



## **CODE OF BUSINESS CONDUCT AND ETHICS**

### **Purpose**

This Code of Business Conduct and Ethics ("Code") contains general guidelines for conducting the business of the Company consistent with the highest standards of business ethics. The Company has a reputation for integrity, excellence and ethical conduct. This Code is adopted to promote continued compliance with these standards and to prevent, detect and report conduct inconsistent with this Code. Every employee is responsible for knowing and applying these standards to his or her activities while conducting Company business, as a condition of employment. Members of management should also be vigilant for compliance by subordinates.

This Code is considered to be a minimum standard. To the extent this Code requires a higher standard than required by commercial practices or applicable laws, rules or regulations, employees must adhere to these higher standards.

This Code applies to all Company directors, officers, employees and agents, wherever they are located and whether they work for the Company on a full-time, part-time, regular or temporary basis. Reference is made to all persons covered by this Code as "employees".

### **Compliance with Laws and Company Policy**

Compliance with all applicable laws, statutes, rules and regulations as well as Company policy is an essential element to the Company's reputation. Each employee has an obligation to comply with the laws of the cities, states and countries in which the Company operates.

The Company will not tolerate any activity that violates any laws, rules or regulations applicable to the Company.

Similarly, each employee is expected to adhere to Company policy, whether written or unwritten, including that which is set forth in this Code and elsewhere in the Policy Handbook.

If any employee becomes aware of conduct or circumstances which appear questionable or in violation of the law, this Code or Company policy, such employee has an obligation to report such conduct or circumstances in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations."

Examples of areas in which questionable conduct may occur include:

- Environmental hazards
- Anti-trust; price fixing; bid rigging; boycotting
- Protection of Company assets; theft; fraud
- Confidential or proprietary information; copyright infringement; software piracy
- Conflict of interest
- Insider stock trading or tipping
- Worker health and safety
- Recording of time
- Corporate political contributions



- On the job drug or alcohol problems
- Discrimination or harassment based on race, religion, sex, sexual orientation, disability, age, national origin, veteran's status, color, genetic information or any other legally protected characteristic
- Direct or indirect payments to domestic or foreign government agencies or officials to obtain or retain business, or to influence their acts or decisions
- Maintenance of accurate accounting records or reports and an effective internal accounting control system
- Failure to properly file required reports
- Falsification of or misrepresentation on any Company record, including without limitation test results, inspections or other reports
- Failure to comply with government required testing and/or inspection of equipment
- Import/export laws
- Government procurement violations
- Mail or wire fraud
- Other illegal, inappropriate, threatening, violent or unethical conduct

### **Accuracy of Financial Reporting and Other Public Disclosures**

Helmerich & Payne, Inc. is a public company. As such, the Company is required to report its financial results and a great deal of financial and other information about its business to the public and the Securities and Exchange Commission. The Company is also subject to various securities laws and regulations. It is the policy of the Company to timely disclose accurate and complete information regarding the Company's business, financial condition and results of operations. Inaccurate, incomplete or untimely reporting will not be tolerated and can severely damage the Company.

Employees should be on guard for, and promptly report, evidence of improper financial reporting. Examples of suspicious activities that should be reported include:

- Financial results that seem inconsistent with the performance of underlying business transactions
- Inaccurate Company records, such as overstated expense reports, or erroneous invoices
- Transactions that do not seem to have a good business purpose
- Requests to circumvent ordinary review and approval procedures

The Company's senior financial officers and other employees working in the Accounting Department have a special responsibility to ensure that all of the Company's financial disclosures are full, fair, accurate, timely and understandable. Such employees must understand and strictly comply with generally accepted accounting principles and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

### **Corporate Funds and Assets**

The Company requires its employees to properly, lawfully and efficiently utilize corporate funds and assets.

All Company assets should be used for legitimate business purposes.

- The use of Company funds or assets for any unlawful, unauthorized or improper purpose is strictly prohibited. This prohibition includes, but is not limited to, any unlawful or improper use of such funds or



assets under applicable law or ethical standards, foreign or domestic, irrespective of the practices of others.

- No undisclosed or unrecorded fund or asset of the Company or any subsidiary shall be established for any purpose.
- No false or artificial entries shall be made in the books and records of the Company for any reason, and no employee shall engage in any arrangement that results in such a prohibited act.
- No payment on behalf of the Company shall be approved or made with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the documents supporting the payment.
- No transaction shall be undertaken for the purpose of unlawfully evading any tax levied by any government, foreign or domestic.
- No commercial or financial transaction, including the disposal or disposition of any Company asset, shall be entered into with any designated country, individual or entity in contravention of U.S. sanctions law.

Any employee having information or knowledge of any unrecorded fund or asset or any prohibited act shall promptly report such matter in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations."

### **Anti-Corruption Policy**

The nature of our business often requires that we interact with officials of various governments around the world. Company policy and applicable laws establish certain limits on those interactions.

The Company is committed to doing business with integrity. This means avoiding corruption of all kinds. It is the policy of the Company to comply with all applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act ("UKBA"), and the local laws in every country in which we do business. These laws prohibit bribery of foreign government officials (broadly defined later in this policy), and with regard to the FCPA in particular, mandate that companies establish and maintain accurate books and records and sufficient internal controls. The UKBA also prohibits private sector (commercial) bribery.

A violation of anti-corruption laws can lead to severe civil and criminal penalties and is cause for disciplinary action (up to and including termination of employment); therefore, it is vital that you not only understand and appreciate the importance of these policies and procedures, but comply with them in your daily work.

This policy applies to all employees of the Company, including officers and directors. In addition, the Company will require third parties who represent the Company (such as agents, consultants, and contractors) to conduct themselves in a manner consistent with this policy.

All employees and third parties should remain vigilant in watching for, avoiding, and reporting to the Legal Department any questionable transactions that may violate this policy.

Although this policy focuses primarily on compliance with the FCPA and UKBA, it is necessary to remain equally attentive to compliance with all applicable corruption laws, including the federal, state and local laws of each country in which the Company operates. The FCPA, UKBA, and local corruption laws will be referred to collectively as "Applicable Corruption Laws" in this policy.

For the purposes of this policy, the term "government official" is broadly defined to include:



- Any officer or employee of any government entity, department or agency
- Any employee of a state or government-owned business, school, hospital or other entity
- Any political party or official thereof
- Any candidate for political office
- A public international organization or any department or agency thereof (e.g., the United Nations, Olympic Organizing Committee, FIFA Committee, and World Bank)
- Any person acting in an official capacity on behalf of a government entity

Employees of state-owned or state-controlled commercial enterprises (such as an oil company that is majority owned by a government) are considered government officials under Applicable Corruption Laws and this policy. It is important to keep in mind that even persons who are not deemed to be officials under local laws may still be considered government officials under the FCPA and UKBA. To be certain, employees should always consult the Legal Department whenever there is a question as to whether an individual is a government official.

### **Prohibition on Bribery**

Applicable Corruption Laws prohibit companies and their employees and representatives from (directly or indirectly) giving, promising, offering or authorizing payment of anything of value to any government official in order to obtain or keep business or to secure some other improper advantage. In essence, these laws prohibit the giving of anything of value to influence a government official's actions. Prohibited payments include, but are not limited to, those designed to:

- Induce the recipient to award a contract to the Company
- Obtain advantageous tax, immigration or customs treatment that would not otherwise be available to the Company
- Circumvent or cause non-enforcement of laws or regulations applicable to the Company

The prohibition on bribery applies to the giving of anything of value, not only money. This includes but is not limited to providing business opportunities, favorable contracts, stock options, gifts and entertainment. Such payments are barred even if:

- The benefit is for someone other than the party making the payment.
- The business sought is not with the government.
- The payment does not in fact influence the government official's conduct.
- The foreign government official initially suggested the payment.

The UKBA also specifically prohibits the offering or acceptance of corrupt payments and other advantages between private (non-government) persons and entities. Such conduct constitutes commercial bribery and is prohibited by our Competition and Fair Dealing Policy.

### **Facilitating Payments**

Facilitating (or expediting) payments also are prohibited under this policy. Facilitating payments are small payments paid to foreign government officials to expedite or facilitate non-discretionary actions or services, such as obtaining an ordinary license or business permit, processing government papers such as visas, providing police protection, providing telephone, power or water service or loading or unloading of cargo.



Although there is a narrow exception for facilitating payments under the FCPA, such payments are prohibited under the UKBA and the laws of many other countries. Therefore, in order to ensure compliance with all Applicable Corruption Laws, our Company prohibits facilitating payments altogether, except for personal safety payments described below.

Except as provided herein, employees are prohibited from providing anything of value to any foreign official, regardless of rank; or to any person while knowing or being aware that all or a portion of it will be offered, given or promised (directly or indirectly) to a foreign government official.

### **Permitted Payments**

Although this policy is intended to provide guidance, anti-corruption matters are not always clear and must often be addressed on a case-by-case basis. In all situations where there is a question, employees should consult the Legal Department prior to taking action.

### **Services**

The Company may pay for legitimate services provided to the Company by a foreign government entity or government official, such as paying a government-owned utility company for electricity. Payments for any services rendered to the Company by a foreign official (including an officer of a foreign government-owned or controlled commercial enterprise), including honorarium payments and reimbursement of expenses, must be made in accordance with the financial and accounting directives set forth in this policy.

### **Gifts, Meals, and Entertainment**

Under certain circumstances, it may be permissible to provide modest gifts or a meal or other entertainment to a government official as a social amenity. When deciding whether a gift is appropriate, employees also must take into account any past, pending or future business or administrative matters that are within the recipient's realm of influence. The timing and context surrounding such gift or entertainment must be weighed in order to assess whether any particular gift or entertainment could be perceived to be a bribe.

Generally, gifts, meals and entertainment are permissible, provided that:

- Hospitality offered on behalf of the Company must be directly related to Company business, i.e., the marketing or sale of its services.
- Hospitality in all cases must be reasonable in amount, must be offered in good faith only in connection with the promotion, demonstration or explanation of Company services or the execution or performance of a contract with a foreign government or agency thereof, and must be lawful under applicable local law.
- There is no expectation that the gift, meal or entertainment is given in exchange for any return favor or business advantage from the government official (*quid pro quo*);
- The gift, meal or entertainment is infrequent, reasonable, and proportionate in amount under the circumstances; and
- The gift, meal or entertainment is lawful under Applicable Corruption Laws.
- Unless otherwise approved by the General Counsel in writing, expenses for hospitality meals should not exceed the following U.S. dollar amount per person:
  - Breakfast: \$50.00
  - Lunch: \$200.00



- Dinner: \$200.00
- Refreshments unaccompanied by a meal should not exceed \$50.00 per person.
- Frequency of hospitality must be carefully monitored, as the cumulative effect of frequent hospitality may give rise to the appearance of impropriety. Hospitality for any government official should not exceed twelve events in any calendar year. If additional hospitality is anticipated, prior written approval must be obtained from the General Counsel.
- Cash gifts to government officials are not permitted under any circumstances. Per diem payments to government officials are also prohibited.
- Promotional items of nominal value such as coffee mugs, calendars, or similar items, or items displaying the Company logo that are distributed for advertising or commemorative purposes, or gifts of nominal value on customary holidays are permitted. "Nominal value" is \$100.00 or less.
- In the event the Company is responsible for the airfare or lodging expenses of a government official, itineraries and any other supporting documentation shall be maintained. In no case will payment or reimbursement be made directly to the government official incurring the expense; such payment or reimbursement shall only be made directly to the service provider (e.g. the airline) or the foreign government or agency involved. Expenses beyond what is reasonably necessary for the business purpose, including lavish accommodations or expenses for spouses and children, will not be approved. The local controller must approve all travel for government officials in advance of the trip.
- In all cases that entertainment, gifts or travel expenses are approved, the expenses must be supported by receipts and accurately recorded in the Company's books.

### **Personal Safety Payments**

Personal safety payments are permissible under this policy. A personal safety payment is a payment to avoid imminent physical harm. Personal safety payments do not include payments made in response to commercial duress, or in response to threats to commercial, financial or other interests. If confronted with a situation in which you believe that there is an imminent threat to your health or safety, you must use your best judgment in determining whether to make a personal safety payment. If you reasonably elect to make a personal safety payment, you will not be subject to discipline under this policy, but those payments must be immediately reported to the Legal Department. The Company will not reimburse you for such payments.

### **Donations**

Donations made to foreign-based charities are permissible, provided that all donations made by the Company to foreign charitable organizations are permissible under the FCPA and local law, pre-approved by the Legal Department and the Vice President, International Operations, and properly documented and transparent.

### **Political Contributions**

Contributions to international political parties or committees or to individual politicians may only be made with the prior written consent of the General Counsel. Approved contributions must be made in accordance with the applicable law, and all requirements for public disclosure of such contributions shall be fully complied with.

### **Third Parties**

Applicable Corruption Laws prohibit corrupt payments made directly by Company employees or indirectly through a third party such as a consultant acting for or on behalf of the Company.



Under the FCPA, it is unlawful to make a payment of anything of value to any person, knowing that all or any portion of the payment will be offered, given or promised to a government official or any other person for a corrupt purpose. The term —knowing|| includes conscious disregard, deliberate ignorance, and willful blindness. In other words, the Company and individual employees may violate the FCPA if we have "reason to know" or "should have known" that a third party will bribe a government official.

Under the UKBA, a company can be held criminally liable for bribes paid on its behalf by a third party anywhere in the world – even if the company had no knowledge of the bribe.

Accordingly, the most important step the Company can take to protect itself from liability for improper payments made by third parties is to choose its business partners carefully.

The Company will conduct appropriate due diligence and will exercise care in selecting such third parties by employing only reputable entities and will pay only reasonable compensation for the services provided.

The Company will require third parties who represent the Company to conduct themselves in a manner consistent with this policy. Such third parties will periodically be required to provide the Company with a certification of compliance with all applicable laws, including any Applicable Corruption Laws.

In addition, agreements with certain third parties must contain representations and warranties regarding the third party's agreement to comply with Applicable Corruption Laws.

### **Due Diligence; Mergers or Acquisitions**

The Company will not enter into any relationship with a third party who will have substantive interaction with government officials on behalf of the Company without an inquiry into the third party's background, qualifications and reputation. Any issues raised during this due diligence review must be addressed to the satisfaction of the Company prior to entering the relationship. The amount of time and effort required for due diligence will depend on the number and complexity of issues raised during the review process.

Employees will inform the Legal Department once they have identified a third party that is subject to due diligence review.

In the event of a merger or acquisition, sufficient due diligence must be performed to assure the Company of the acquisition target's compliance with applicable anti-corruption laws, including the FCPA and UKBA.

### **Red Flags**

In evaluating potential third parties and during any relationship with them, Company employees must be conscious of any "red flags" that may be present or arise. A "red flag" is a fact or circumstance that serves as a warning signal that a third party may act corruptly. It is the responsibility of the employee that observes a red flag to refer the matter to the Legal Department or Ethics Hotline. A non-exclusive list of examples of red flags is below:

- Rumors regarding unethical or suspicious conduct by an employee, marketing representative, consultant, agent, or other business partner, or by a government official



- Unnecessary third parties, multiple intermediaries or suggestions to use a particular intermediary
- Requests for payments to a second third party rather than the consultant or agent
- Requests for payments in a country other than where the third party resides or performed the services
- Requests for payments in cash
- Requests for unusually large commissions or other payments, or payments that appear excessive for the service rendered
- Requests for reimbursement of expenses that are poorly documented
- Incomplete or inaccurate information in required disclosures
- Refusal to certify compliance

### **Recordkeeping and Reporting Requirements**

The FCPA imposes strict accounting requirements on the Company. In particular, the FCPA requires the keeping of accurate books and records that, in reasonable detail, reflect the transactions and asset dispositions of the Company, and the development and maintenance of a system of internal accounting controls including periodic audits. These requirements apply to all payments, not just sums that would be "material" in the traditional financial sense.

The following financial and accounting directives have been implemented to help ensure the Company's compliance with the FCPA:

- All cash, bank accounts, investments and other assets of the Company must always be recorded accurately on the official books of the Company.
- The Internal Audit Department will periodically review the Company's books, records, and controls to ensure their compliance with the requirements of the FCPA.
- No employee shall falsify any accounting or other business record, and all employees shall respond truthfully and fully to any questions from the Company's internal or independent auditors.
- Bank accounts should be opened or closed only upon the prior written approval of the Director, Treasury Services and Risk Management and the International Controller (not country controller). In the absence of either of those, the CFO and/or Controller would approve. Anonymous ("numbered") accounts will not be maintained.
- Payments will not be made into anonymous bank accounts or other accounts not in the name of the payee or of any entity known to be controlled by the payee.
- No cash payments shall be made, except for regular, approved payroll payments or normal disbursements from petty cash supported by signed receipts or other appropriate documentation. Checks will not be drawn to the order of "cash," "bearer" or similar designations.
- Fictitious invoices, over-invoices or other misleading documentation will not be used.
- Fictitious entities, sales, purchases, services, loans or financial arrangements will not be used.
- Check requests will be in writing and contain a complete explanation of the purpose and authority for the payment. The explanation will accompany all documents submitted in the course of the issuing process and will be kept on file.
- All expenses relating to foreign business must be supported by reasonable written documentation.
- Payments to third parties will only be made in the country where a substantial portion of the related services are performed or the country from which the third party performing such services normally conducts business.
- Payments for any services rendered to the Company by a government official (including an officer of a foreign government-owned or controlled commercial enterprise), including honorarium payments and reimbursement of expenses, will be made solely to the foreign government agency or instrumentality employing the individual. Such payments will be made by check directly to the foreign government agency





or instrumentality, or by wire to its named bank account within the foreign government agency's or instrumentality's country, or by wire through its duly authorized correspondent bank within the U.S.

- Receipts, whether in cash or checks, will be deposited promptly in a bank account of the Company. Any employee who suspects the possibility that a bribe, kickback or over-invoice is associated with a particular receipt or that an understanding exists that all or a portion of a receipt will be rebated, refunded or otherwise paid in contravention of the laws of any jurisdiction, will immediately report that suspicion in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations."
- Personal funds must not be used to accomplish what is otherwise prohibited by this policy.

## **Certifications**

The following certification policies will be followed:

- A representative(s) of Helmerich and Payne, International Drilling Co. and each subsidiary thereof will prepare a report and certification, which will be submitted to the Controller annually, with respect to all remuneration for hospitality and gifts made in connection with such company's operations in foreign countries during that year.
- The Controller will also prepare a report and certification, which will be submitted to the Audit Committee of the Board of Directors annually with respect to all remuneration for hospitality and gifts made in connection with operations in foreign countries during that year.
- Key employees will submit an annual certification to the Legal Department with respect to compliance with Applicable Corruption Laws and Company policy.

## **Training**

The Company will conduct periodic anti-corruption training for all directors and officers, and, where appropriate, employees, agents and business partners. Failure to participate in such training may be cause for disciplinary action, up to and including termination of employment or termination of a third party's contract.

## **Accountability: Roles and Responsibilities**

The roles and responsibilities with regard to the Company's anti-corruption compliance are as follows:

- The Board of Directors has ultimate responsibility for ensuring that the Company meets its obligations under Applicable Corruption Laws.
- The Company's General Counsel and Chief Compliance Officer ("CCO") is responsible for administering the Company's compliance program, including:
  - Identifying and interpreting this policy, the FCPA and other anti-corruption laws, rules and standards
  - Drafting related policies and procedures
  - Advising Company personnel on any legal issues related to adherence to the Company's compliance program
  - Coordinating anti-corruption education and training
  - Administering the Company's Ethics Hotline
  - Administering the annual employee compliance certification program
  - Administering the Company's due diligence program for third parties



- Investigating possible violations of the Company's compliance program
  - Reporting to the Audit Committee and/or the Board of Directors any material violations of the Company's compliance program
- The Corporate Controller is responsible for implementing and monitoring systems of internal controls and record keeping procedures that comply with the FCPA.
- The Internal Audit Department is responsible for reviewing the adequacy of controls established to ensure compliance with policies and procedures.
- The Oversight Committee, chaired by the CCO and comprising senior management and other members from across the Company, shall provide a forum for considering important international compliance matters.
- Each director, officer, employee and agent is responsible for:
  - Complying with Company policy and Applicable Corruption Laws
  - Participating in training as required by the Company
  - Reporting any red flags to the Legal Department or Ethics Hotline

### **Additional Information**

Additional policies and procedures can be found in the Company's Anti-Corruption Compliance Standards, Guidelines and Procedures, and the International Accounting FCPA Policy and Procedure Document, which are located on the Intranet under the International tab.

### **Reporting Violations**

Any director, officer or employee who suspects a violation of this policy must immediately report such suspected violation in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations."

### **International Trade Compliance**

The Company will comply with all applicable export control, anti-boycott and sanctions laws of the United States.

This policy applies to all activities of the Company and its subsidiaries worldwide that may result in transactions with foreign nationals, entities or countries subject to U.S. export control, anti-boycott and sanctions laws. All directors, officers and employees of the Company and its subsidiaries worldwide shall comply with the provisions of this policy, as well as any applicable standards, guidelines, procedures, or processes that may be implemented by the Company to ensure compliance with this policy.

Violation of U.S. export control, anti-boycott and sanctions laws may result in significant civil and criminal penalties for the Company – and in some instances for individuals engaged in such violations. In addition, the Company may lose its ability to export in the future and suffer significant reputational harm impacting its business. Any director, officer or employee who violates this policy or any applicable standards, guidelines, procedures or processes implemented by the Company will be subject to disciplinary action, up to and including termination of employment.

### **U.S. Export Controls**



U.S. export control laws apply to the transmission, shipment or transfer of certain types of information, technologies, software, commodities and services from the U.S. to individuals and entities in foreign countries. The U.S. export controls also cover the re-export of such information, technologies, software, commodities and services from one foreign country to another.

U.S. export controls arise under two different sets of regulations: (i) International Traffic in Arms Regulations ("ITAR"), which apply to U.S. items and services specifically designed, produced or adapted for military applications (known as defense articles and services) and (ii) the Export Administration Regulations ("EAR"), which apply to U.S. commercial goods, software and technology that could be used for military purposes (known as dual-use products).

To the extent U.S. export controls apply to international shipments or transfers made by the Company, they are covered by the EAR (dual-use controls). At the current time, the Company does not engage in transactions involving military products or services. Dual-use export controls can be complex and cover a broad range of shipments, including items exported by the Company from the U.S., such as spare parts, equipment, technology, software and services, as well as certain products sourced from outside vendors for shipment from the U.S. Depending on the export classification of the item and its foreign designation, such shipments may require export licenses or other authorizations under the EAR before they may be sent out of the country or transferred to a foreign national (either overseas or in the U.S.).

### **U.S. Sanctions**

The United States has imposed economic sanctions against designated countries (such as Cuba, North Korea, Iran, Sudan and Syria) and against designated individuals and entities (SDNs) for foreign policy and national security reasons, such as combating terrorism, the spread of weapons of mass destruction and narcotics trafficking. Under U.S. sanctions law, U.S. persons (U.S. citizens and permanent residents, U.S. companies and any person located in the U.S.) may not engage in any commercial or financial transactions with any designated country, individual or entity. It is Company policy to comply with all such sanctions and to ensure that its employees, officers and directors abide by these requirements.

### **Anti-Boycott Regulations**

The anti-boycott laws were adopted to require U.S. companies (and their controlled foreign affiliates) to refuse to participate in foreign boycotts that the United States does not sanction. For the most part, U.S. anti-boycott laws are targeted against the Arab League boycott of Israel. This means that the Company must refrain from complying with boycott-related requests or inquiries received from any individual, entity or government in an Arab League country (such as Saudi Arabia, Iraq, UAE, Qatar, Syria, Lebanon, Kuwait, Yemen, and Libya). In addition, the U.S. anti-boycott laws have reporting requirements with respect to the receipt of such requests or inquiries, even if the Company does not comply with them.

### **Operational Directives**

The Company has adopted the following operational directives to help ensure compliance with this International Trade Compliance Policy.

- All Company directors, officers and employees involved in the export, re-export or deemed export of goods, services, software or technology must follow the Export Control Compliance Procedures.



- The Company will not engage in any transaction directly or indirectly via third parties) with a designated country, entity or individual targeted by U.S. sanctions. This prohibition applies regardless of the ship-to address for the proposed transaction.
- The Company shall not cooperate with or participate in any restrictive trade practice or boycott that is prohibited by U.S. anti-boycott laws.
- All boycott requests received by any employee must be immediately reported to the Company's General Counsel.
- No export transactions may be entered into (directly or indirectly via a third party) with a person or entity subject to a U.S. Department of Commerce's Bureau of Industry and Security ("BIS") denial order.
- No export transactions may be entered into with a person or entity listed on the BIS entity list or unverified list. The same restriction applies to any person or entity on the State Department's non-proliferation or Iran sanctions lists.
- No transaction related to a government contract may be entered into with a party who has been debarred, suspended or deemed ineligible.
- All Company transactions subject to U.S. export controls and sanctions will be reviewed prior to shipment or transfer to determine if such transactions raise any "red flags" for export compliance, if any export licenses or authorizations are required to proceed with such transactions, and if all applicable export documentation, re-exporting and record-keeping requirements are met with respect to such transactions.
- All directors, officers and employees of the Company and its subsidiaries worldwide shall comply with the provisions of any license, conditions of any governmental approval, policy, technology control plan or procedure when it has been determined that the Company's activity or transaction involves an export or other transaction with a foreign national, entity or country subject to U.S. export controls or sanctions.

#### **Accountability: Roles and Responsibilities**

- The Board of Directors has ultimate responsibility for ensuring that the Company meets its obligations under U.S. export control, sanctions, and anti-boycott laws.
- The Company's General Counsel and Chief Compliance Officer ("CCO") or his designee is responsible for administering the Company's compliance program, including:
  - Identifying and interpreting this policy, as well as applicable requirements relating to U.S. export control, sanctions, and anti-boycott laws
  - Drafting related policies and procedures
  - Advising Company personnel on any legal issues related to adherence to the Company's compliance program
  - Coordinating education and training
  - Administering the Company's Ethics Hotline
  - Investigating possible violations of the Company's compliance program; and reporting to the Audit Committee and/or the Board of Directors any material violations of the Company's compliance program
- The Export Control Specialist is responsible for coordinating daily export functions in compliance with this policy, including maintaining internal procedures to comply with applicable U.S. export control, sanctions and anti-boycott laws.
- The Internal Audit Department is responsible for periodically reviewing the adequacy of internal controls established to ensure compliance with policies and procedures covered by this policy.
- The International Oversight Committee, chaired by the CCO and comprising senior management and other members from across the Company, shall provide a forum for considering important international compliance matters.
- Each director, officer, employee and agent is responsible for:
  - Complying with this policy, applicable U.S. export control, sanctions, anti-boycott laws and the Company's Code of Business Conduct and Ethics



- Participating in training as required by the Company
- Reporting any red flags, including any suspected violations to management, the Legal Department or the confidential Ethics Hotline in accordance with the reporting procedures addressed below under “Reporting Violations and Investigations”

### **Recordkeeping**

All required export documentation must be accurately completed, filed and retained for five (5) years.

### **Reporting**

Any director, officer or employee who has reason to believe that a violation of this policy has occurred, or may occur, must immediately report this information in accordance with the reporting procedures addressed below under “Reporting Violations and Investigations.”

### **Anti-Money Laundering Policy**

“Money laundering” is the act of transferring illegally obtained money through legitimate people or accounts so that its original source cannot be traced. The Company will comply with all applicable anti-money laundering laws, rules and regulations. In general, these laws require the Company to detect, prevent and report certain financial crimes, including “money laundering” and forbid the Company and its employees from participating in any transaction if they know, or should know, that it could involve the proceeds of illegal activity. Any employee that suspects that a transaction involves “money laundering” should immediately report their concern to the General Counsel’s office.

### **Equal Employment Opportunity and Prohibition against Discrimination and Harassment**

#### **Equal Employment Opportunity**

The Company is sincerely committed to equal opportunity employment. All employees and applicants for employment with the Company are evaluated without regard to race, color, sex, sexual orientation, religion, national origin, citizenship status, age, genetic information, physical or mental disability, veteran status, pregnancy or other legally protected status, or engaging in activity protected under anti-discrimination laws. This applies in all aspects of employment, including recruitment, hiring, training, placement, compensation, benefits, discipline, leaves of absence, transfer, promotion, demotion, layoff, recall and discharge of personnel.

To the extent legally applicable to the Company or its operations, the Company will adhere to all Federal, State and local laws and the Executive Orders, rules and regulations pertaining to equal opportunity in employment, as amended from time to time (collectively “EEO Laws”). In this regard, the Company will:

- Periodically train and educate its employees regarding compliance with applicable EEO Laws
- Provide a work environment free from unlawful discrimination and harassment
- Where appropriate, make reasonable accommodations for qualified disabled individuals to permit them to perform the essential functions of their jobs



Any employee who believes this policy is being violated must immediately make a report to the Company in accordance with the reporting procedures addressed below under “Reporting Violations and Investigations.”

### **Prohibition of Discrimination and Harassment**

The Company is committed to maintaining a workplace free from sexual and other forms of unlawful discrimination and harassment.

Discrimination or harassment based on race, color, sex, sexual orientation, religion, national origin, citizenship status, age, genetic information, physical or mental disability, veteran status, pregnancy or other legally protected status, or engaging in activity protected under antidiscrimination laws will not be tolerated.

The Company will respond promptly to all reports of such discrimination or harassment, whether by supervisors, co-workers or non-employees. Employees should be aware that violation of this policy will lead to disciplinary action up to and including termination of employment.

“Harassment” includes any and all conduct, whether physical, verbal, written or graphic, based upon race, color, sex, sexual orientation, religion, national origin, citizenship status, age, genetic information, physical or mental disability, veteran status, pregnancy or other legally protected status, or engaging in protected activity. Such harassment includes, without limitation, severe or pervasive conduct that:

- Creates a hostile or intimidating work environment
- Substantially interferes with the ability of others to perform their work
- Denies employment opportunity to others

Examples of conduct that constitutes harassment include racial and ethnic slurs, racial insults, intimidation, racial jokes and pranks, vandalism, graffiti (including the use of racially derogatory terms, swastikas, nooses and ropes tied as nooses and reference to the KKK or other similar subversive organizations), and jokes, slurs or ridicule based on religion, age, physical or mental disability, race, color, sex, sexual orientation, religion, national origin, citizenship status, age, genetic information, veteran status, pregnancy or other legally protected status, or engaging in activity prohibited under anti-discrimination laws. All conduct constituting harassment is prohibited on Company property, while engaging in authorized business-related activities, and at all Company worksites whether or not it is directed at a specific person or persons.

This policy applies to all applicants, employees, temporary employees, independent contractors, vendors, consultants, visitors, non-employee work contacts and customers.

### **Special Provisions Regarding Sexual Harassment**

Sexual harassment, in addition to the types of harassment noted above, may be either physical or verbal and is defined to include any unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when:

- Submission to the conduct is either an explicit or implicit term or condition of employment
- Submission to or rejection of the conduct is used as a basis for employment decisions affecting the recipient



- The conduct has the purpose or effect of substantially interfering with work performance of another, or creates an intimidating, hostile or offensive work environment

Examples of sexual harassment prohibited by this policy include:

- Dating or other romantic or sexual relationships between employees within the same chain of authority or reporting relationship
- Unwanted physical contact or conduct of any kind including sexual flirtations, touching, advances, or propositions
- Lewd comments, sexual jokes or references, and offensive personal references
- Demeaning, insulting, intimidating, or sexually suggestive comments about an individual or individuals
- Displaying any objects, pictures, photographs, or other items which are demeaning, insulting, intimidating, lewd, sexually suggestive, or pornographic
- Demeaning, insulting, intimidating, or sexually suggestive written, recorded, or electronically transmitted messages (such as letters, memos, notes, e-mail, instant messaging, telephonic, or other written or verbal communications)
- Any other conduct of a sexual nature or targeted toward a member of a particular sex that has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment

Any individual who believes they have been subjected to sexual harassment in the course of their employment with the Company should immediately advise the offending individual that the conduct in question is offensive, and request that it be discontinued immediately, and thereafter report the matter in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations."

### **Americans with Disabilities Act Compliance**

The Company is committed to complying with the Americans with Disabilities Act of 1990 ("ADA"), as amended. The Company will not discriminate against any qualified applicant or employee with regard to any terms or conditions of employment because of an ADA-covered disability. The Company will provide reasonable accommodations upon request to qualified individuals with an ADA-covered disability, when doing so will enable applicants to complete the hiring process or will enable employees to perform the essential functions of the job.

### **Requesting an Accommodation**

The Company encourages employees to make their needs known to management. If an employee believes he or she has an ADA-covered disability and believe he or she needs a reasonable accommodation to successfully perform the essential functions of his or her job, the employee should contact the Human Resources Department and provide any documentation that may be needed in order to determine whether the employee has an impairment that constitutes an ADA-covered disability. Failure to cooperate with the Company may result in denial of a requested accommodation.

To help the Company comply with the Genetic Information Non-Discrimination Act of 2008 (GINA), employees should not provide the Company any genetic information when responding to a request for medical information. GINA prohibits covered employers from requesting or requiring genetic information of an individual or family member of the individual. "Genetic information" as defined by GINA, includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's



family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

### **The Accommodation Process and Accommodation Decision**

Upon receipt of an accommodation request, a member of Human Resources will discuss the request with the employee and his or her supervisor and will determine the feasibility of any requested accommodations. The process and decision may include determining the following:

- The nature and scope of the impairment at issue
- Whether the impairment is an ADA-covered disability
- Whether the impairment limits the employee's ability to perform one or more of the essential functions of his or her job and, if so, the precise limitations resulting from the impairment
- Possible reasonable accommodations the Company might make to help the employee overcome the limitations and successfully perform the essential functions of the job
- The nature and cost of the accommodation
- The impact of proposed accommodations on the Company's operations
- Productivity
- The ability of others to perform their duties
- The Company's ability to conduct business

If an employee has any questions about the ADA, please contact the Human Resources Department. If an employee believes he or she has been discriminated against because of a disability, the employee must immediately report the matter in accordance with the procedures addressed below under "Reporting Violations and Investigations."

### **Religious Accommodations**

The Company is committed to maintaining a work environment that respects religious diversity. To that end, the Company will consider and, when appropriate, grant reasonable accommodations for sincerely held religious beliefs, practices and observances.

To receive consideration for a religious accommodation, an employee should contact the Human Resources Department as far in advance as possible, but in no event less than 48 hours prior to the need for the accommodation, unless there is an emergency beyond the employee's control. The Company will evaluate the request to determine if the religious belief, practice, or observance can be accommodated without imposing an undue hardship on the Company and its operations. The requesting employee must cooperate with the Company in evaluating the request and determining the means, if any, by which the sincerely held belief may be reasonably accommodated. Failure to cooperate may result in a denial of the request. The Company will promptly notify the employee of its determination. Because each request shall be approved or denied based on the unique circumstances existing at the time of the request, the Company's resolution of a specific request does not mean that all similar requests shall be denied or approved. Consequently, a new request must be submitted for each subsequent need for accommodation unless the Company has provided notice eliminating the need for subsequent requests for the same accommodation.

### **Immigration Law Compliance**





The Company is committed to employing only those individuals who are authorized to work in the United States. In doing so, the Company prohibits and will not tolerate unlawful discrimination on the basis of citizenship or national origin. In compliance with applicable law, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present original documentation establishing identity and employment eligibility. Failure to present original documents will disqualify a candidate from employment or will result in a revocation of a conditional offer of employment. Former employees who are rehired must also complete Form I-9 if they have not completed an I-9 with the Company within the past three years, or if their previous I-9 is no longer valid.

If an employee's authorization of employment or evidence of authorization of employment will expire, the Company must re-verify employment eligibility. Employees are responsible for renewing their authorization in a timely manner. The Company will re-verify an employee's eligibility for employment by requiring him or her to complete a new Form I-9 in order to maintain uninterrupted employment.

If an employee has questions about immigration issues, he or she should contact the Human Resources Department. If an employee believes he or she has been discriminated against because of his or her citizenship or national origin, the employee must immediately report the matter in accordance with the procedures addressed below under "Reporting Violations and Investigations." The Company will promptly investigate the report, will keep the matter confidential to the maximum extent possible and will take swift and effective corrective action, if warranted.

## **Reporting**

Individuals who believe they have been subject to unlawful discrimination or harassment are required to immediately report such conduct in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations." Likewise, employees of the Company who observe or otherwise become aware of conduct that violates this policy are required to immediately report the matter in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations." Whenever possible, witnesses or other substantiating information should be provided.

Any manager or supervisor that receives a report of discrimination or harassment must immediately report the matter to the Human Resources Department.

A Company representative will investigate each unresolved complaint.

Every reasonable effort will be made to ensure that no retaliation occurs against any person who makes a good faith report of a violation of this policy. If an employee believes he or she is being treated unfairly or is the subject of retaliation by anyone as the result of making a report under this policy, the employee should immediately notify the Legal Department.

Upon conclusion of an investigation and confirmation that an employee has violated this policy, appropriate discipline, depending on the facts of the case, will be imposed, up to and including termination of employment.

Upon conclusion of an investigation and confirmation that a non-employee has violated this policy, such non-employee will be informed of this policy and the Company will take such action against the non-employee as is appropriate.



## **Environmental, Safety and Health**

The Company is firmly committed to compliance with all applicable environmental, safety and health laws and regulations, and to providing a safe workplace for our employees and customers.

In order to promote these standards, the following principles shall apply:

- Environmental, safety and health requirements will be integrated by employees into every aspect of the Company's business.
- Necessary precautions will be taken by employees to conduct operations in an environmentally sensitive manner.
- Employees shall conduct their workplace behavior and Company business in compliance with these standards.
- Violent, intimidating or harassing conduct, including threats of violence, will not be tolerated.
- Employees are expected to identify and develop improved methods of compliance with applicable environmental, safety and health requirements.

## **Conflict of Interest**

The Company expects employees to avoid any situation which does or may involve, or appear to involve, a conflict between their personal interest and the interest of the Company, or that compromises their objectivity. In addition, each employee has an obligation at all times to promote the Company's best interest.

Examples of activity leading to a conflict of interest which should not be undertaken by the employee:

- Ownership by an employee, or any member of an employee's immediate family, of a substantial financial interest in any commercial enterprise or business endeavor which does business with or is a competitor of the Company, except where such interest consists of securities of a publicly owned corporation and such securities are regularly traded on the open market
- Rendering by an employee or any member of the employee's immediate family of consulting services to any commercial enterprise or business endeavor which does business with, or is a competitor of the Company, except with the Company's knowledge and written consent of the Vice President, Corporate Services and Vice President, General Counsel
- Acceptance by an employee, or any member of the employee's immediate family, of improper personal benefits or of gifts of more than token value, loans or guarantees of obligations, excessive entertainment, or other substantial favors from any commercial enterprise or business endeavor which does or is seeking to do business with, or is a competitor of the Company. Gifts of nominal value, entertainment, meals or social invitations, which are customary and proper under the circumstances, are in keeping with good business ethics, and do not place the recipient under obligation are allowed
- Engaging in any transaction that involves an ex-Company employee or any member of such ex-employee's immediate family providing goods and services (e.g., consulting work or material purchases) to the Company except with the Company's knowledge and written consent of the Vice President, Corporate Services and Vice President, General Counsel
- Disclosing or using confidential Company or customer information (i) for the personal profit or advantage of the employee, competitors or any other third person or (ii) that might otherwise be harmful to the Company or its customers
- Engaging in an activity which competes directly or indirectly with the Company



- Taking for oneself corporate opportunities that are discovered through the use of corporate property, information or position
- Using corporate property, information or position for personal gain
- Engaging in any outside activity which might interfere or have the appearance of interfering with the performance of duties to the Company

For the protection of both the Company and the employee, it is essential that the employee make prompt and full disclosure to the Company's General Counsel of any situation which may involve a conflict of interest.

Any outside employment will not take precedence over the employee's assigned duties, work schedule, efficiency and job performance with the Company. The use of Company facilities, equipment, licenses, materials, etc., in the pursuit of employment outside the Company is strictly prohibited.

Unless specifically approved by the President, outside employment, voluntary assistance and collaborations (with or without pay) in business or organizations which use the technical knowledge gained through the Company is prohibited, including but not limited to petroleum exploration, oil and gas well drilling services, and industrial, commercial and retail real estate.

### **Competition and Fair Dealing**

The Company competes vigorously but fairly. All employees are obligated to deal fairly with the Company's customers, suppliers, competitors and fellow employees. Employees will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

### **Relationships with Customers**

Our business success depends upon our ability to foster lasting customer relationships. Trust is the cornerstone of these relationships. To build trust, the Company is committed to dealing with customers fairly, honestly and with integrity. Specifically, employees should keep the following guidelines in mind when dealing with customers:

- Information we supply to customers should be current, accurate and complete to the best of an employee's knowledge. Employees should never deliberately misrepresent information to customers.
- All confidential customer information (e.g., drilling results and well costs) possessed by the Company should remain confidential and should not be disclosed to third parties. Confidential treatment of customer information also extends to confidential information that is unintentionally disclosed to the Company.
- Customer entertainment should never exceed reasonable and customary business practice. Reasonableness includes both the monetary amount and frequency. Employees should never provide entertainment or other benefits that could be viewed as a condition or an inducement for current or future business opportunities.

### **Relationships with Suppliers**

The Company deals fairly and honestly with its suppliers. This means that our relationships with suppliers are based on price, quality, service and reputation. Employees dealing with suppliers must carefully guard their



objectivity. Specifically, no employee should accept or solicit any personal benefit from a supplier or potential supplier that might compromise, or appear to compromise, their objective assessment of the supplier's products, services and prices. Employees can occasionally accept promotional items of nominal value or moderately scaled entertainment not to exceed \$100.

### **Relationships with Competitors**

The Company is committed to free and open competition in the marketplace and throughout all business dealings. Employees must avoid all actions that reasonably could be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including federal and state anti-trust laws.

### **Insider Trading**

If any director, officer or employee of the Company or its subsidiaries has material non-public information relating to the Company, it is Company policy that neither that person nor any member of that person's household may buy or sell securities of the Company (including the sale of Company stock in the Company's 401(k) Plan) or engage in any other action to take advantage of or pass on to others that information. This policy also applies to information relating to any other company, including our customers or suppliers, obtained in the course of employment.

This policy's trading restrictions generally do not apply to the exercise of a stock option. HOWEVER, the trading restrictions do apply to any sale of the underlying stock or to a cashless exercise of the option through a broker, as this entails selling a portion of the underlying stock to cover the costs of the exercise.

Transactions that may be necessary for independent reasons (such as the need to raise money for an emergency expenditure) are no exception. Even the appearance of an improper transaction must be avoided.

"MATERIAL INFORMATION" IS ANY INFORMATION FOR WHICH THERE IS A SUBSTANTIAL LIKELIHOOD THAT A REASONABLE INVESTOR WOULD CONSIDER IMPORTANT IN A DECISION TO BUY, HOLD, OR SELL STOCK—IN SHORT, ANY INFORMATION WHICH COULD REASONABLY AFFECT THE PRICE OF THE STOCK.

Common examples of information that will frequently be regarded as material are projections of future earnings or losses; currency exchange losses; loss of a material contract; news of a pending or proposed merger, acquisition, or tender offer; news of a significant sale of assets or the disposition of a subsidiary; changes in dividend policies, the declaration of a stock split, or the offering of additional securities; changes in management; significant new products or discoveries; impending bankruptcy or financial liquidity problems; and the gain or loss of a substantial customer or supplier. Either positive or negative information may be material.

If any securities transaction becomes the subject of scrutiny, the transaction will be viewed after the fact with the benefit of hindsight. As a result, before engaging in any transaction, an employee should carefully consider how regulators and others might view the transaction in hindsight.

Transactions by Family Members—The very same restrictions apply to family members and others living in the employee's household. Employees are expected to be responsible for the compliance of their immediate family and personal household.



**Tipping Information to Others**—Whether the information is proprietary information about the Company or is information that could have an impact on stock price, employees must not pass the information on to others. Securities law penalties apply, whether or not an employee derives any benefit from another's actions.

**When Information Is Public**—It is also improper for an employee to enter a trade immediately after the Company has made a public announcement of material information, including earnings releases. Because the Company's shareholders and the investing public should be afforded the time to receive the information and act upon it, as a general rule employees should not engage in any transactions until the second full trading day after the information has been released. Thus, if an announcement is made before the commencement of trading on a Monday, then generally Wednesday would be the first day on which an employee should trade. If the announcement is made on Monday after trading begins, employees would not generally trade in Company stock until Thursday.

### **Additional Prohibited Transactions**

Because the Company believes it is improper and inappropriate for any Company personnel to engage in short-term or speculative transactions involving Company stock, it is the Company's policy that directors, officers and employees should not engage in any of the following activities with respect to securities of the Company:

- **Trading in Securities on a Short-term or Speculative Basis.** Any Company stock purchased in the open market should be held for a minimum of six months, and ideally longer. Additionally, employees may not engage in speculative transactions in Company stock. Therefore, our Insider Trading policy also prohibits the purchase or sale of puts, calls, options or other derivative securities based on Company stock. Also, employees may not engage in short sales of the Company's securities (sales of securities that are not then owned), including a "sale against the box" (a sale with delayed delivery).
- **Hedging Transactions.** Our policy prohibits hedging transactions such as (but not limited to) zerocost collars, equity swaps and forward sale contracts. Hedging transactions may allow a director, officer, or employee to continue to own Company securities, but without the full risks and rewards of ownership. This may lead to the director, officer, or employee no longer having the same objectives as the Company's other shareholders.
- **Standing Orders.** Except for 10b5-1 plans approved by the General Counsel, standing orders should be used only for a very brief period of time. A standing order placed with a broker to sell or purchase stock at a specified price leaves the individual with no control over the timing of the transaction. A standing order transaction executed by the broker when the individual is aware of material non-public information may result in unlawful insider trading.
- **Margin Accounts and Pledges.** Securities held in a margin account or pledged as collateral for a loan may be sold without the employee's consent by the broker if he/she fails to meet a margin call or by the lender in foreclosure if he/she defaults on the loan. A margin or foreclosure sale that occurs when the employee is aware of material non-public information may, under some circumstances, result in unlawful insider trading. Because of this danger, employees are prohibited from (i) holding Company securities in a margin account and (ii) pledging Company securities as collateral for a loan.

### **Penalties for Non-compliance**

Potential penalties for insider trading violations include (i) imprisonment for up to 20 years, (ii) criminal fines of up to \$5 million and (iii) civil fines of up to three times the profit gained or loss avoided. In addition, if the Company fails to take appropriate steps to prevent illegal insider trading, the Company may be exposed to significant civil and criminal penalties.



## **Company Assistance**

Any person having questions about this policy or specific transactions may obtain additional guidance from the General Counsel. Remember, however, that the ultimate responsibility for adhering to the policy and avoiding improper transactions rests with each individual. In this regard, use of one's best judgment is imperative.

## **Additional Restrictions for Directors and Executive Officers**

- **Pre-Clearance.** To provide assistance in preventing inadvertent violations and avoiding even the appearance of an improper transaction (which could result, for example, when an officer engages in a trade while unaware of a pending major development), ALL TRANSACTIONS IN COMPANY STOCK (ACQUISITIONS, DISPOSITIONS, TRANSFERS, ETC.), INCLUDING THE SALE OF COMPANY STOCK IN THE COMPANY'S 401(K) PLAN, BY DIRECTORS AND EXECUTIVE OFFICERS MUST BE PRE-CLEARED BY THE GENERAL COUNSEL.
- **Trading Blackout.** In addition to being subject to pre-clearance of trades and all other limitations of this Insider Trading policy, all directors and executive officers shall not buy or sell Company stock in the public market during the period beginning on the first day of the month following the close of the fiscal quarter and ending after the second full trading day following the release of the Company's earnings for the same quarter.
- **Post-Termination Transactions.** This policy may continue to apply to an employee's transactions in Company securities even after he/she has terminated employment. If an employee is aware of material non-public information when his/her employment or service relationship terminates, the employee may not trade in Company securities until that information has become public or is no longer material.

## **Anti-trust Laws**

It is the policy of the Company to strictly comply in all respects with anti-trust laws. There shall be no exception to this policy, nor shall it be compromised or qualified by anyone acting on behalf of the Company.

No employee shall enter into any understanding, agreement, plan or scheme, expressed or implied, formal or informal, with any competitor in regard to prices, terms or conditions of sale, production, distribution, territories or customers; nor exchange or discuss with a competitor prices, terms or conditions of sale or any other competitive information; nor engage in any other conduct which, in the opinion of the Company, violates any of the anti-trust laws.

No employee shall obtain compensation or benefit information from or provide such information to any competitor without the prior consent of the Company's General Counsel. Also, no employee shall obtain compensation or benefit information from or provide such information to a compensation or benefit survey without the prior written consent of the Human Resources Department.

## **Assignment of Inventions, Confidentiality and Non-Solicitation**

The Company is engaged in a continuous program of research, development, production and marketing in connection with its business and it is critical for the Company to preserve and protect its confidential information, its rights in inventions and in all related intellectual property rights. In connection with your work, you may have access to or be exposed to information of the Company which is confidential. Confidential information includes without limitation, proprietary financial information, databases and lists of clients, prospects and employees;



information regarding client accounts; client contacts; employee applications, qualifications, performance reviews and compensation; client preferences; assets, profits and losses; sales reports and analysis; employee reports and analysis; client profit margin data; methods of operation and sales techniques; statistical information regarding the Company; specially negotiated terms with vendors; research and development, business projects, strategic business plans and strategies; any information provided to the Company by, or including or related to, its clients and prospective clients; and any information concerning the Company that gives it a competitive advantage that is not publicly available. You are prohibited from disclosing, directly or indirectly, to any unauthorized person, business or other entity, or using for your own purposes, any confidential information without the prior written approval of the General Counsel. Such prohibition against disclosure of confidential information shall continue to apply after termination of your employment with the Company and you agree to return or destroy, at the Company's request, any confidential information in your possession or under your control. Further, you agree to disclose in confidence to the Company all inventions, improvements, designs, original works of authorship, formulas, processes, compositions of matter, computer software programs, databases, mask works and trade secrets ("Inventions") that you make or conceive or first reduce to practice or create, either alone or jointly with others, during the period of your employment, whether or not in the course of your employment, and whether or not such inventions are patentable, copyrightable or protectable as trade secrets. You agree that all Inventions that (a) are developed using equipment, supplies, facilities or trade secrets of the Company, (b) result from work performed by you for the Company, or (c) relate to the Company's business or current or anticipated research and development, will be the sole and exclusive property of the Company and irrevocably transfer and assign to the Company all worldwide patents, patent applications, copyrights, mask works, trade secrets and other intellectual property rights in any Invention. You also agree to assist the Company in obtaining and enforcing such patents, copyrights, mask work rights, trade secret rights and other legal protections for the Company's Inventions in any and all countries and that your obligation to assist the Company will continue beyond the termination of your employment provided that the Company will compensate you at a reasonable rate for time or expenses actually spent. In furtherance of such agreement, you appoint the Secretary of the Company as your attorney-in-fact to execute documents on your behalf for this purpose.

In order to protect the Company's confidential information, goodwill and client relationships, you agree that while employed by the Company and for a period of 12 months after the termination of your employment, regardless of which party initiates such termination or the reason therefore, you will not directly or indirectly solicit, induce, persuade, or entice, or endeavor to solicit, induce, persuade, or entice, any person who is then an employee of the Company or its affiliates or was an employee of the Company or its affiliates during your employment with the Company to leave his/her employment with the Company; solicit the sale of goods, services or a combination thereof from any established customers of the Company; or directly or indirectly solicit, induce, persuade, or entice, or endeavor to solicit, induce, persuade, or entice, any person who is then a supplier or vendor of the Company to cease being a supplier, or vendor of the Company. Notwithstanding anything herein to the contrary, nothing herein shall (i) prohibit you from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by H&P of any reporting described in clause (i).

### **Copyright Compliance**

The Company acknowledges that copyright infringement is a violation of the law and may impose civil and/or criminal liability on the individual infringer, as well as on the Company. Therefore, every employee is required to comply with copyright law and adhere to this Copyright Compliance policy. The U.S. Copyright Act grants authors of original works of authorship exclusive rights to control how their works may be used; this includes the right to reproduce and distribute a work. Virtually any creative work you may come across in readable or viewable format, including books, magazines, journals, newsletters, maps, charts, photographs, graphic materials and unpublished



materials, such as analysts' reports and consultants' advice, as well as websites, computer programs, software and databases are protected by copyright. No employee may reproduce any copyrighted work in print, video or digital form in violation of the law. Any non-digital content that is protected by copyright is also protected in a digital form. Information on websites is also protected; therefore it is important to review and understand the terms of use for that site because they will tell you what use, if any, you can make of the materials on the site. Any shareware or software to be used on Company computers must be licensed by the Company and installed by the IT Department. Employees issued passwords to access information licensed by the Company are expected to take reasonable measures to protect the security of the password and not to share it with anyone. Failure to comply with this policy may result in disciplinary action, up to and including termination of employment.

## **Data Privacy**

The Company is committed to protecting the privacy and security of its employees' personal information. Personal information is information that can be used to uniquely identify an individual, such as date of birth, ethnicity, government identification numbers, medical records, personal or work addresses and salary. Accordingly, the Company will only collect, maintain and use such personal information for legitimate business purposes and in compliance with applicable law. Employees that have access to, or work with other employees' personal information must maintain the confidentiality that applies to such information, including complying with security procedures adopted by the Company to protect employees' personal information.

## **Social Media**

"Social media" as used herein encompasses all means of communicating or posting information, pictures or other content of any sort on the Internet, (including, without limitation, a personal or someone else's blog, personal or professional website, social networking or affinity website, web bulletin board or chat room), whether or not associated or affiliated with the Company, as well as any other form of electronic communication.

To the extent their online activities pertain to or are related to an individual's employment with the Company, employees must comply with this policy and all other Company policies, including but not limited to:

- Policy Regarding the Use of Computers, Telephones, Communication Devices and Audio/Video Recording Devices
- Equal Employment Opportunity and Prohibition Against Discrimination and Harassment Policy
- Workplace Violence Policy
- Assignment of Inventions, Confidentiality and Non-Solicitation Policy
- Accuracy of Financial Reporting and Other Public Disclosures Policy
- Anti-trust Laws Policy
- Insider Trading Policy
- Copyright Compliance Policy

Employees who violate Company policies, whether in an online forum or another forum, may be subject to discipline up to and including termination of employment.

In addition to complying with Company policies, employees should keep in mind that any online conduct that adversely affects their job performance, the performance of fellow employees, or otherwise adversely affects customers, suppliers, people who work on behalf of the Company or the Company's legitimate business interests may result in disciplinary action up to and including termination of employment.





Employees should refrain from using social media while on work time or on equipment provided by the Company, unless it is work-related as authorized by the employee's manager and consistent with the Company's Policy Regarding the Use of Computers, Telephones, Communication Devices and Audio/Video Recording Devices. Managers, supervisors and Human Resource personnel should not research the background of any employee or prospective employee through his or her social media accounts. In addition, employees should never represent themselves as a spokesperson for or on behalf of the Company.

This policy is not intended to preclude or dissuade employees from engaging in legally protected activities such as discussing terms and conditions of employment.

### **Prevention and Detection of Criminal Conduct**

It is the policy of the Company to make every effort to operate as a good corporate citizen and conduct its operations ethically and in compliance with applicable law. Conduct to the contrary is expressly prohibited and outside the authorized scope of employment for all employees.

The Company has established and maintains various formal and informal policies, practices and procedures intended to promote ethical behavior of its employees and agents and to prevent and detect criminal conduct. Such policies, practices and procedures include, without limitation, the following provisions of this Handbook:

- The Code of Business Conduct and Ethics, which includes the following:
  - The Anti-Corruption Policy
  - The Environmental, Safety and Health Policy
  - The International Trade Compliance Policy
- The Code of Ethics for Principal Executive Officer and Senior Financial Officers

The foregoing policies, as well as all other formal and informal policies, procedures and practices of the Company are collectively referred to herein as the "Compliance Policies." This Prevention and Detection of Criminal Conduct Policy does not modify the substantive content of the Compliance Policies in any respect.

The Compliance Policies are intended to provide reasonable assurance that employees will not violate applicable law. Further, the Compliance Policies are structured in a manner to ensure that potential violations of applicable law are detected within the Company so that they may be prevented. The implementation of the Compliance Policies fulfills the Company's responsibilities under the Guidelines for Sentencing of Organizations promulgated by the U.S. Sentencing Commission (the "Sentencing Guidelines").

The following provisions summarize the actions, practices and procedures taken by the Company, in light of standards established in the Sentencing Guidelines, to assure the adherence of all employees with the standards set forth in the Compliance Policies:

- The Company's Board of Directors will exercise oversight and provide direction with regard to ethical and legal conduct related to all Company activities, including but not limited to activities related to financial reporting and internal controls.
- The General Counsel provides legal counsel and oversight regarding Company operations and implementation of the Compliance Policies and this Prevention and Detection of Criminal Conduct Policy.
- The Company's Chief Compliance Officer ("CCO") will make periodic reviews of the Compliance Policies to ensure that such Policies are effective to detect and prevent criminal conduct. The CCO has a direct



reporting relationship to the Company's President and Board of Directors, and will be responsible for communicating any issues involving potential criminal conduct to the President and the Board in a prompt manner.

- The Company has adopted a decentralized form of management that vests managers with the authority, and places on them responsibility, to assure that the activities and operations for which they are responsible comply with all relevant federal, state or foreign laws.
- The Company will periodically conduct enterprise risk assessments to evaluate the risks encountered in Company operations and communicate any issues of concern regarding the potential for criminal conduct and violations of the law to the CCO. In addition, the Company will periodically report on its enterprise risk management efforts to the Audit Committee of the Board of Directors.
- The Company will communicate the Compliance Policies to its employees, including conducting periodic training on such Policies, maintaining a copy of the Code of Business Conduct and Ethics on its Intranet site and periodically distributing the Code to all employees.
- The Company has established and will maintain an Ethics Hotline whereby employees and third parties can report alleged criminal conduct by others within the organization without fear of retaliation.
- The Company will take reasonable steps to achieve adherence by all employees to the Compliance Policies. Such reasonable steps include the establishment of monitoring and auditing systems reasonably designed to detect and prevent criminal conduct by employees and agents.
- The Company employs external, independent financial auditors, as well as internal auditors to detect fraudulent financial practices and to oversee the adequacy of procedures and controls which are intended to prevent fraudulent financial practices. In addition, the Internal Audit Department conducts periodic audits of the Company's Compliance Policies. The Company encourages the independence of the Internal Auditing Department through a reporting relationship with the Audit Committee of the Board of Directors.
- The Company will conduct periodic environmental, health and safety reviews of their facilities and operations as part of a continuing effort to assure that the activities of the Company comply with applicable laws and the Compliance Policies.
- Violations of the Compliance Policies, including suspected criminal conduct, must be immediately reported in accordance with the reporting procedures addressed below under "Reporting Violations and Investigations." It is a violation of Company policy to intimidate or impose any form of retaliation on any employee or agent who in good faith reports a suspected violation of the Compliance Policies.
- The Company will enforce the Compliance Policies through appropriate disciplinary mechanisms, including, as appropriate, discipline of individuals responsible for the failure to detect an offense.
- All inquiries about suspected criminal conduct from governmental authorities, or complaints from third parties, must be reported immediately to the General Counsel.
- The Company will investigate and respond appropriately to alleged offenses in order to stop such conduct and to prevent similar offenses in the future.
- The Company will cooperate with any legally authorized government investigation, inquiry, or audit.

The foregoing actions, practices and procedures are intended to establish a procedural framework; they are not intended to set forth in full all of the Compliance Policies of the Company.

### **Whistleblower Policy**

Because the Company is committed to conducting all of its operations and activities in a manner that best exemplifies the highest standards of honesty, integrity, ethics, and that encourages and promotes compliance with all governing law, it is the policy of the Company not only to encourage but also to require employees to report promptly and "blow the whistle" on any perceived violation of Company policy or illegal activity affecting the employees or the Company.



## **Whistleblower Defined**

A whistleblower is an employee of the Company who makes an internal or external report of acts or omissions affecting the Company, its employees, or those we serve that the whistleblower reasonably believes to be a violation of Company policy or illegal.

## **Duty to Report Policy Violations or Illegal Activity**

If an employee has knowledge of a policy violation or illegal activity, or if he or she is asked by a coworker, supervisor, manager, customer, or vendor to engage in any such activity, the employee must promptly report it to his or her supervisor, or any other member of management, or the employee can contact the Company's Ethics Hotline at 1-800-205-4913 or the Ethics Website. The Company also will respond promptly to reports of wrongdoing that are knowingly false.

## **Investigation and Corrective Action**

The Company takes each report of potential policy violation or illegal activity very seriously and will promptly and thoroughly investigate each report. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures, and the alleged violator or violators will not take part in any investigation or determination of corrective action. Swift corrective action will be taken as warranted by the results of the investigation.

## **Whistleblower Protections and Prohibition against Retaliation**

The Company will not tolerate any form of retaliation against a whistleblower and will strive to protect whistleblowers from retaliation. The Company will maintain the confidentiality of the whistleblower to the maximum extent possible. However, limited disclosure may have to occur in some cases in order to conduct a thorough investigation or to comply with the law. When limited disclosure cannot be avoided, the Company will strive to protect the whistleblower from retaliation. Any whistleblower who believes retaliation is occurring must immediately report it to the Legal Department. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

## **Reporting Violations and Investigations**

### **Seeking Guidance**

Any employee that has questions or concerns about the Code or compliance requirements, or that feels uncomfortable about a situation or has any doubts about whether it is consistent with the Company's high ethical standards should seek assistance. Employees are encouraged to contact their supervisor for help first. If a supervisor cannot answer the question or if an employee does not feel comfortable contacting a supervisor, an employee may contact the Human Resources Department, the Legal Department, the Company's Chief Compliance Officer or the Company's Ethics Hotline at 1-800-205-4913 or the Ethics Website, which is administered by a third party call center and is available 24 hours a day, 7 days a week.

### **Reporting**



All employees are responsible for helping detect and prevent violations of the Company's Code, policies and applicable law. Therefore, employees have a duty to promptly report any known or suspected violation of this Code and any violation of laws, rules, regulations or policies that apply to the Company. Reporting a known or suspected violation by others should not be considered an act of disloyalty, but an action to safeguard the reputation and integrity of the Company and its employees.

There are a number of ways to report issues.

- Employees may report issues to their immediate supervisor, or if it is not appropriate for the employee to raise a question or report any situation or conduct to his or her supervisor, or if the employee does not get a satisfactory response, the employee may contact the Legal or Human Resources Department.
- Employees may also raise concerns relating to the Company's governance practices, business ethics or corporate conduct by submitting any such concern in writing to the Chairperson of the Company's Nominating and Corporate Governance Committee in care of the Company's Corporate Secretary at the Company's headquarters.
- Employees may also make a confidential, anonymous report of any compliance issue through the Company's Ethics Hotline at 1-800-205-4913 or the Ethics Website, which is administered by a third party call center and is available 24 hours a day, 7 days a week.

Supervisors and managers are responsible for ensuring that their employees understand and comply with the Company's Code of Business Conduct and Ethics, policies, procedures, and applicable law and must understand when to escalate issues and report violations. Any supervisor or manager that receives a report of discrimination or harassment, violation of applicable anti-corruption or international trade laws, or circumvention of Company financial controls, must immediately report the matter to the Human Resources or Legal Department.

## Investigations

### Internal

Regardless of which reporting method an employee selects, all reports will be treated seriously and the confidentiality of the employee making the report will be maintained to the extent possible while still allowing a thorough investigation. The Company will promptly investigate any report and will take remedial action when appropriate. All employees are required to fully cooperate with any Company investigation. This includes responding to investigations truthfully and disclosing all relevant information.

### External

Any employee who receives an inquiry from outside the Company, including from government and regulatory officials, investigators, representatives, agents, law enforcement, external legal counsel or customer representatives should promptly report any such inquiry to the General Counsel. The Company and its employees will cooperate with any legally authorized government investigation, inquiry or audit; however, the Company reserves its right to assert all protections afforded it by law. Accordingly, any written request for information received from outside the Company must be forwarded to the Legal Department for response. If a government or regulatory official, including government investigators, representatives, and agents, requests to interview an employee, such employee has the right to choose whether or not to be interviewed. Whether or not the employee chooses to be interviewed will not affect his/her employment.



Employees also have the right to consult with an attorney in making a decision regarding whether or not to be interviewed and/or to represent them during any such interview. If an employee chooses to consult with an attorney and/or have an attorney represent them during any such interview, the Company may provide an attorney for such interview at the Company's expense. Any employee who decides to speak with a government official must tell the truth. In the event of an external investigation, the Legal Department may issue a legal hold. If you receive a notice of legal hold, you must comply with the Company's Legal Hold Policy which is included in this Handbook.

#### Non-Retaliation

The Company strictly prohibits retaliation against an employee who, in good faith, seeks help or reports concerns to the Company, including those reports made through the Ethics Hotline. Any employee who threatens or retaliates against an employee who, in good faith, sought help or filed a report will be subject to appropriate disciplinary action, including potential termination of employment. "Good faith" means that you reasonably believe a violation has occurred (or will occur), that you disclose all of the information you have, and that you believe you are giving a complete and accurate report. You should never file reports that are knowingly false or made in bad faith. A false or bad faith report can result in disciplinary action, up to and including termination of employment. Any employee that believes he or she is being treated unfairly or is the subject of retaliation by anyone as the result of making a report under the Code, should immediately notify the Legal Department.

#### Consequences for Violations

It is the Company's policy that any employee who violates the Code, Company policy or applicable law will be subject to appropriate discipline, up to and including termination of employment, based upon the facts and circumstances of each particular situation. Any employee who fails to report known or suspected violations by another employee may also be subject to appropriate discipline, up to and including termination of employment.

Finally, employees who violate the law or the Code may expose themselves to substantial civil damages, criminal fines or prison terms. The Company may also face substantial fines and penalties in such situations, as well as damage to the Company's reputation. Because any non-compliance with the law or with the Code can result in serious consequences for both you and the Company, all employees must ensure compliance in all aspects of performance of their work with the Company.

#### Waivers of the Code

Waivers of this Code will be granted on a case-by-case basis and only in extraordinary circumstances. Waivers of this Code for employees may be made only by the President of the Company with the concurrence of the General Counsel. Any waiver of this Code for the Company's directors or executive officers may be made only by the Company's Board of Directors or the appropriate committee of the Board of Directors and will be promptly disclosed as required by applicable law.

#### Certifications

Employees will periodically be required to certify compliance with this Code.

#### At-Will Employment



This Code does not alter the “at-will” status of Company employees.

## **Conclusion**

In the final analysis you are the guardian of the Company’s ethics. While there are no universal rules, when in doubt ask yourself:

- Is it legal and does it comply with Company policy?
- Is it honest and fair?
- Is it in the best interest of the Company?
- Will my actions have the appearance of impropriety?
- Will my actions be questioned by my supervisors, other employees, clients, family and the general public?
- How does this make me feel about myself and the Company?

If you are uncomfortable with your answer to any of the above, you should follow the steps outlined above under “Reporting Violations and Investigations.” Any employee who ignores or violates this Code and any supervisor or manager who penalizes a subordinate for trying to follow this Code, will be subject to disciplinary measures up to and including immediate discharge from the Company. However, it is not the threat of discipline that should govern your actions. The Company expects you to share its belief that a dedicated commitment to ethical behavior is the right thing to do and is good business.

This Code is not intended to and does not constitute an employment contract or assurance of continued employment. The Company reserves the right to amend, supplement or discontinue this Code and the matters addressed herein without prior notice.