

# ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

## Objective

- 1.1. HES is committed to carrying out its business in an ethical and transparent manner in compliance with all relevant laws. HES does not tolerate Bribery or Corruption in any form, directly or via Third Parties.
- 1.2. Rules on anti-bribery and corruption and the enforcement thereof are becoming stricter and stricter, with individuals and corporates exposed to severe criminal penalties and fines for non-compliance. Some of these rules have extraterritorial reach, such as the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act. This means that these laws can even apply in circumstances where there is a limited connection to these countries. As we are an international company with international ownership, we must comply with the highest global standards for anti-bribery and corruption compliance.
- 1.3. The Code of Conduct sets out the importance of anti-bribery and corruption rules and the essential principles that every employee of HES must follow. This Policy provides further guidance on this topic.

TERM	DEFINITION
<b>Bribery Or Bribe</b>	<p>Bribery, or a Bribe, is defined by international laws in many different ways. For the purposes of this Policy, it means: the offering, promising, giving, accepting, authorising or soliciting of an advantage, both directly or indirectly (e.g. through Third Parties) which:</p> <ul style="list-style-type: none"> <li>a) is designed to make the recipient act or carry out a duty (or omit to act or refrain from carrying out a duty) in favour of the interests of someone else (e.g. the person bribing or a third party);</li> <li>b) is designed to make the recipient use his/her influence, whether real or presumed, to obtain from an authority or public administration arrangements, jobs, contracts or any other favourable decision;</li> <li>c) is designed to influence a Public Official in his or her capacity as such; or</li> <li>d) is otherwise an inducement or reward for an action or omission by any person which is illegal, unethical, a breach of</li> </ul>

	trust, a breach of a duty to act impartially or a breach of a duty to act in good faith.
<b>Corruption</b>	Inter alia, the illegal use of entrusted power for private gain.
<b>Facilitation Payment</b>	A small unofficial bribe, also called a ‘facilitating’, ‘speed’ or ‘grease’ payment; made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement.
<b>HES</b>	HES International and all wholly-owned or controlled direct and indirect subsidiaries of HES International, as well as joint ventures in which HES holds a majority interest.
<b>HES Personnel</b>	Any board of directors member, officer, employee, or independent contractor of HES and its group companies and majority joint ventures.
<b>Policy</b>	This Anti-Bribery and Corruption Policy
<b>Public Official</b>	Individual, regardless of rank or title, who is employed or appointed by or otherwise represents a public authority (political or non-political) or who otherwise discharges a public service mission. A public authority: <ul style="list-style-type: none"> <li>• is understood to be a national, state or local government office or agency, embassy, defence/military unit, state-owned enterprise, including any governmental (e.g. EU, UN, NATO, OECD) or quasi-governmental (e.g. WTO, IMF) organisation; and</li> <li>• includes, for the avoidance of doubt, anyone who holds a judicial position of any kind, members of a royal family, any elected representative of any kind, employees of local authorities and government departments, employees of companies wholly owned by or controlled by a public body or otherwise any person holding public authority or who discharges a public service mission.</li> </ul>
<b>Red Flag</b>	A red flag is a serious concern about a Third Party’s, or anyone’s integrity. For instance, being listed on a sanctions list, having prior court convictions, adverse media reports, allegations of corruption or any suspicious behavior in relation to e.g. money laundering, Bribery and Corruption.
<b>Something Of Value</b>	Something of value should be interpreted broadly and includes money, but may also take other forms as long as it can be seen as an advantage, including, but not limited to: gifts, hospitality, travel, job

	offers, other entertainment; loans or a reward; any other tangible or intangible thing that has value to the recipient
<b>Third Party</b>	Any (prospective or potential) individual not employed by HES and/or any entity not owned or controlled by HES, that provides services or goods to HES or on behalf of HES or engages in business activities with HES or HES Personnel.

1.4. Other related and/or applicable policies:

- Code of Conduct
- Gifts and Hospitality Policy
- Third Party Engagements Policy
- Whistleblower Policy
- Anti-Money Laundering Policy.

1.5. Annexes:

- Annex 1: List of Red Flags
- Annex 2: Reporting Form

## Applicability and governance

1.6. This Policy applies to HES and all wholly-owned or controlled direct and indirect subsidiaries of HES. Specifically, it applies to every employee, director or officer of these entities. Third Parties, including agents, representatives, consultants or other contract staff that are working for or on behalf of these entities, must also adhere to these guidelines. In any country or region where the requirements of applicable law(s), directives or practices establish a higher standard, HES must meet those standards. Individual businesses may supplement these procedures with any additional requirements they wish to put in place.

1.7. HES will ensure that the Policy, or a policy with equivalent standards, is applicable to joint ventures in which HES holds a minority interest.

1.8. This Policy should be read and understood by all HES Personnel, but in particular those that are exposed to a greater Corruption and Bribery risk in their frequent contact with Public Officials (e.g. Business Development, Customs, HSSE and Legal).

1.9. The Chief Compliance Officer, with the support of local compliance officers, is responsible for the development and implementation of this Policy. The Chief Compliance Officer is the ultimate owner of these guidelines and carries ultimate responsibility for them.

## Seeking advice or reporting conduct

1.10. If you become aware of any (possible) violation of this Policy or if you encounter a Red Flag or if you know, suspect or become concerned of a (potential) violation of this Policy, you must

report this immediately to your local compliance officer and in any case the Chief Compliance Officer. You can also contact your local compliance officer in case you have any questions about this Policy ([to include contact details]).

- 1.11. Please refer to the Whistleblower Policy for further guidance and an explanation on (i) how you can report a concern and (ii) the procedures applicable to any report that is made.
- 1.12. Annex 2 to this Policy includes a reporting form you can use to report any misconduct you have come across or concerns you may have.
- 1.13. While it is your duty to report a violation when you become aware of it, early reporting gives HES the opportunity to detect a potential risk early and thereby hopefully mitigate possible harmful consequences. You must therefore report any suspected violation of anti-bribery and corruption rules and/or this Policy as soon as possible.
- 1.14. HES does not tolerate any retaliation against any person making a report in good faith. Any form of such retaliation will be seen as a violation of this Policy and the Code of Conduct.

## **Bribery and corruption**

- 1.15. HES has a zero-tolerance approach to acts of Bribery committed by its employees or by Third Parties.
- 1.16. Bribery is a criminal offence and the penalties for Bribery both to/from Public Officials and to and/or from private persons are severe and may include imprisonment for all individuals involved. For an act of Bribery to constitute as a criminal offence, it is sufficient that a Bribe is asked for or offered. The act does not have to be completed.
- 1.17. Furthermore, it is important to be aware that Bribery and Corruption do not necessarily have to involve the payment of cash, it involves Something of Value. Bribery and Corruption can take the form of money, gifts, loans, fees, hospitality, services, discounts, job offers, the award of a contract or any other advantage or benefit. In other words, Bribery can be disguised in normal business to business transactions. It is irrelevant whether something is "standard practice" or "established custom" in a certain industry or territory. However, there are certain transactions that pose higher risk than others – for example transactions involving Public Officials or in high risk countries.

### **Identifying risk of Bribery and Corruption**

- 1.18. Before committing funds on behalf of HES or before instructing someone to perform services for HES or act on its behalf, you must consider the business rationale and assess the Bribery risk of the transaction. Please refer to Annex 1 of this Policy for a non-exhaustive list with Red Flags, including Red Flags specifically related to anti-bribery and corruption (e.g. financial payments and dealings with Third Parties and Public Officials).
- 1.19. This Policy includes practical guidance on how you should behave to identify risks and to avoid committing any breaches of this Policy.

## Accepting Bribes

- 1.20. If you are offered Something of Value from any commercial partner or Third Party you must consider whether it is an attempted Bribe. It is possible that Third Parties such as suppliers and other vendors may attempt to influence decision-making by offering Bribes to our staff in their personal capacity (e.g. in the form of gifts or hospitality). This poses a significant risk for you and HES.

### Example

*A typical modus operandi of illegitimate parties who resort to bribing in the storage business consists of (fake) intermediaries who try to obtain certificates or other documents from HES to use and work, or even scam, other parties, usually traders. These (fake) intermediaries could offer you Something of Value, to provide them with a HES stamp or other HES document, which enables them to lure in traders.*

*You must never accept Something of Value, especially not in the scenario set out in this example. In addition, you must not give or facilitate such documents, instead you must immediately break contact with that person and report to your compliance officer.*

- 1.21. Accepting a Bribe is as much a criminal offence as offering a Bribe. It does not matter whether you accept a Bribe in your personal capacity or on behalf of HES; either scenario can give rise to a criminal offence.
- 1.22. HES Personnel should not be in receipt of any advantage or benefit or Something of Value from a Third Party other than as permitted by the Gifts and Hospitality Policy.
- 1.23. Note, it is also possible that Third Parties and commercial parties will want to influence HES as an organisation through arms-length financial transactions (e.g. discounts and rebates). If properly documented and have a clear business rationale these arrangements can be perfectly legitimate. Please refer to the Anti-Money Laundering Policy for more detail in respect to commercial transactions where HES receives money from Third Parties. If you are concerned that any particular transaction seems unusual you should consult with your local compliance officer.

## Public Officials

- 1.24. As part of our business, HES Personnel and/or Third Parties engage with Public Officials in several jurisdictions (e.g. in relation to obtaining permits and licenses, liaising with port authorities, customs, and in connection with health and safety requirements). Such dealings with Public Officials result in heightened legal and reputational risks.
- 1.25. The requirements in relation to the provision of gifts, payments or other benefits offered or given to a Public Official are much stricter. Any such offer with the intention of influencing a Public Official to gain a business advantage for HES can amount to a Bribe. A business advantage can include the grant of a permit or forgiving a fine/levy. Therefore, relationships between HES (and Third Parties acting on our behalf) and Public Officials must be closely

monitored to ensure we do not facilitate Bribery and corruption or otherwise act in a way that is inconsistent with this Policy and our Code of Conduct.

- 1.26. To mitigate the risk of Bribery, special care needs to be taken by HES employees in every interaction with Public Officials, directly or through Third Parties, including as follows:
- No payment should ever be made directly to a Public Official.
  - No gift or meal with a value in excess of EUR 25 should ever be given to or received from a Public Official without prior approval of your Chief Compliance Officer.
  - Any transfer of Something of Value, either given to or received from a Public Official and/or a governmental authority, must be recorded in accordance with the Gifts and Hospitality Policy.
  - For any meeting with a Public Official, ensure that at least two employees of HES are present. Accurate and complete minutes of the meeting should be made and kept.
  - A decision to hire a former Public Official should only be made with the formal written approval of the Chief Compliance Officer. The local compliance officer and Chief Compliance Officer must be notified at the start of the hiring process. A former Public Official should only be hired after a fair process has been conducted. Hiring decisions should never be made with the intention of influencing a Public Official.
  - Any potential conflict of interest between HES Personnel and a Public Official who is in a position to influence HES' business must be disclosed immediately and cleared by your local compliance officer or the Chief Compliance Officer as a potential conflict of interest. Please also refer to the Conflicts of Interest topic in the Code of Conduct.

### Facilitation Payments

- 1.27. Facilitation Payments are also considered Bribes and, therefore, are prohibited.
- 1.28. No Facilitation Payments should be made, however small, even if it may be considered part of the "way of doing business" in a certain country. Any request for a Facilitation Payment should be reported immediately to your local compliance officer or the Chief Compliance Officer.

### Third Parties

- 1.29. It is an offence to make a Bribe through a Third Party, or to turn a "blind eye" to any such activity. It is also an offence to fail to prevent a Third Party paying a Bribe on behalf of HES, even if HES was not itself involved in or aware of the Bribe being paid.
- 1.30. HES could be liable, and subject to severe fines, for Bribery and Corruption committed both by HES employees and Third Parties when acting on its behalf.
- 1.31. Therefore, HES must assess the risks associated with the Third Party, conduct proper due diligence when deciding whether to appoint a Third Party, but also during any other processes, communications or interactions with Third Parties. HES must also ensure that it carried out

effective monitoring of its Third Parties to detect and prevent any breach of anti-Bribery and corruption rules and/or this Policy.

- 1.32. For these purposes specific guidelines are in place, please refer to the Third Party Engagements Policy.

### Gifts and hospitality

- 1.33. As explained above, Bribery and Corruption can take the form of giving, offering, promising, authorising, soliciting or receiving gifts and hospitality. It is important to ensure that gifts and hospitality are not intended to influence a business decision or to bring about an action which is illegal or unethical or create any conflict of interest for you or anyone else.
- 1.34. You should take particular care to ensure that any gifts or hospitality you give, offer or receive are reasonable, proportionate and transparent and are only given for legitimate business reasons.
- 1.35. HES has set out detailed rules and guidance for all HES employees to adhere to in relation to the offer, acceptance and documentation of gifts, meals, travel, accommodation, entertainment or any other hospitality. Please refer to the Gifts and Hospitality Policy.

## Mergers and Acquisitions

- 1.36. HES must conduct Corruption and Bribery due diligence on acquisition targets or potential joint venture partners, prior to any merger, acquisition or joint venture formation. Post-acquisition, merger or joint venture formation, HES will take appropriate action to ensure that the new HES business implements and adheres to this Policy.

## Consequences

- 1.37. A violation of anti-bribery and corruption rules can lead to very significant fines, criminal proceedings and prison sentences for the people involved. Additionally, Bribery and Corruption can cause serious damage to HES' reputation.
- 1.38. A violation of anti-bribery and corruption rules and/or a breach of this Policy can also have personal consequences for those involved, including disciplinary action or dismissal. Certain violations may also have to be reported to (regulatory) authorities, which could lead to further action from these authorities, also towards HES or personally.
- 1.39. Moreover, Bribery and Corruption also negatively impact social, economic and environmental development and undermine societal trust.
- 1.40. Therefore, it is extremely important that this Policy is complied with.

## Practical guidance

- 1.41. In order to translate the more generic information and policy rules as set out above, this Policy includes more concrete guidance, tailored to HES' day to day business, HES has prepared an overview of practical tips. Please refer to the List of Do's and Don'ts.
- 1.42. Please refer to the List of Red Flags for practical examples of situations that should cause to raise concern and to seek advice or report conduct.

## Books and records

- 1.43. All records of HES should be accurate and complete and any transaction with a Public Official or Third Party must be able to be substantiated and justified.
- 1.44. In addition to the documentation required to be stored pursuant to the Third Party Engagement Policy, all accounts, invoices and other records involving transactions must be recorded accurately, completely and timely. Appropriate documentation to support the transaction must be maintained, such as but not limited to:
  - All documentation in relation to fees required to obtain licenses/permits, including proof of payment.
  - All documentation related to alterations of payments initially agreed upon.
- 1.45. Specifically in respect of potential Policy breaches or incidents, the following information must be stored:
  - Correspondence (e-mails, texts, etc.) with a person inviting or inciting a Facilitation Payment or other form of Bribing.
  - Names, employers and functions of persons inviting or inciting a Facilitation Payment or other form of Bribing, insofar not included in any correspondence.
- 1.46. Under no circumstances should a person prepare an "off-book" or secret account, and no documents may be created which do not fairly and accurately reflect the transactions to which they relate.
- 1.47. The local compliance officer and Chief Compliance Officer will maintain an accurate and complete record of all reported incidents and the action taken in respect of these.



## Update history

- 1.48. This Policy will be reviewed and, if necessary, updated regularly by the Chief Compliance Officer and in addition may be reviewed and, if necessary, updated from time to time to take account of, for example, changes to legislation, regulatory developments or organisational changes.

VERSION	REVISED BY	DESCRIPTION	REVISION DATE

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