend to verify that such goods and services meet the standards of the Code.

Legal Compliance

In addition to the Code we expect our Suppliers to respect all applicable laws and regulations and prevailing industry standards.

In case there are different standards set forth in the Code compared to national laws or other applicable regulations or standards, we expect the

Suppliers to work towards the higher or more stringent requirements.

We expect our Suppliers to address Maersk Drilling on any conflicts between the Code and applicable laws and regulations with the purpose of jointly establishing the most appropriate course of action.

Code of Conduct

Responsible Business Behavior

We expect our Suppliers to conduct business in an ethical and lawful manner and act with integrity and in compliance with all applicable laws including anti-trust laws.

any public official in any country, or to any business partner, to gain any improper business advantage of any kind. In addition, the Supplier may not solicit or accept any form of bribe from any person.

Anti-Corruption

We expect our Suppliers to avoid participation in or knowingly benefit from, any kind of corruption, extortion or bribery.

Consequently, the Supplier may not offer, promise, authorize or give anything of value to

Foreign Trade Control

We expect our Suppliers to comply with all foreign trade laws, regulations and rules applicable to the delivery of their goods and services including but not limited to the controls on export and re-export of goods, software and technology.

Working and Employment Conditions

Health and Safety

We expect our Suppliers to provide a safe and healthy working environment for all their employees. An employee is an individual who works part time or full time, under an open or fixed term contract of employment that may be oral or written. This applies to any company-provided accommodation.

We expect our Suppliers to have effective health and safety management systems that ensure, among other things:

- Compliance with applicable laws and regulations
- Compliance with customer requirements

- Management of hazards and risks associated with its operations (risks and hazards are identified and controlled)

We expect our Suppliers to continuously work to reduce and mitigate health and safety risks in the workplace. We expect our Suppliers to educate, train and protect all employees from any harm arising from workplace activities.

Products Liability

We expect our Suppliers to exercise due diligence when designing, manufacturing, and testing products; to protect against product defects which could harm the life, health or safety of people,

likely to be affected by the defective product, or have an adverse impact on the environment.

Respectful Treatment

We expect our Suppliers to not use, or permit the use of, corporal punishment or other forms of mental or physical coercion, sexual harassment or abuse, nor execute threats of such treatment.

Use of Company Security Forces

We expect our Suppliers to prevent its security guards from excessive or uncalled for infringement on the liberty and security of others, by providing the necessary training on when to intervene in security-related situations and how to use the minimal force necessary.

Equal Opportunity Rights

We expect our Suppliers to not engage in or support discrimination and to adopt a non-discriminating practice that strives to ensure equal treatment in recruitment, hiring, compensation, access to training, employee benefits and services, promotion, termination and retirement, irrespective of age, gender, race, color, disability, religion or belief, language, national or social origin, trade union membership, or any other status recognized by international law.

Child Labor

The acceptable minimum age for employees is 15 years. As far as necessary and only if national law permits, children under the age of 15 are allowed to carry out light work that does not interfere with compulsory schooling. Employees under the age of 18 years are not to be involved in night work or work that is hazardous or likely to have a negative impact on the employee's physical or mental development.

Voluntary Labor

We expect our Suppliers to not use or benefit from, forced or involuntary labor as per 'Guidelines & Good Business Practice' included in this document. All employees shall enjoy the freedom of movement during the course of their employment. Personal/employment documents or payment of compensation must not be withheld, thereby preventing such an employee from terminating his/her employment.

Freedom of Association and Collective Bargaining

We expect our Suppliers to respect the rights of its employees to associate freely, join or not join trade unions and/or workers councils, or engage in collective bargaining, in accordance with national law and international conventions.

Compensation

We expect our Suppliers to pay all employees a fair and equal compensation, in accordance with national laws and regulations, including overtime hours and all legally mandated benefits.

Working Hours

We expect our Suppliers to comply with applicable working hour requirements as established by national law or relevant collective agreements. We expect our Suppliers to ensure that overtime is voluntary, communicated to the employee and appropriately compensated in accordance with local and international regulations and collective agreements.

Environment

We expect our Suppliers to integrate environmental considerations in its activities and strive for continuous improvement by minimizing any adverse effects of its activities on the environment.

We expect our Suppliers to comply with all relevant local and national environmental laws and regulations, as well as all requirements for environmental licenses and permits. We expect our Suppliers to strive to develop and implement environmental management systems that include measurement and monitoring in order to:

- Identify environmental impacts
- Reduce waste, energy and emissions to air, ground and water
- Handle chemicals in an environmentally safe way
- Handle, store and dispose of hazardous waste in an environmentally safe manner
- Contribute to the recycling and reuse of materials and products and implement environmentally friendly technologies

Policy of Dealing with Severe Violations

The underlying objective of the Code is to establish a basis for a positive development of responsible procurement practices through dialogue and ongoing working relationships.

However, in cases of a severe violation of the Code, such as Supplier engaging in or benefiting from the use of child labor, corruption, severe violation of internationally recognized labor rights and/or significant damage to the environment, Maersk Drilling will contact the Supplier within 24 hours of the discovery of the incident and will subject to prevailing contractual provisions request to terminate the practice and set up a dialogue around prevention of the same in the future.

Maersk Drilling will endeavor to terminate the business relationship with Suppliers who repeatedly and knowingly violate the code and refuse to collaborate with Maersk Drilling in implementing improvement plans. In certain cases, e.g. in cases of bribery, termination may be with immediate effect.

Requirements for Suppliers with an Existing Long-Term Business Relationship

In addition to the Code, Suppliers with an existing long-term business relationship with Maersk Drilling are expected to have management systems in place to ensure compliance to the Code and to pro-actively extend these principles within their own supply chain. Inspiration can be found in the international guidelines and standards such as “Social Accountability 8000” (SA8000), Section 9, and in ISO 14001 for environmental compliance.

Implementation

Maersk Drilling will give preference to Suppliers who excel in quality and price and who share our commitment to conduct business in an ethical, environmental and socially responsible manner. We will request the Supplier to work with us in an open and transparent manner to assess whether the Supplier effectively respects the Code. The process of such an assessment may consist of an initial collection of the Code related information by Maersk Drilling in a dialogue with the Supplier. This will be followed by information provided by the Supplier through answering a

more detailed self-assessment questionnaire or an on-site audit and a potential subsequent improvement program.

We expect our Suppliers to maintain documentation necessary to demonstrate their performance, in comparison to the guidelines set in the Code and/or recognized guidelines, standards or management systems for social responsibility; such as ISO 26000 for CSR Guidance, SA8000 for social responsibility, OHSAS 18001 for occupational health, ISO 14001 for environment, or other relevant standards or systems, as well as compliance with applicable laws and regulations.

We expect our Suppliers to continually improve within the areas of human rights, labor standards and the environment and to work against any forms of corruption. This needs to be done by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal or external assessments, inspections and management reviews.

Guidelines & Good Business Practice

This document is an integral part of the Maersk Drilling Third Party Code of Conduct (the Code). Its purpose is to support Suppliers in successfully implementing the principles set forth in the Code by providing specific guidelines that we want the Suppliers to follow.

We value Suppliers who share our commitment towards creating profitable and sustainable

business practices. Therefore, when working with us, we expect our Suppliers to respect the principles defined in the Code. Furthermore, we encourage all our Suppliers to work towards embedding the principles defined in the Code, into the workplace and supply chain, to the benefit of their workers and the environment.

Guidelines for Successful Implementation

The Responsible Procurement Program

The program is established to promote continuous improvements in Maersk Drilling's supply chain and not to terminate valued supplier relations. Some Suppliers may be in a better position to follow good business practices in the areas of human rights, labor, environment and anticorruption.

What is important to us is that our Suppliers show commitment towards embedding the main principles of the Code into their own operations and across their supply chain.

Responsible Business Behavior

[Code extract] We expect our Suppliers to conduct business in an ethical and lawful manner and act with integrity and in compliance with all applicable laws including anti-trust laws.

Good Business Practice:

1. The Supplier has established and enforces a written policy against illegally influencing and/or bribing public officials or business partners.
2. The Supplier promotes employee awareness of and compliance with, the company policy against bribery, through appropriate dissemination of the policy, conducting training programs and taking disciplinary procedures.

3. The Supplier is transparent about commercial, financial or other significant links to government and public officials.

4. The Supplier has established a policy or statement of commitment, to ensure that the principles of fair competition are respected by all parties concerned.

5. If required by law, the Supplier has a valid basic registration/license to operate and comply with the terms stated therein.

6. The Supplier has not in the past 12 months been subject to any regulatory action relating to non-compliance in the areas of the Code, including, but not limited to, anti-fraud, anti-corruption, antitrust law, tax, social conditions, immigration, health & safety or the environment, or if so it has taken all necessary precautions to prevent reoccurrence.

7. The Supplier has not experienced any business interruption (strike, lock-out, temporary closure or similar) resulting from non-compliance in the areas of the Code, including, but not limited to, antifraud, anti-corruption, anti-trust law, tax, immigration, health & safety or the environment, or if so it has taken all necessary precautions to prevent reoccurrence.

Working and Employment Conditions

Health and Safety

[Code extract] We expect our Suppliers to provide a safe and healthy working environment for all their employees. An employee is an individual who works part time or full time, under an open or fixed term contract of employment that may be oral or written. This applies to any company-provided accommodation.

Good Business Practice:

1. The Supplier ensures that his employees are offered a safe and healthy working environment, including, but not limited to, protection from fire, accidents and processes, substances and techniques, which are unhealthy, toxic or harmful.
2. The Supplier has established and enforces a written health and safety policy and relevant procedures in a language that the employee understands and in accordance with industry, national and international standards and customer requirements.
3. The Supplier has appointed a senior management representative(s) with the responsibility for health and safety in the workplace.
4. The Supplier ensures that his employees are given access to adequate and relevant health and safety information.
5. The Supplier ensures that his employees are provided with protective equipment and training, necessary to safely perform functions in their position.
6. Company-provided accommodation conforms to the same requirements, including the general health and safety provisions listed above.
7. The Supplier documents accidents and adjusts its processes to effectively prevent recurring problems.
8. The Supplier is expected to work towards using OHSAS 18001 or similar framework for its health and safety work.
9. The Supplier ensures compliance with applicable laws and regulations pertaining to fire protection. This also includes compliance with inspections by the fire authorities and required corrective actions from such inspections must be documented and completed within the stipulated time.
10. The supplier ensures a business continuity plan (BCP) including risk assessments of threats e.g. disease, earthquakes, floods and fires.

11. The Supplier fosters continuous improvement of its health and safety performance by establishing health and safety objectives and promoting best practice.

Respectful Treatment

[Code extract] We expect our Suppliers to not use, or permit the use of, corporal punishment or other forms of mental or physical coercion, sexual harassment or abuse, nor execute threats of such treatment.

Good Business Practice:

1. The Supplier protects employees from acts of physical, verbal, sexual or psychological coercion, harassment, abuse or threats in the workplace, whether committed by managers or fellow employees, including when they are determining and implementing disciplinary measures.
2. The Supplier has a procedure for receiving reports of workplace violence, harassment, threats and all other types of workplace misconduct.
3. The Supplier expediently investigates all complaints of workplace misconduct and takes appropriate preventive, corrective and disciplinary action. No reprisal or retaliatory action is taken against any employee who raises a concern relating to workplace misconduct.
4. The Supplier pays compensation at regular times and does not take deductions from wages for disciplinary measures and deductions which are not authorized by national law without the free consent of the employee. All wage deductions shall be recorded.

Equal Opportunity Rights

[Code extract] We expect our Suppliers to not engage in or support discrimination and to adopt a non-discriminating practice that strives to ensure equal treatment in recruitment, hiring, compensation, access to training, employee benefits and services, promotion, termination and retirement, irrespective of age, gender, race, color, disability, religion or belief, language, national or social origin, trade union membership, or any other status recognized by international law.

Good Business Practice:

1. The Supplier has established and enforces a written policy in a language that the employee understands, ensuring that all employment-related

decisions are based only on relevant and objective criteria.

2. The Supplier does not ask applicants or employees questions relating to their marital status, intent to have children, or number of dependents with an intent to discriminate.

Child Labor

[Code extract] The acceptable minimum age for employees is 15 years.

Good Business Practice:

1. The Supplier has established and enforces a clear policy regarding the minimum age of employment, which complies with national laws.
2. Only if national law permits, children under the age of 15 can carry out light work that does not interfere with compulsory schooling.
3. The Supplier requests candidates to provide copies of birth certificates or other official forms of identification, to verify their age prior to employment.
4. The Supplier has and enforces a clear written policy or guidelines defining what tasks at the Supplier are prohibited as hazardous or harmful to the health, safety or morals of employees under the age of 18.
5. If the Supplier becomes aware that he is employing children of school age; the ways to remedy this could include:
 - a. The Supplier offers to enroll the child in a remediation/ education program in consultation with the child and his/her parents, rather than the child being summarily terminated from employment.
 - b. The Supplier offers to hire the parents, guardians, elder siblings or other adult members of the extended family of any child, found to be working for the Supplier, while concurrently providing practical and reasonable financial support.

Voluntary Labor

[Code extract] We expect our Suppliers to not use or benefit from forced or involuntary labor in any form. All employees shall enjoy the freedom of movement during the course of their employment.

Good Business Practice:

1. The Supplier has a written contract (or letter) of employment with each employee.
2. The Supplier ensures that employment terms are fair, transparent and understood by the employee prior to employment.
3. The Supplier (or its recruiting agencies) does not charge employees recruiting or hiring fees that require the employee to be indebted to the Supplier (or recruiting agency), nor to work for the Supplier (or recruiting agency) to pay off the debt.
4. The Supplier does not use prison labor, unless the prisoner has been convicted by a court of law, and labors voluntarily under the supervision and control of a public authority.
5. The Supplier ensures that all employees are allowed to leave the Supplier's premises at the end of their shifts or rotation, as relevant, if at all feasible.
6. The Supplier does not require employees to lodge money deposits with the Supplier, nor does the Supplier instruct its personnel to retain employees' travel documents or identity cards.

Freedom of Association and Collective Bargaining

[Code extract] We expect our Suppliers to respect the rights of its employees to associate freely, join or not join trade unions and/or workers councils, or engage in collective bargaining, in accordance with national law and international conventions.

Good Business Practice:

1. The Supplier respects its employee's right to associate freely, form or join organizations of their choosing and to bargain collectively in accordance with international standards, local laws and regulations, in full freedom and without fear of reprisal, intimidation or harassment.
2. The Supplier also recognizes its employee's right to refrain from collective representation.
3. The Supplier is committed to constructive engagement and collective bargaining in good faith, with freely chosen employee representatives of a legally recognized union.

4. The Supplier does not discriminate or take adverse actions against employees, in retaliation for exercising employee rights, or participating in union activities.

5. The Supplier has established a clear written policy in a language that the employee understands, recognizing the freedom of association rights of its employees.

Compensation

[Code extract] We expect our Suppliers to pay all employees a fair and equal compensation in accordance with national laws and regulations, including overtime hours and all legally mandated benefits.

Good Business Practice:

1. The Supplier ensures that wages are paid out in accordance with applicable law, on a regular basis and in a timely manner.
2. Overtime hours are not required, in order for employees to earn a living wage sufficient to meet basic needs.
3. Prior to employment, the Supplier informs employees of its policy on remuneration, including overtime compensation.
4. The Supplier shall ensure that wage and benefits composition are detailed clearly and regularly, for employees and that wages and benefits are rendered in full compliance with all applicable laws and directly to the employees, in a manner convenient to the employees.
5. Piece-rate payment systems are monitored to ensure that the total salary paid meets agreed terms and living wage requirements.

Working Hours

[Code extract] We expect our Suppliers to comply with applicable working hour requirements as established by national law or relevant collective agreements. We expect our Suppliers to ensure that overtime is voluntary, communicated to the employee and appropriately compensated in accordance with local and international regulations and collective agreements.

Good Business Practice:

1. The Supplier ensures by policy and practice that the maximum working hours in a week shall not - on a regular basis - exceed 48 hours, with a

maximum of 60 hours per week, including overtime, unless it is permitted according to applicable laws and regulations, and relevant collective agreements.

2. Overtime hours overall must be reasonable, follow applicable regulations and be used on an exceptional basis rather than as a normal working practice.

3. Overtime must be planned in a way that it ensures safe and humane working conditions. Overtime hours must be appropriately compensated.

4. Employees are entitled to at least one day off per week and are given reasonable breaks while working and sufficient rest periods between shifts. For off-shore workers, leave and rest periods shall follow applicable regulations and relevant collective agreements.

Environment

[Code extract] We expect our Suppliers to integrate environmental considerations in its activities and strive for continuous improvement by minimizing any adverse effects of its activities on the environment.

We expect our Suppliers to comply with all relevant local and national environmental laws and regulations, as well as all requirements for environmental licenses and permits.

Good Business Practice:

1. The Supplier takes steps in the application of a precautionary approach:
 - a. The Supplier has established and enforces a policy or practice for its operations and products, which confirms commitment to care for the environment and a guideline on the consistent application of the approach throughout the workplace
 - b. The Supplier's policy and practice comply with any applicable local and international laws and regulations prohibiting or restricting specific substances
2. The Supplier takes steps to promote environmental responsibility:
 - a. The Supplier ensures legal compliance with all relevant environmental legislative requirements through training and awareness, operational control and monitoring significant environmental impacts.

b. The Supplier maintains appropriate environmental records to demonstrate compliance with all requirements for environmental licenses and permits, including, but not limited to, data from the monitoring of significant environmental impacts.

c. The Supplier works with its own suppliers to improve environmental performance, extending responsibility up the product chain and down the supply chain.

3. The Supplier shall have in place a process for:

a. Hazardous Substance Management and

Restrictions to ensure safe handling, movement, storage, recycling, reuse, and disposal, the Supplier must identify and manage substances that pose a hazard if released to the environment and comply with applicable labelling laws and regulations for recycling and disposal. The Supplier must post Material Safety Data Sheets for any hazardous or toxic substances used in the workplace and train employees who will come into contact with such substances in the workplace.

b. Wastewater and Solid Waste Emissions

Wastewater and solid waste generated from operations, industrial processes, and sanitation facilities must be monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

c. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations must be characterized, monitored, controlled and treated as required by applicable laws and regulations before discharge.

d. Environmental Permits and Reporting

The Supplier must obtain, maintain and keep current, all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

e. Pollution Prevention and Resource Reduction

The Supplier must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in its facilities, in its

maintenance and production processes, and by recycling, re-using, or substituting materials.

Transparency & collaboration

[Code extract] Maersk Drilling will give preference to Suppliers who excel in quality and price and who share our commitment to conduct business in an ethical, environmental and socially responsible manner. We will request the Supplier to work with us in an open and transparent manner to assess whether the Supplier effectively respects the Code. The process of such an assessment may consist of an initial collection of the Code related information by Maersk Drilling in a dialogue with the Supplier. This will be followed by information provided by the Supplier through answering a more detailed self-assessment questionnaire or an on-site audit and a potential subsequent improvement program.

Good Business Practice:

1. The Supplier has developed sustainability targets and indicators (economic, environmental and social).

2. The Supplier maintains appropriate records including, but not limited to:

a. Name and ages of all employees

b. Timesheets

c. Payroll records, including wage slips and overtime wage records

d. Health and safety records, including material safety data sheets, accident records and relevant certificates and permits

e. Environmental records, including data from the monitoring of significant environmental impacts and relevant permits

f. Records of any significant instances of non-compliance encountered in relation to the areas of the Code of Conduct, including, but not limited to, antifraud, anti-corruption, anti-trust law, tax, social conditions, immigration, health & safety or the environment

3. The Supplier has appointed a senior management representative(s) with the responsibility for and authority to ensure compliance with the Code.

4. The Supplier ensures that adequate and relevant training is provided to all employees in a language that the employee understands.

5. The Supplier participates in announced, as well as unannounced, on-site audits and provides unhindered access to all Supplier facilities, records, company-provided accommodation, if any, as well as employees for confidential interviews.

6. Where instances of non-compliance with the requirements of the Code of Conduct are identified, the Supplier shall promptly take corrective action to remedy the deficiencies as well as taking expedient measures to prevent similar problems from recurring in the future.

The Supplier is willing to engage in a constructive dialogue with Maersk Drilling for it to support the development and implementation of a corrective action plan, with appropriate time scales for implementation and improvements to be achieved.

In the event of repeated or serious breaches of the requirements of the Code, Maersk Drilling will endeavor to terminate the business relationship with the Supplier and possibly cancel any production or delivery in progress.

References

Further information on the subjects of the Maersk Drilling Third Party Code of Conduct can be obtained from:

OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions

<http://www.imf.org/external/np/gov/2001/eng/091801.htm>

United Nations Convention Against Corruption

<http://www.unodc.org/unodc/en/treaties/CAC/index.html>

The Universal Declaration of Human Rights

<http://www.un.org/en/documents/udhr>

The International Labour Organisation (ILO)

<http://www.ilo.org/global/lang--en/index.htm>

The International Programme on the Elimination of Child Labour (IPEC)

<http://www.ilo.org/ipec/lang--en/index.htm>

UN Global Compact

<http://www.unglobalcompact.org>

Social Accountability International (SAI)

<http://www.sa-intl.org>

OHSAS 18001 International Occupational Health and Safety Management System

<http://www.ohsas-18001-occupational-health-and-safety.com>

ISO14000 SERIES Environmental Management Systems

<http://www.iso14000-iso14001-environmental-management.com>

ISO 26000 Social Responsibility

<http://www.iso.org/iso/socialresponsibility.pdf>

The Danish Institute for Human Rights

http://humanrightsbusiness.org/?f=compliance_assessment

The Ethical Trading Initiative

<http://www.ethicaltrade.org/eti-base-code>

Business for Social Responsibility

<http://www.bsr.org>