

Sanctions & Export Controls Policy

1 INTRODUCTION

- 1.1 Our WE CARE values are the foundation of the way we conduct ourselves in the best interests of our business – underpinning our success now and for the future.
- 1.2 Our Core value ‘Excellence’ means exceeding customer and stakeholder expectations through safe, consistent and reliable operating and financial performance, by provision of quality services, equipment and innovative solutions. This value includes how we conduct ourselves in the delivery of these expectations.
- 1.3 A key aspect of KCA Deutag's pursuit of Excellence is ensuring that the business, and all personnel, comply with sanctions and export control laws.

2 PURPOSE

- 2.1 The purpose of this policy is to:
 - 2.1.1 set out the responsibilities of KCA Deutag and its personnel, in relation to sanctions and export control laws; and
 - 2.1.2 provide information and guidance on how KCA Deutag personnel should avoid breaching sanctions or export control laws, and respond to concerns about these issues.

3 WHAT ARE SANCTIONS?

- 3.1 Sanctions are legal prohibitions imposed by states (and certain other international entities, such as the United Nations Security Council), which restrict activities in relation to other specified states, organisations or individuals.
- 3.2 Sanctions may be imposed for a variety of reasons; for example in response to a national security threat, or to deter or punish perceived poor international conduct.
- 3.3 Sanctions can become applicable as a result of a person's nationality. For example, in general, US sanctions apply to US persons and entities even if they are outside the US and carrying out business on behalf of a non-US entity.

3.4 Sanctions can also become applicable via use of certain currencies. For example, in general, use of US Dollars can lead to the applicability of US sanctions to a transaction which would not otherwise be subject to US sanctions.

3.5 Breaching sanctions could have significant criminal, regulatory, financial and reputational consequences for KCA Deutag and those personnel involved in any breach.

4 WHAT ARE EXPORT CONTROL LAWS?

4.1 Export control laws regulate the transfer or disclosure of sensitive goods, services, software, and technology between different states.

4.2 Breaching export control laws could have significant criminal, regulatory, financial and reputational consequences for KCA Deutag and those personnel involved in any breach.

5 STATEMENT OF POLICY

5.1 KCA Deutag complies with UK sanctions and with all other applicable sanctions. It does not engage in conduct designed to circumvent or evade applicable sanctions.

5.2 KCA Deutag complies with UK export control laws and with all other applicable export control laws. It does not engage in conduct designed to circumvent or evade applicable export control laws.

6 APPROACH FOR PERSONNEL

6.1 Given the potential consequences of breaching sanctions or export control laws, if in doubt, KCA Deutag personnel should adopt the **Pause** → **Consider** → **Speak** → **Escalate** approach as provided for in the Code of Conduct.

6.2 KCA Deutag personnel must immediately notify the Legal & Compliance team within KCA Deutag if they become concerned that sanctions may become applicable as a result of the imposition of sanctions by a country, other than the UK, of which they are a national.

7 IDENTIFYING SANCTIONS AND EXPORT CONTROL PROHIBITIONS

7.1 KCA Deutag screens all new customers, suppliers and third parties with which it deals to identify any applicable sanctions prohibitions. In this policy, a "third party" means: (i) any individual who is not an employee of KCA Deutag, and (ii) any organisation other than KCA Deutag.

7.2 KCA Deutag undertakes due diligence to identify any applicable sanctions prohibition or export control restriction arising from a new transaction, project or other activity.

7.3 Applying a risk-based approach, KCA Deutag reviews existing customers, suppliers, third parties, transactions, projects and activities on a regular basis to identify any applicable sanctions prohibition or export control restriction.

8 ENSURING SANCTIONS AND EXPORT CONTROL COMPLIANCE

- 8.1 KCA Deutag seeks appropriate contractual protections (including, where necessary to comply with export control laws, in relation to end user) to ensure compliance with applicable sanctions and export control laws.
- 8.2 KCA Deutag may designate certain states or activities as "high-risk". In such circumstances, approval from the compliance team within KCA Deutag will be needed before:
- 8.2.1 new customers, suppliers, third parties, transactions, projects or activities can be established; and
 - 8.2.2 existing customers, suppliers, third parties, transactions, projects or activities can be maintained.
- 8.3 KCA Deutag will maintain sufficient records to demonstrate compliance with sanctions and export control laws (e.g. by keeping a record of end-users of controlled goods supplied by KCA Deutag).

9 RECUSAL AND RINGFENCING

- 9.1 Where involvement of specified KCA Deutag personnel may give rise to applicability of sanctions (e.g. because the personnel are nationals of a jurisdiction which has imposed sanctions) in relation to a particular project, transaction or activity, KCA Deutag may recuse and ringfence those personnel from involvement.
- 9.2 Approval from the compliance team within KCA Deutag must be obtained before a decision is taken to implement recusal and ringfencing.
- 9.3 KCA Deutag personnel must comply with measures implemented to give effect to recusal and ringfencing.

10 LICENSING

- 10.1 In certain circumstances, it may be possible to apply for a licence to:
- 10.1.1 permit activity otherwise subject to a sanctions prohibition to take place; or,
 - 10.1.2 permit sensitive goods, services, software, and technology to be transferred.
- 10.2 Any decision to seek a licence in respect of sanctions or export control laws will be taken by the Legal and Compliance team within KCA Deutag.
- 10.3 KCA Deutag will comply with any conditions issued under a licence, including in relation to record-keeping.

11 TRAINING AND COMMUNICATION

- 11.1 Relevant KCA Deutag personnel receive training on this policy during the induction process and at appropriate intervals.
- 11.2 KCA Deutag's approach to sanctions and export controls is reflected in KCA Deutag's Supplier and Third Party Code of Ethics, which is made available to all suppliers and third parties with whom we work.

12 MONITORING AND REVIEW

- 12.1 The Legal & Compliance team within KCA Deutag has overall responsibility for: (i) ensuring this policy complies with our legal and ethical obligations, (ii) ensuring that all KCA Deutag personnel comply with this policy's requirements and (iii) providing advice and assistance on the application of the policy.
- 12.2 All KCA Deutag personnel have operational responsibility for implementing this policy and for monitoring its use and effectiveness.

13 DUTY TO MAKE A NOTIFICATION

- 13.1 If you consider: (i) you, (ii) other KCA Deutag personnel, or (iii) a KCA Deutag supplier may have breached
 - 13.1.1 the law,
 - 13.1.2 this policy, or
 - 13.1.3 any applicable KCA Deutag policy, procedure or guidance,you must report this as soon as possible.
- 13.2 Where possible you should notify your line manager, if this is not possible you can report this to any member of the Legal & Compliance team, the Human Resources team, Internal Audit or any other senior member of staff.
- 13.3 Alternatively you can report this via any of OUR SPEAK-UP CHANNELS hosted by our confidential independent whistleblowing provider.
- 13.4 Personnel who make a notification about other KCA Deutag personnel or a third party in good faith will not be subjected to detrimental treatment by KCA Deutag for doing so.
- 13.5 KCA Deutag will not tolerate any attempt to retaliate against anyone who has made a notification in good faith. Any such retaliation is prohibited under this policy and the Code of Conduct and will be taken seriously by KCA Deutag.

13.6 Further information in relation to KCA Deutag's management of good faith notifications can be found in the Whistleblowing and Non-Retaliation policy.

14 NON-COMPLIANCE

14.1 KCA Deutag may take appropriate disciplinary action, up to and including termination of employment, against any personnel who fail to comply with applicable laws, this policy or any applicable KCA Deutag policy, procedure or guidance.

14.2 In addition to its internal processes, KCA Deutag may refer any concern regarding personnel to law enforcement and/or regulators.