

Saga Welco AS - CODE OF CONDUCT

APPROVED BY SAGA WELCO AS BOARD OF DIRECTORS ON NOVEMBER 25TH, 2015

Saga Welco AS (Saga Welco) is committed to conducting its business lawfully and ethically. Saga Welco corporately wishes to be a company that is regarded as having "Integrity". Saga Welco's reputation is the sum of the reputation of its employees. It is important that all of its employees meet the highest standards of legal and ethical conduct, and that all employees owe a duty of good faith and due diligence to always protect and act in the best interest of Saga Welco. Saga Welco has therefore established this Code of Conduct (Code). Under the Code of Conduct Program, a Compliance Officer (CO) structure has been set up

- a) to ensure compliance with the Program,
- b) to serve as a contact for employees to report any actual or potential violations of the provisions contained in this Code of Conduct, and
- c) to take appropriate action when such violations occur.

This Code of Conduct establishes the general policies and procedures with which all Saga Welco employees must comply in order to ensure that their behaviour conforms to the highest ethical standards and is in accordance with all applicable laws, rules and regulations. These policies and procedures are not meant to cover all situations. Any doubts whatsoever as to the propriety of a particular action or mode of behaviour, whether or not this is described within this Code of Conduct, should be submitted by employees either to the Senior Management of the business unit in which they are employed, or to Saga Welco's Compliance Officer. The intent of Saga Welco's Code of Conduct is to safeguard Saga Welco's reputation as a company that observes high moral and ethical standards.

Saga Welco employees are required to understand and comply fully with both the rules and approval procedures established by this Code of Conduct. Decisions regarding proposed deviations from this Code of Conduct may be made only by the CO (who will, if appropriate, consult with or report to the Saga Welco Board on such proposed deviations). Any employee violating a provision contained in this Code will potentially be subject to disciplinary action, dismissal from employment, up to and including penalty and/or liability for compensation. The Company's intention is that the policies set out in its various manuals and other directives should be consistent with this Code of Conduct but, in the event of inconsistency, the provisions contained in the Code of Conduct will take precedence.

1. Compliance with all laws and regulations

In their business dealings, all of Saga Welco's employees must comply with all applicable national and international laws and government regulations, and must immediately and directly report any actual or perceived violation of such laws or regulations to the Senior Management of the business unit in which they are employed, or to the Saga Welco Compliance Officer.

2. Compliance with all Saga Welco Policies and procedures

All of Saga Welco's employees must also scrupulously comply with all internal Saga Welco policies and procedures including Human Resources and Administrative policies, as set out in the Employee handbooks that apply for the employees concerned.

3. Dealing honestly with customers, suppliers and competitors

a) Quality of service

Saga Welco is committed to providing services that meet all contractual obligations and Saga Welco's quality standards.

b) Contract negotiation

When employees negotiate contracts with, or make price quotations to our customers, they should take care to ensure that all the information that is provided by them on behalf of the Company is accurate, complete and up to date.

c) Competitive analysis

In conducting market analysis, Saga Welco's employees should not accept nor use information, known to be proprietary to one of Saga Welco's competitors, which has been improperly obtained or used in an improper fashion.

d) Trademarks

No employee shall use or cause to be used the Trademarks of another company without consent.

e) Competition and antitrust laws and regulations

It is the Company's policy that competition and antitrust laws and regulations should be strictly observed by all Saga Welco employees. This is further described in Saga Welco's Competition Compliance Manual. It should be stressed that the company attaches great importance to strict adherence to competition law by both individuals and operating companies and each individual must be absolutely aware of this responsibility.

f) Bribery

It is Saga Welco's policy that personal bribes or material inducements that are aimed at influencing how business is placed must be neither offered nor accepted by the company's employees. This includes all individuals working at all levels within Saga Welco, including senior managers, officers, director, employees (whether permanent or fixed term or temporary), consultants, contractors, trainees, seconded staff, casual staff and agency staff, volunteers, interns, seafarers, agents, sponsors, or any other person associated with Saga Welco, or any Saga Welco subsidiaries or their employees wherever located. This does not preclude the offering of inducements to a company that is, or may become an Saga Welco customer – by way for example of a volume discount on the normal rate or price – subject to this having been agreed by the Senior Management of the business unit concerned. In other words, inducements to customers on a corporate basis are permissible (subject to any approval policy that may apply in

each individual business unit), but the offering of inducements to individuals – personal bribes – is strictly forbidden. No Saga Welco employee will bribe another person intending to obtain or retain business for Saga Welco or to obtain an advantage in the conduct of business for Saga Welco.

g) Personal Acceptance of Payments

Saga Welco prohibits its employees from personally accepting payments, such as success fees and commissions, from other parties in connection with the Company's operations or transactions entered into by the Company.

Employees that are considering contributing to magazines or other publications, or lecturing at seminars or other events on matters connected with Saga Welco's business, should first consult with the Management of their part of the organization. Any compensation received belongs to Saga Welco.

4. Using Saga Welco resources properly

a) Making political contributions

Employees may not contribute or donate Saga Welco's funds, products, services or other resources to any political cause, party or candidate for elective office.

b) Providing business courtesies to customers or agents of customers

Saga Welco's success in the marketplace results from providing quality services at competitive prices. Saga Welco does not seek to gain an improper advantage by offering business courtesies such as entertainment, meals, transportation or lodging to customers, agents or purchasers of Saga Welco services. Employees should not provide excessive entertainment to a customer or the agent of a customer for the purpose of obtaining favourable treatment or advantage. To avoid even the appearance of impropriety, employees must not (without the prior approval of their Senior Management or a Compliance Officer) provide any individual employee of a customer with gifts or promotional items of a value of more than EURO 150 (or the equivalent in local currency) during the course of any one calendar year.

Employees may, at the company's expense, pay – up to a reasonable level of expense - for meals, refreshment and/or entertainment expenses for customers which are incurred only occasionally, are not requested or solicited by the recipient, and are not intended to or likely to affect the recipient's business decisions with respect to Saga Welco. Such entertainment and meals should be in proportion and not lavish. An employee having doubts as what is proportionate in any given situation should seek guidance from their management. An employee may provide or pay for the travel or lodging expenses of a customer or agent only with the advance approval of the Senior Management of their respective business unit and upon prior notification to a Compliance Officer.

c) Dealing with Government employees

From time to time, Saga Welco may have dealings with government employees or employees of government agencies. Prior to having any such dealings, and throughout such dealings, it is

important that Saga Welco employees do their best to make themselves aware of any laws, rules and regulations that may impose requirements on how such dealings should be conducted from Saga Welco's side. Saga Welco employees must act under the direction of a Compliance Officer at all times when dealing with government employees. When it comes to providing business courtesies (entertainment etc.) to government employees, the position is different to that which applies for customers or agents of customers – see b) above – so Saga Welco employees must take the advice of a Compliance Officer before doing so.

d) Accurate books and accounts

All of Saga Welco's payments and other transactions must be properly authorized by Senior Management and be accurately and completely recorded on Saga Welco's books and records in accordance with generally accepted accounting principles and established corporate accounting policies. No false, incomplete or unrecorded corporate entries shall be made. No undisclosed or unrecorded corporate funds shall be established for any purpose, nor shall Saga Welco's funds be placed in any personal or non-corporate account. All corporate assets must be properly protected, and asset records must be regularly compared with actual assets with proper action taken to reconcile any variances.

e) Donations to Charity Organizations

Any donations to Charity Organisations have to be legitimate and approved by Saga Welco's Board of Directors. If the donation is NOK 50,000 or less and within the approved budget, such donations to be approved by the CEO.

f) Charging of costs/time sheet reporting

Employees submitting timesheets or expenses claims must be careful to do so in a complete, accurate and timely manner. The employee's signature on a timesheet or expenses claim is a representation that it accurately reflects the number of hours worked or the business expenses that have been incurred. A manager's authorization of a timesheet or expenses claim is a representation that the report has been reviewed and that steps have been taken to verify the validity of the hours or expenses reported and the correctness of the allocation of the hours or expenses. Managers must avoid giving subordinates reason to believe that deviations from appropriate time reporting or expense charging practices will be condoned.

5. Avoiding abuses of trust – conflict of interest

Saga Welco expects each of its employees to avoid engaging in any activity that might interfere or appear to interfere with the independent exercise of the employee's judgment in situations where the employee's personal interests might conflict with Saga Welco's best interests or the interests of Saga Welco's customers or suppliers. The following Conflict of Interest policy applies to all Saga Welco employees.

- a) Unless they have prior authorization from the Senior Management of the business unit in which they are employed, Saga Welco employees are not permitted to take paid employment or consultancy work elsewhere, in addition to their Saga Welco job.

- b) Saga Welco employees are prohibited from investing in a company or business that is a Saga Welco competitor, customer or supplier (beyond having moderate holdings of publicly traded securities – moderate in this context meaning that the holding can have no influence whatsoever on the decision making of that competitor, customer or supplier) without prior authorization of the Senior Management of their respective business unit. In circumstances where an employee does have, or wishes to acquire a material financial interest in a Saga Welco competitor, customer or supplier, there is an obligation on the employee to declare this to Senior Management as a possible conflict of interest.
- c) Unless authorized in advance by the Compliance Officer and/or Senior Management of the relevant business unit, Saga Welco employees are prohibited from appointing as suppliers or agents for Saga Welco any company or business in which they or any member of their family have a financial interest. In this context, the term “member of their family” includes anyone who is related by blood [i.e. a direct family relationship] or marriage to the employee concerned, as well as anyone with whom the employee has a close personal relationship.
- d) In addition to [c] above, Saga Welco employees are required to disclose such relationships as are listed under [c] above with other persons within the company or external to the company [Saga Welco’s customers, suppliers or competitors] on joining the company and thereafter at any time that such a material relationship arises.

6. Insider trading

No employee of Saga Welco shall trade in the securities of any company, or buy or sell any property or assets, on the basis of non-public information acquired through employment by Saga Welco, whether such information comes from Saga Welco or from another company with which Saga Welco has a relationship. The same restriction applies to any Saga Welco employee having a close personal/material relationship with employees of such company. The before mentioned restriction will apply for a period of 3 months after termination of an Employment Contract.

7. Licensed computer software

No employee of Saga Welco shall illegally copy or distribute licensed computer software programs that are the property of Saga Welco or use unlicensed computer software programs in conducting Saga Welco business – employees should refer to the relevant part of the staff handbook that applies to them for a full explanation of Saga Welco’s policies with regard to computer and telephone use.

8. Acceptance of business courtesies

No direct or indirect monetary payments should be accepted by any member of Saga Welco’s staff from a service provider or vendor. In this context, the term “indirect monetary payments” includes payments made to someone who is related by blood or marriage to an employee or someone else with whom the employee has a close personal relationship. Employees must not directly or indirectly accept anything of significant value from someone doing business with Saga Welco or someone

whose services are subject to Saga Welco's review if the payment is offered or appears to be offered in exchange for any type of favourable treatment or advantage. To avoid even the appearance of impropriety, employees should not accept from any one party during any one calendar year any gifts or promotional items amounting in value to more than EURO 150. Employees receiving gifts are required to report this to their management.

An employee may accept meals, drinks or entertainment only if such offers are unsolicited, infrequently provided and reasonable in amount. Such courtesies must also be directly connected with business discussions. Employees should not accept reimbursement for lodging or travel expenses or free lodging or travel without the express written approval of Senior Management of the business unit in which the staff member concerned is employed. Employees should avoid accepting any entertainment or gifts or other courtesies from vendors/potential vendors during any bidding process whereby those vendors/potential vendors are involved.

In principle gifts received are seen by the company as relating to employment with Saga Welco and not as personal to the member of staff concerned. Any gifts that are received are subject to the limit per annum mentioned earlier in this clause and where such gifts are consumable and where it is practical staff should make best endeavours to share such gifts within their section of work.

9. Safeguarding Saga Welco's restricted information

It is Saga Welco's policy to control closely the dissemination of Saga Welco's proprietary information. Except as specifically authorized by management, employees are prohibited from disclosing to any outside party any non-public business, financial, personnel, commercial or technological information, plans or data acquired during employment by Saga Welco. During the term of employment by Saga Welco, an employee should disseminate these types of information only to individuals within Saga Welco having a "need to know" and should protect these types of information from access by unauthorized personnel within Saga Welco. Employees should also be careful in discussing company matters in public places such as restaurants, bars and elevators.

Upon termination of employment, an individual may not copy, take or retain any documents containing Saga Welco's restricted information. The prohibition against disclosing Saga Welco's restricted information extends beyond the period of employment as long as the information is not in the public domain. An individual's agreement to continue to protect the confidentiality of such information after the term of employment ends is considered an important part of that person's obligations to Saga Welco.

The use of Social Media [such as, but not limited to, Facebook, Twitter and YouTube] is subject to Saga Welco's rules on internet usage. Guidelines can be found on Saga Welco's intranet under the Group / IT / Security Manual section. You should prior to any usage of any Social Media familiarize yourself with these guidelines and the company's overall policies contained in Employee handbooks. If you have any doubts about using Social Media that in any manner might reflect on Saga Welco or your colleagues, you should consult with your Manager or Compliance Officer.

It is forbidden for staff, other than those specifically empowered to do so, to make any comment relating to Saga Welco or their work within Saga Welco to the public media [including both magazine journalists and bloggers].

10. Confidential information

Employees must strictly safeguard all confidential information with which they are entrusted and must never discuss such information outside the normal and necessary course of Saga Welco's business. In particular, all employees must protect the confidentiality of all customer records and the information contained in such records. In addition, employees have an obligation to respect and protect the confidential nature of records regarding all personal information on employees.

Disclosure of confidential information under this Code of Conduct is only permitted to relevant authorities if legally required/obliged.

11. Company facilities and property

Employees may be permitted to make personal use to a reasonable extent of the Company's e-mail, internet and telephone facilities (as provided for in the Staff Handbook that applies for the employee concerned), but, beyond that, no employee shall use Saga Welco's facilities or Saga Welco's property for non-business purposes unless approved by the Senior Management responsible for the relevant business unit.

The employees have the duty of care to ensure the safety and security of the workplace at all times, either it is for company or for personal use.

12. Government proprietary information

Saga Welco does not solicit nor will it receive any sensitive proprietary internal government information, including budgetary or program information, before it becomes publicly available.

13. Harassment

Saga Welco does not tolerate any form of harassment which includes bullying. This subject is dealt with in detail within employees' staff handbooks in the organization in which they work. This reference in the Code of Conduct is made to underline the importance that Saga Welco attaches to it.

14. Implementation

To ensure that proper dissemination and understanding of this policy is achieved, the CO will arrange for employees to read and confirm that they accept the contents of this Code of Conduct a) at the time when they join the Company, b) whenever any changes may be made to the contents of the Code.

15. Reporting of Violations of this Code of Conduct

Adherence to this Code of Conduct is important. Senior Management is responsible for ensuring that employees are aware of and adhere to the provisions of the Code. For clarification or guidance on any point in the Code, employees should consult either a member of Senior Management of the business unit to which they are attached, or a Compliance Officer.

Employees are expected to report if they see any suspected violations of this Code of Conduct or any instances of activity in the workplace that is otherwise dishonest, illegal or unethical. Members of staff can report on such activity to any of the following:

- their Line Manager, or a member of Senior Management to whom they directly or indirectly report
- a Human Resources representative
- the Compliance Officer

Major violations or violations involving one or more Saga Welco employees to be reported directly to the Compliance Officer without involving the regular day to day reporting line.

Upon receipt of credible reports of suspected violations or irregularities, a Compliance Officer shall ensure that a detailed investigation is undertaken of the reported incident and that corrective action is taken where appropriate. Violations of the Code of Conduct may result in disciplinary action ranging from warnings and reprimand to dismissal, or, where appropriate, the filing of a civil or criminal complaint. Employees will be informed of the case against them and will be given the opportunity to state their position in accordance with the company disciplinary procedure before any disciplinary decision is made.

In respect of reports of violations of the Code of Conduct or other irregularities, employees should note that:

- a) reports made of violations of the Code of Conduct or of other unacceptable behaviour should be made only when there are good grounds for believing that such violations or other unacceptable activity has in fact taken place,
- b) assuming that there are good grounds for making such reports, no adverse action or retribution of any kind will be taken against the employee making the report,
- c) any employees making reports that are malicious (deliberately false) or frivolous will themselves be treated as having breached this Code of Conduct and will be subject to disciplinary proceedings being taken against them.

16. Reservation of Rights

Saga Welco reserves the right to amend this Code of Conduct, in whole or in part, at any time and solely at its discretion. Employees will be promptly informed of all such amendments.

Afterword

This Code of Conduct summarizes standards of behaviour that will – if those standards of behaviour are observed - prevent Saga Welco staff from acting inappropriately or unethically in the course of their duties. The relationship between a company and society is such that a company owes its existence to society – not the other way round. Accordingly, a company's conduct must be evaluated against social values and norms. A company should behave as a member of society, and such behaviour should accord with corporate social responsibility.

One measure of corporate conduct is the collective behaviour of its employees. In this light we should ask ourselves the following questions on a daily basis in order to foster self-discipline and good behaviour:

1. Am I doing, or being asked to do, anything that may be considered illegal?
2. Am I following company rules, policies and procedures?
3. Am I confident that anything I do would stand up to public scrutiny?

CODE OF CONDUCT

Signature Page for Employees.

Confirmation of Acceptance of Saga Welco's Corporate Compliance Programme and Code of Conduct.

I have read and have understood the document that sets out the Company's Code of Conduct, and I agree as an employee to abide by the provisions contained in that document.

I understand that, if I have any questions concerning the contents of the document, I should contact my Supervisor, my Line manager or the Compliance Officer.

I understand that any violation by me of the provisions contained in this Code of Conduct, may result in disciplinary action being taken against me by the Company.

I confirm that I am aware of the identity of the Compliance Officer responsible for the part of Saga Welco in which I am employed.

Date:

Signature:

Print or Type Name:

Position:

Company:

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