

First edition

Our code of conduct

Compliance and business ethics manual



Archer

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Message from the President and CEO

The Company's reputation for integrity is very important to us and is what provides us an opportunity to serve our customers. There is no more important issue than the lawful and ethical conduct of Archer employees in our relationships with customers, industry, government, and others. This is true in all countries and communities where the Company operates. Integrity is never to be sacrificed for the sake of results.

Every employee shares responsibility for maintaining a high standard of business conduct at Archer. This Manual summarizes the Company's business ethics policies and the code of conduct with which all employees are expected to comply. Read this Manual carefully and understand it fully. Contact your supervisor to obtain the full text of any policies summarized, if needed. Should a question arise as to the proper interpretation of a policy, ask your supervisor or the individuals indicated in the respective section of the Manual for clarification.

A single employee's misconduct can do much to damage a hard-earned reputation. All employees should understand the policies set forth in this Manual, and any violation of these policies is always considered outside the scope of their employment. Violation of these policies can expose both the Company and the individual employee to fines, imprisonment, and lawsuits. In addition, the employees who violate these policies are subject to appropriate disciplinary action by the Company, including possible termination of employment.

If you have employees reporting to you, you should take necessary steps to ensure your employees understand and follow these policies. All managers should periodically consult with their staff members to confirm that appropriate procedures for implementation of Company policies are in place and are being followed. A strong commitment to ethical conduct is an important criterion in promotion decisions.

About the Compliance and business ethics manual

The Manual stands for a fundamental Archer commitment – to comply with all applicable legal requirements and the high ethical standards set out in this Manual wherever we operate.

Why does Archer have a Compliance and business ethics manual?

To help us meet this commitment, the Manual details what the Company expects of its people regardless of location. It provides guidance on key subjects, references to more detailed policies, standards, and guidelines for further direction, and identifies who to contact for additional help.

However, the Manual cannot address every situation. In addition to seeking additional help, it is your individual responsibility to exercise good judgment and common sense, so that your actions do not damage Archer's hard-earned reputation for integrity.

What about different laws in different countries?

Archer does business globally, and that means our employees are subject to the laws and regulations of different countries, and of organizations such as the European Union. Each of us is responsible for knowing and following the laws that apply to us where we work.

The Manual establishes a universal framework for employee conduct applicable throughout the Company, regardless of location. Where differences exist as the result of local customs, norms, laws, or regulations, you should apply either the Manual or local requirements – whichever sets the highest standard of behavior.

The duties of those who supervise others

Those who supervise others have additional responsibilities under the Manual. They must:

- Promote compliance and business ethics by example – in other words, show by their words *and* behavior what it means to do the right thing.
- Make sure that those who report to them understand and follow the Manual's requirements.
- Support employees who, in good faith, raise questions or concerns.

Your personal commitment to doing the right thing

This Manual represents a commitment to doing the right thing. By working for Archer, you are agreeing to uphold this commitment. All employees must follow this Manual. Failure to do so is taken very seriously and may result in disciplinary action up to and including dismissal. ***No Archer employee will be negatively affected for refusing to carry out instructions that would result in a legal or policy violation.***

Additional key points

- Nothing contained in this Manual is intended to be, nor shall it be construed as, an employment agreement.
- The policies, guidelines, and related procedures referenced in this Manual are subject to change.
- This Manual supercedes any prior codes of conduct or similar documents of the Company or its subsidiaries and affiliates.

Section 1.0

Maintaining accurate records and financial integrity



1.1 Accounting and financial reporting

Honest, accurate, and complete recording and reporting of accounting and financial information is essential to Archer's credibility and reputation, meeting Archer's legal and regulatory obligations, and fulfilling Archer's responsibilities to shareholders and other external stakeholders.

Such recording and reporting also informs and supports Archer's business decisions and actions – informed decisions and actions are impossible with inaccurate or incomplete information.

All accounting and financial transactions must be accurately and fully recorded in the Company's financial records and financial reports.

All employees must:

Always

- follow all applicable laws, regulations, rules, and Archer policies for reporting information
- ensure all transactions are properly authorized and are accurately and completely recorded
- submit or approve only valid and properly documented expense reports
- ensure that no undisclosed or unrecorded account, fund, or asset is created or maintained
- ensure that transactions between the Company and its subsidiaries and other related entities are properly and accurately recorded and reported
- cooperate fully with Archer's internal and external auditors, providing them with accurate and complete information and allowing them access to staff and documents

Never

- intentionally make a false or misleading entry in a report, record, or expense report
- try to influence others to do anything that would compromise the integrity of the Company's financial records or reports
- sell, transfer, or dispose of company assets without proper documentation and authorization

Internal accounting controls

Senior management for each division have an additional responsibility to ensure that proper and adequate controls – in accordance with applicable laws, regulations, and rules – are in place to ensure honest, accurate, and complete accounting records and financial reporting.

Senior management for each division are required to submit a quarterly statement to Archer's Chief Executive Officer and Chief Financial Officer acknowledging their responsibility for the preparation and integrity of financial information submitted for inclusion in the Company's consolidated financial statements.

The statement will also acknowledge senior management's responsibility for fostering a strong ethical climate and maintaining adequate internal accounting controls in that division.

Key takeaways

1. The Company relies heavily on the accuracy of all financial records and reports for business decision-making.
2. Recording and reporting at the local/operational level is critically important to the Company's overall financial integrity and satisfying the Company's legal and regulatory obligations.
3. Problems are best addressed openly and directly rather than by making false or incomplete records or reports to hide problems.

If you have questions

Contact your Division Controller or Internal Audit.

Reporting violations

If you believe you are being asked to create any false or misleading entry, data, or report; if you are worried that a transaction is being, or has been, improperly recorded; or if you know of any other improper accounting or financial activities, you must promptly report such concern or incident to your Functional President or Division Controller, **and** Internal Audit.

Your prompt reporting will enable early management intervention to take place.

Reference materials

- *Accurate and complete records*, in this Manual
-

1.2 Accurate and complete records

Truthful and accurate recording of information (both financial or non-financial) is essential to Archer's credibility and reputation, informing and supporting Archer's business decisions and actions, meeting Archer's legal and regulatory obligations, and fulfilling Archer's responsibilities to shareholders and other external stakeholders.

All records that Archer employees create must accurately reflect transactions and events. No employee of the Company will falsify records in any way.

Records must be retained in accordance with all applicable laws and the Company's *Records Retention Policy*.

Accurate records

Financial records must conform to all applicable laws, regulations, rules, and Archer policies. The Company's records must be sufficient to disclose our financial position with reasonable accuracy at any time and must give a "true and fair view."

Other records (such as HSE performance, quality data, regulatory filings, and other important Company information) must also be accurate and complete. Again, both Archer policy and, in many cases, legal standards, require it.

This is true whether the record (whether financial or non-financial) is in the form of paper documents, electronic files, or any other medium that contains information about Archer or its business activities.

Failure to keep accurate and complete records is not only contrary to Archer policy but also may break the law. There is never a justification or an excuse for falsifying records or misrepresenting facts.

Intentionally falsifying or creating misleading information may lead to fraud, and the Company will not tolerate fraud of any kind.

Records retention

Records must be retained in accordance with all applicable laws and Archer's *Records Retention Policy*.

Never

- hide, alter, destroy, or otherwise tamper with:
 - company records except as authorized in accordance with Archer's ***Records Retention Policy***.
 - documents relating to actual, pending, or threatened litigation or government audits and investigations.
- remove or destroy records before the date specified in the appropriate retention schedule without first obtaining permission as outlined in Archer's *Records Retention Policy*

However, if records are no longer required for operational purposes and retention is not required by law or the Company's *Records Retention Policy* then destruction and secure disposal is appropriate.

Key takeaways

1. The Company's financial and operational integrity starts with you. What you record has legal and business implications.
2. Poor data means lost time and effort. We cannot meet our business objectives if we are working with bad data.
3. All Company records – not just financial ones – are important. Job reports, maintenance logs, driver logs, time reporting, accident reports, and quality/reliability data are all examples of key records.

If you have questions

For questions about financial records, contact your Division Controller or Internal Audit.

For questions about non-financial records, contact your manager, Functional President, or Compliance Counsel.

Reporting violations

You must promptly report any false or misleading financial records to your Functional President or your Division Controller, **and** Internal Audit.

You must promptly report any false or misleading non-financial records to your manager or Functional President, **and** Compliance Counsel.

Reference materials

- Records Retention Policy
 - *Accounting and financial reporting*, in this Manual
-

1.3 Securities transactions and insider trading

Archer is committed to supporting fair and open securities markets throughout the world. The term “securities” includes any and all financial instruments, such as: stock, warrants, puts, calls, options, and other contracts to buy or sell stock; and bonds and other debt instruments.

Archer employees are prohibited from trading on the basis of “material non-public information” (also called “inside information”) in stock or other securities of Archer. In addition, Company employees must not speculate on Archer stock.

Company employees must not share material non-public information with any person outside Archer. Inside Archer, employees may share such information only on a need-to-know basis.

Facts about insider trading laws

- **Insider trading laws are enforced around the world.**
- **It is illegal to abuse the market by behaviour based on inside information.** This includes trading or failing to trade due to information not available to the public.
- **Penalties are severe.** Breaches of insider trading laws are taken very seriously and penalties can include imprisonment or fines.
- **Leaking material inside information or tipping someone off can break the law.** If you give material inside information to someone outside the company, you may be breaking the law – even if you did not personally benefit from the trade.

- **Material inside information may also be about another company.** It may be information you have obtained confidentially about another company during the course of your work – for example, a customer or supplier. In this case, you must not trade in securities of that company while in possession of insider information.

- **Market manipulation is also illegal.** Market manipulation involves spreading false information or engaging in activities designed to manipulate the price of publicly listed securities.

What is “Non-public” or “inside” information?

“Non-public” or “inside” information means information that relates, directly or indirectly, to Archer or another company that is not available to the public.

What is “material” information?

“Material” information is any information that a reasonable investor is likely to consider important in deciding whether to buy, sell, or hold a company’s shares. Examples of material information include:

- major new products, services, or patents
- significant new contracts
- earnings statements and forecasts
- changes (positive or negative) in actual or projected sales or earnings
- major developments in litigation
- expected governmental actions

- significant changes in management personnel or structure
- significant changes in capital expenditure plans or borrowing
- adverse changes in liquidity, such as a sharply decreased cash flow or the unavailability of needed credit
- joint ventures or mergers with, or acquisitions of, other companies
- public or private offerings of a significant amount of additional stock
- changes in dividends
- stock splits, stock dividends, and stock repurchases
- significant changes in the Company's asset values or lines of business

24-hour waiting period

Archer employees who possess material non-public information about Archer can buy and sell Archer stock only after a 24-hour waiting period after that information has been disclosed to the public in a press release or in a filing with the appropriate securities regulatory authorities.

Similarly, no employee of Archer who possesses material non-public information about any other company may buy or sell securities until 24 hours after the material inside information becomes public – that is, after a company public announcement or filing is made and investors have had 24 hours to evaluate the information.

Directors and officers

Archer Directors and Executive Management are subject to additional requirements before engaging in transactions involving Archer securities. See *Securities and Insider Trading Regulations for the Board of Directors and Executive Management*.

Speculating in Archer stock

It is against Company policy for any employee to speculate in the Company's stock or other securities, as this can create the appearance of insider trading.

Examples of speculating include:

- any short selling
- trading in options such as puts or calls, forward or futures contracts, bonds, notes, and investments whose value is determined by the price of such securities (such as derivatives or spread bets)
- short-term and frequent trades

If you have questions about whether a particular proposed action would constitute speculation, contact the Chief Financial Officer or the General Counsel.

Basic rules you must follow

Never

- buy or sell stock or other securities in Archer while in possession of material non-public information – even if you think you are not relying on it
- disclose material non-public information to anyone outside the Company, including family members
- speculate in Archer stock
- spread false information or engage in other activities to manipulate the price of publicly listed securities
- buy or sell stock or other securities in another company using material non-public information
- engage in any other behaviour that may be regarded as a failure to observe the standards of behaviour reasonably expected of you based on your position in relation to the market

Always

- only disclose material inside information to another Archer employee when it is necessary for you to do your job
- protect inside information from accidental disclosure

Key takeaways

1. Never trade **any** company's stock based on material inside information.
2. Do not share material inside information with anyone unless they have a business need for it and are approved to receive it.
3. Never speculate on Archer stock or related securities.

If you have questions

Contact the Chief Financial Officer, General Counsel, or Compliance Counsel.

Reporting violations

You must promptly report any suspected violation to the Chief Financial Officer, or General Counsel, **and** Compliance Counsel.

Reference materials

- Securities and Insider Trading Policy for the Board of Directors and Executive Management
-

Section 2

Health, safety and the environment



2.1 Health, safety and the environment

Archer is fully committed to conducting business in the safest possible manner and being good stewards of the environment. At Archer, our goal is: no accidents, no harm to people, and no damage to the environment.

The Company is committed to the health and safety of its employees, contractors, and customers; to the health and safety of the communities in which it operates; and to the protection of the environment.

Every employee has a responsibility for getting HSE right. No activity is so important or urgent that it cannot be done safely.

Accordingly, every employee has Stop Work Authority: the ability to stop any job or task that may be unsafe or damage the environment.

Safeguarding people and the environment

All employees are responsible for constantly working to achieve:

- zero incidents
- zero injuries
- zero collisions
- zero environmental spills

This begins with following the HSE laws and regulations that apply to your work location as well as all Company HSE standards and procedures. More than simply obeying rules – each employee is also responsible for:

- always considering the health, safety, and environmental aspects of every job or situation; and
- being part of, and fostering, a safety culture that empowers all employees to stop any job or task that may be unsafe or damage the environment

Reporting and recording HSE incidents

This Manual's section on *Accurate and complete records* applies to all types of Company records, including HSE reports. Each employee has the obligation to accurately and completely report incidents to their supervisor and local HSE manager for entry into Archer's HSE incident database. The falsification of reports or concealment of facts related to an incident is grounds for disciplinary action up to and including termination.

Key takeaways

1. No activity is so important or urgent that it cannot be done safely.
2. Stop any work that becomes unsafe.
3. Immediately report to your supervisor and local HSE manager any incident, accident, injury, unsafe or unhealthy condition, spill, or release of material to the environment, so that steps can be taken to correct, prevent, or control the condition immediately. ***Never assume that someone else will report a risk or concern.***

If you have questions

Contact your supervisor, local HSE Manager, or the Director of HSE.

Reporting violations

You must promptly report any suspected violation of this section or Archer's HSE standards and procedures to your supervisor or local HSE Manager **and** the Director of HSE.

HSE incidents are to be immediately reported to your supervisor and local HSE manager for entry into Archer's HSE incident database.

Reference materials

- *Accurate and complete records,* in this Manual
-

Section 3

Fair and honest business practices



3.1 Gifts, meals and entertainment

This section applies to gifts, meals, and entertainment both *from* Archer employees and *to* Archer employees. The exchange of gifts, meals, and entertainment can build goodwill in business relationships and is common business practice in many countries.

However, some gifts, meals, and entertainment can create conflicts of interest or the appearance of conflicts of interest. Some can even be seen as bribes that break the law or tarnish Archer's reputation for competing fairly. See *Conflicts of interest* and *Bribery and corruption* sections in this Manual.

Definition of “gifts”

“Gifts” can be anything of value, not just physical goods. Examples of “gifts” can include cash, stocks, bonds, gift certificates, debit cards, loans, or other money equivalents. Gifts can also include services, favors, jobs for relatives, jewelry, donations to charity, political contributions, transportation, use of vehicles, vacations, event tickets, and other items of value.

Additional restrictions apply to charitable donations and political contributions on behalf of Archer. See *Charitable donations* and *Political contributions* sections in this Manual.

Prohibited gifts, meals, and entertainment

Some types of gifts, meals, and entertainment are simply wrong. These can never be given or received, and no one can approve them. These are:

- any gift, meal, or entertainment that would be illegal under local or international bribery and corruption laws

- gifts, meals, or entertainment meant to improperly influence a tender or competitive bidding process
- any gift of cash, debit cards, loans, stock, or bonds
- any gift, meal, or entertainment that is a “quid pro quo” (offered for something in return)
- any gift or entertainment that is indecent, sexually-oriented, does not comply with Archer's commitment to mutual respect, or that otherwise might embarrass the Company

If you are not permitted to take the action listed above, it is also against Company policy for an agent or representative to take the action on Archer's behalf. Similarly, you may not pay for the item yourself to avoid having to report it to the Company.

In cases where you are offered a prohibited gift, meal, or entertainment, you must decline and explain by noting your obligation to follow Archer rules. In most instances, the offerer will be subject to similar rules and will understand.

Acceptable gifts, meals, and entertainment

Subject to the prohibitions above and meeting the acceptability test below, nominal or reasonable gifts, meals, and entertainment in accordance with common business practices can be given and received.

Many of our customers have policies prohibiting or limiting gifts, meals, or entertainment to their employees. In some cases, Archer has certified that it will follow such policies. Thus, in addition to Archer's policies, you should be mindful of customer's policies before offering gift, meals, or entertainment to their employees.

If the gift, meal, or entertainment is for someone in government, including employees of government-owned or controlled companies (such as national oil companies), then additional rules apply. See *Bribery and corruption* section of this Manual. For example, in some countries government officials are prohibited from accepting **any** gifts, meals, or entertainment, no matter what the value.

Special guidelines apply to customer trips and visits to Archer facilities or field operations – such as when Archer is asked or required to provide training or demonstrations for, or to allow inspections by, our customers. See *Gifts, Meals, and Entertainment Guidelines for Customer Training, Demonstrations, and Inspections* under Reference Materials below.

Archer employees may not request or solicit gifts, meals, or entertainment from current or potential Archer vendors or suppliers. Exceptions may apply, (1) where Archer employees assist a charitable organization in fundraising efforts, or (2) for Company sponsored events such as golf tournaments. To determine if an exception applies to your circumstances, consult with your Functional President or Compliance Counsel.

Acceptability test

Always ask yourself the following questions to determine whether a gift, meal, or entertainment is appropriate:

- **Purpose** – Is the purpose only to build a business relationship or to offer a normal courtesy? Or is it to influence your or the recipient's objectivity in making a business decision? (If the latter, the proposed gift, meal, or entertainment is inappropriate).
- **Amount and frequency** – Is it infrequent and the amount nominal or reasonable? (If not, the proposed gift, meal, or entertainment is inappropriate).
- **Legality** – Are you sure that the gift, meal, or entertainment is legal both in your country and in the country of the third party? (If not, the proposed gift, meal, or entertainment is inappropriate).
- **Third party's company rules** – Is the giving or receiving of the gift, meal, or entertainment allowed by the third party's own company policies? (If not, the proposed gift, meal, or entertainment is inappropriate).
- **Reputation** – Would you be embarrassed if your manager, colleagues, or the public became aware of the gift, meal, or entertainment? (If so, the proposed gift, meal, or entertainment is inappropriate).

Gifts, meals, and entertainment requiring approval

You must have **written** approval from your Functional President before giving or receiving the following:

- Meals that may cost more than US\$100 per person
- Entertainment that may cost more than US\$200 per person
- Gifts valued at more than US\$50.

If your manager(s) have set lower limits, then those apply to you.

The Company recognizes that there are certain situations and cultures where not accepting certain gifts would be considered discourteous or even insulting, thus making written pre-approval impractical. In such cases, such gifts may be accepted, but you must immediately report the gift to your manager and Compliance Counsel, who will determine if the gift can be kept by you or will become the property of Archer.

Key takeaways

1. How your actions may be perceived is critical. Fair business decisions, by you and others, are those that are objective and impartial.
2. Improper gifts, meals, and entertainment may be considered a bribe.
3. Never give or accept any gifts, meals, or entertainment that could embarrass you or the Company.

If you have questions

Contact your manager, Functional President, or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to your manager or Functional President, **and** Compliance Counsel.

Reference materials

- *Conflicts of interest*, in this Manual
 - *Bribery and corruption*, in this Manual
 - Gifts, Meals, and Entertainment Guidelines for Customer Training, Demonstrations, and Inspections
-

3.2 Bribery and corruption

Acts of bribery can seriously damage Archer's reputation, significantly impact our business success, and subject the Company and you to severe penalties and even imprisonment.

As an Archer employee you must never – directly or indirectly – give, offer, promise to give, or accept bribes or facilitation payments in any form for any reason. You must never authorize any such acts. This rule applies to transactions or interactions with any person, including government officials, employees of any government owned or controlled company, or with any private company and its employees.

Integrity is never to be sacrificed for the sake of results. Senior management of the company will fully support any employee or representative who declines to make or authorize an improper payment, even if the result is delays or the loss of a business opportunity.

In rare instances, an employee will face a situation where he or she, their work colleague, or their family is in immediate danger of physical harm and no other reasonable alternative to an improper payment is available. An exception applies to this situation, discussed below. The danger must be real and immediate and of serious physical harm.

Aggressive and growing enforcement worldwide

Archer is committed to obeying the law in all countries where the Company does business. All countries have laws that prohibit bribery. In addition, an increasing number of countries and international

organizations – notably Norway, the United States, the United Kingdom, the European Union, and signatories to the Organization for Economic Co-operation and Development (OECD) and United Nations anti-bribery conventions – have adopted laws to prohibit bribery even when it is committed outside these countries' own borders. A breach of any of these laws is a serious offence which can result in fines for companies and imprisonment for individuals.

The U.S. in particular has aggressively enforced its law, the Foreign Corrupt Practices Act (FCPA). Also, the U.S. FCPA along with the U.K. Bribery Act both have far-reaching jurisdiction – meaning the Company must be mindful of its employees' and representatives' actions in all its locations.

Archer requires all of its employees and representatives worldwide to comply with all applicable bribery laws. It is no excuse that bribery is not enforced by your local government or that it is common in your country.

Definition of “Bribery”

Bribery means giving, offering, or promising to give anything of value to another person to induce them to improperly perform a relevant function or activity in their position of trust, or as a reward for improper performance. This includes giving, offering,

or promising to give anything of value to current or potential non-government customers, vendors, or suppliers to improperly obtain or retain business, or for any other business advantage.

It is considered a separate offence to bribe someone in government. This is enforced seriously under the FCPA and can result in heavy fines and even imprisonment.

Bribery also includes authorizing any such acts.

“Anything of value” includes cash, stocks, bonds, gift certificates, loans, or other money equivalents, services, favors, jobs for relatives, jewelry, donations to charity, political contributions, transportation, use of vehicles, vacations, event tickets, and other items of value.

“Business advantage” is interpreted broadly. For example, the definition includes – but is not limited to – winning or renewing contracts; obtaining permits, licenses, or visas; avoiding or reducing your tax or duty liability; resolving legal disputes; collecting on accounts receivables; importing and exporting; and other business steps.

“Someone in government” includes any official, director, officer, employee, agent, or representative of any:

- government
- government agency, department, or instrumentality
- government-owned or controlled company (such as a national oil company), or public international organization (such as the European Union or World Bank)

Requesting or receiving a bribe

It is also an offence to request, accept, or receive a bribe.

You cannot do indirectly what you cannot do directly

You cannot give, offer, promise to give, or request, accept, or receive bribes or facilitative payments through a third party such as agents, joint venture partners, distributors, attorneys, tax consultants, freight forwarders, customs brokers, visa processors, or other third party service providers.

You must also be diligent in selecting and monitoring third parties that act on the Company’s behalf. You cannot ignore or be willfully blind to the illegal conduct of third parties providing services to the Company. The Company has policies regarding the selection and approval for certain third parties, such as agents, joint venture partners, freight forwarders, and customs brokers. See reference materials below.

Exception for customary business gifts, meals, and entertainment

Giving or receiving nominal or reasonable business gifts, meals, and entertainment is acceptable provided it is in accordance with the *Gifts, meals, and entertainment* section of this Manual and other Company policies.

Facilitation payments

Archer does not allow facilitation payments.

A facilitation payment is a relatively small payment to a low-level government employee to enable or speed up a routine and non-discretionary government action. A facilitation payment is facilitative only if the Company or employee is otherwise eligible for the action – for example, if all paperwork is in order. Facilitation payments are bribes in nearly all countries.

Exception for immediate danger of serious physical harm

In rare instances, an employee will face a situation where he or she, their work colleague, or their family is in immediate danger of physical harm and no other reasonable alternative to an improper payment is available. If the conditions below exist, a payment may be made:

- The danger must be real and immediate, and
- The danger must be of serious physical harm

In such cases:

- you must report the incident and payment to your manager or Functional President, **and** Compliance Counsel as soon as possible, and
- the payment must be accurately recorded in Archer's books and records

Improper payments must be reported and recorded accurately and completely

Various laws, including the FCPA, require that companies maintain books and records that accurately and completely reflect each transaction. See *Accurate and complete records* in this Manual.

As such, in the event that an improper payment is made under this rule, you must still report the incident and payment to your manager or Functional President, **and** Compliance Counsel as soon as possible, and the payment must be accurately recorded in Archer's books and records. False, misleading, or incomplete entries in the books and records of the Company are strictly prohibited.

If you are offered or requested to pay a bribe or facilitation payment

You must refuse (citing Archer rules and requirements can be helpful) and report the incident to your manager or Functional President, **and** Compliance Counsel as soon as possible.

Key takeaways

1. Local practices do not justify a bribe, there is never an excuse.
2. Many countries have made enforcement of bribery laws a priority.
3. Bribery can come in many forms; it may involve more than cash.
4. Bribery preys on the unprepared. Do not substitute bribery for lack of preparation.

If you have questions

Contact your manager, Functional President, or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to your manager or Functional President, **and** Compliance Counsel.

Reference materials

- *Accurate and complete records*, in this Manual
 - *Gifts, meals, and entertainment*, in this Manual
 - Procedure for the Retention of Sales Agents, Distributors, and Joint Venture/ Other Partners (Tier 1 Representatives)
 - Procedure for the Retention of Freight Forwarders, Customs Brokers, Lawyers/ Law Firms, Tax Consultants/Tax Firms, and Visa Processors (Tier 2 Representatives)
-

3.3 Conflicts of interest

Archer respects its employees' privacy and does not normally take an interest in personal conduct and associations outside of work. A conflict between your personal interests and the interest of the Company can arise, however, if you or a close relative has a financial interest that could interfere with your responsibilities at Archer.

Actual conflicts must always be avoided, but even the **appearance** of a conflict of interest can be harmful. It is your responsibility to ensure that neither you nor any close relative receives (or is perceived as receiving) any improper benefit from your position with Archer.

Conflicts of interest can arise in many ways. Here are examples of common ones.

Outside jobs and affiliations

Outside employment and affiliations can create conflicts of interest. Examples include having a second job with, performing services for, or serving as a director or consultant of a competitor, customer, or supplier of goods or services of/to Archer.

You must never work, provide services, or serve as a director or consultant for any competitor, customer, or supplier that you deal with as part of your job with Archer. For all other relationships with competitors, customers, or suppliers that could possibly raise a conflict of interest, you must follow the disclosure process below.

Business ties to close relatives or persons with whom you have a romantic relationship

A "close relative" means a spouse, parent, step-parent, child, step-child, sibling, step-sibling, nephew, niece, aunt, uncle, grandparent, grandchild, and in-laws.

The business associations of close relatives may also create conflicts of interest. If a close relative works or performs services for, owns an interest in, or serves as a director or consultant to, a competitor, customer, or supplier, you should disclose the potential conflict. Your close relative should not have any business dealings with you, with anyone working in your business unit, or with anyone who reports directly or indirectly to you unless you have obtained prior written approval as outlined below.

In addition, you should never hire, supervise, or evaluate any close relative or person with whom you have a romantic relationship, regardless of whether that person is an Archer employee or employed by an Archer contractor. Similarly, you should never affect the terms and conditions of employment or influence the management of any close relative or person with whom you have a romantic relationship. Exceptions require specific written approval by your Functional President.

Other personal relationships

Personal working relationships developed over time with our customers, contractors, and suppliers are natural and can benefit the Company. However, you are expected to put the Company's interest ahead of your own. Any Company employee selecting contractors and suppliers or approving their quotations or invoices must be especially diligent in following Company policies and

procedures and avoid any situation that could result in or appear as a conflict of interest. If you have a personal interest that could possibly raise a conflict of interest then you must follow the disclosure process below.

Investments

You need to be careful that your investments do not create conflicts of interest or impair your ability to make objective decisions on behalf of the Company. Conflicts can especially occur when owning an interest in a competitor, customer, or supplier of goods or services to the Company. It may also be a conflict of interest if you own property adjacent to Company property or otherwise of value to the Company that could affect or be affected by the Company's activities.

Some investments are always wrong:

- Never invest in a supplier if you have any involvement in the selection or assessment of, or negotiations with, the supplier – or if you supervise anyone who has this responsibility.
- Never invest in a customer if you are responsible for dealings with that customer or supervise anyone with this responsibility.

There are exceptions for investments in (1) stock and other securities of publicly traded companies where you own less than 1% of the company, and (2) widely held mutual funds. These exceptions are nonetheless subject to this Manual's section on *Securities transactions & insider trading*.

Usually, whether an investment creates a conflict of interest is a matter of good judgment. When deciding whether an investment might create a conflict, ask yourself:

- Would the investment affect any decisions I make for the Company?
- How would the investment look to others inside the Company – would they think it might affect how I do my job for the Company?
- How would it look to someone outside the Company, such as a customer or shareholder, or even in a newspaper?

If you hold or are considering an investment that could be viewed as a conflict of interest then you must follow the disclosure process below.

Legal proceedings

If you or a close relative are involved in a legal proceeding in which you or your close relative are an adverse party to the Company or have an interest adverse to the Company then you must follow the disclosure process below.

Disclosure and approvals

If you think you may have a conflict of interest, you must promptly disclose this to your manager and HR Manager, or your Functional President who can then decide how to resolve any conflict of interest, including issuing a written conflict waiver (if applicable). A conflict of interest concerning a director must be declared to the Board of Directors and authorized by a Board resolution. ***Many conflicts of interest can be resolved in a mutually acceptable way, but such resolutions can only take place if reported. On the other hand, failure to disclose a conflict may lead to disciplinary action, up to and including termination.***

Key takeaways

1. Many conflicts of interest can be resolved in a mutually acceptable way, but such resolutions can only take place if reported. On the other hand, failure to disclose a conflict may lead to disciplinary action, up to and including termination.
2. Decisions must be based on merit and the Company's best interests, not your personal or financial interests.
3. When in doubt, always check. Doing so is better than finding out the hard way that you have a conflict and did not disclose it.

If you have questions

Contact your HR Manager, Functional President, or Internal Audit.

Reporting violations

You must promptly report any suspected violation to your HR Manager or Functional President, *and* Internal Audit.

Reference materials

- *Securities transactions & insider trading*, in this Manual
-

3.4 Competition and antitrust laws

All countries where Archer operates have competition and antitrust laws that make it illegal to engage in activities that reduce competition or restrain fair trade. Archer firmly supports these laws and requires all employees to comply with them.

Employees involved with planning, operations, pricing, sales, purchasing, or manufacturing should be especially cautious. Even casual conversations with competitors about market dynamics (including pricing, sales, or competition) can lead to severe penalties and criminal prosecution for you and the Company.

You must never discuss pricing, market share, dividing markets or customers, Archer's equipment capacity, or Archer's ability to service customers with competitors.

What is prohibited

You must always be mindful of competition and antitrust laws when talking or dealing with competitors and suppliers. ***Any agreement to prevent, restrict, or distort competition is strictly prohibited.***

With competitors

Competition and antitrust laws make it illegal to agree with competitors to:

- rig bids
- fix or stabilize prices
- allocate markets
- limit production
- limit or control technical development or investment
- discriminate against customers or suppliers

Agreements are not limited to written contracts, and conversations can easily be misinterpreted. Thus, you should never discuss pricing, market share, or the division of markets or customers with our competitors. Similarly, never discuss with our competitors Archer's capacity to serve a market or the demand for Archer's materials or services.

With customers or suppliers

When dealing with customers or suppliers, the laws prohibit:

- agreements to boycott competitors
- price-fixing agreements relating to resale prices
- tying arrangements – forcing a company to buy less-desired products or services from Archer in order to obtain the items or services it really wants
- reciprocity – forcing a company to buy products or services from Archer based on the volume of Archer's purchases from that company

If you encounter any of these situations, you must immediately decline (if applicable), excuse yourself, and report the matter to your Hemisphere Counsel, Compliance Counsel, or the General Counsel.

You must be especially careful with:

- **Trade association meetings, trade shows, or conferences.** At events where competitors, customers, and/or suppliers are present, conversations can naturally drift to inappropriate subjects. If you encounter such a situation, you must immediately excuse yourself and report the matter to your Hemisphere Counsel, Compliance Counsel, or the General Counsel.
- **Price lists.** Except for bona fide commercial purposes where Archer is selling or buying a product from, or selling a product to, a competitor, you must never accept or provide pricing information from or to competitors.
- **Price fixing.** “Price” can mean the sale price, discount, or other terms and conditions of sale.

Key takeaways

1. Employees involved with planning, operations, pricing, sales, purchasing, or manufacturing should be especially cautious about competition and antitrust laws.
2. Agreements are not limited to written contracts, and conversations can easily be misinterpreted.
3. Never discuss these topics with competitors: pricing, market share, dividing market or customers, market strategy, or capacity.

If you have questions

Contact your Hemisphere Counsel, Compliance Counsel, or the General Counsel.

Reporting violations

You must promptly report any suspected violation to your Hemisphere Counsel or the General Counsel, and Compliance Counsel. Prompt reporting can help the Company prevent or limit any potential harm.

3.5 Trade control, sanctions, and anti-boycott laws

All countries where Archer operates have laws regulating imports and exports. Some countries where we operate have laws dealing with economic sanctions or other countries' economic boycotts.

All employees – and particularly those who work on the sale, shipment, or electronic transfer or disclosure of goods, services, software, or technology across international borders – must know and comply with applicable rules and regulations. This applies whether the transfer or disclosure is between two Archer companies or between Archer and a third party.

No business transaction is so important or urgent that it justifies breaking the law.

The laws discussed in this section are often driven by international politics. While the Company is non-political, it must operate within the applicable laws. Failure to observe any of these laws can cause operational delays, damage our reputation, and subject the Company to criminal and civil fines and/or loss of export privileges. Employees can also be fined or sent to prison for violations of these laws.

The scope and application of these laws is quite complex and varies greatly from country to country. With all of these laws, you must follow the three “knows”:

- **know your customer** – who and where they are, what they do, and how they will use your goods, services, technical information, or software
- **know what you are shipping** – the country of origin for each item and whether a license or permit is required (for export or import)

- **know where you are shipping** – the ultimate destination and all intermediate destinations

Export control and import laws

All countries where Archer operates have laws regulating imports and exports. Failure to comply with such laws is one of the primary causes of delays in shipping and clearing customs – as well as requests for bribes and other improper payments – in international transactions. Following such laws has real, tangible operational benefits.

Following such laws also reduces the risk of the Company being subject to costly investigations, fines, and other penalties by government authorities. The United States is one country that aggressively regulates the export of goods, software, and technology to specific countries, entities, and individuals, and for certain end-uses. The Company's large presence in the U.S., and the number of customers, vendors, and competitors with strong ties to the U.S., make U.S. law particularly relevant for Archer and the oil and gas industry as a whole. U.S. law seeks to regulate not only the original export from the United States but also any later re-export of U.S.-origin items from one country to another.

The Company has a worldwide Trade Compliance Management System (TCMS). The Global Trade Control & Compliance Manager manages this system and

supports the regional trade compliance functional teams throughout the world. The TCMS provides worldwide standards for proper exporting, re-exporting, and importing, mainly:

- classifying products
- determining (and processing) license/ permit requirements
- screening customers and shipments
- declaring values completely and accurately
- determining countries of origin for duty and tax assessment
- submitting accurate and complete documentation
- selecting freight forwarders and customs brokers
- properly using and managing temporary imports
- proper recordkeeping

See *Trade compliance standards* and *Trade compliance policy* under Reference materials below.

All employees – and particularly those who work on the sale, shipment, electronic transfer, or disclosure of goods, software, or technology across international borders – must become familiar with these laws and standards, and perform their jobs consistent with them.

Economic sanctions laws

From time to time, countries will impose economic sanctions against other countries for political reasons. These sanctions often change over time as international relations improve or worsen. The sanctions can apply to specific countries, companies, and/ or individuals.

Sanctions, including a list of sanctioned countries, are discussed in greater depth in the *Sanctions Policy*. See Reference materials below.

As a general rule, no Archer location should conduct any business in or with a sanctioned country. Any exception requires the prior written approval of the Chief Compliance Officer/Compliance Counsel. In some cases, sanctions imposed by one country may conflict with the laws of another country (see anti-boycott laws section below). If you face this situation, contact the Chief Compliance Officer/ Compliance Counsel who will assess the situation or arrange for local counsel to advise you on the conflict.

Anti-boycott laws

Some countries have laws which prohibit companies and individuals that are subject to those laws from participating, or agreeing to participate, in any sanctions/boycotts opposed by that country. Such laws are called anti-boycott laws. The United States is one country which has implemented anti-boycott laws, so (1) U.S. companies, (2) non-U.S. subsidiaries of U.S. companies, (3) employees of no. 1 and no. 2, and (4) U.S. residents must comply with those laws.

Boycott requests can come in any number of forms, but are most often seen in invitations for bids, draft contracts, purchase orders, letters of credit, and shipping documents or instructions. While some boycott requests are obvious, other boycott language is not.

Examples of boycott requests include, but are not limited to, requests to:

- refuse or agree to refuse to do business with/in certain countries or companies
- provide or agree to provide information about business relationships with/in certain countries or companies
- discriminate or agree to discriminate against persons based on race, religion, sex, or nationality

- provide or agree to provide information about the race, religion, sex, or nationality of certain persons

All boycott-related requests received by Company personnel **anywhere in the world**, must be forwarded to your Hemisphere Counsel or Compliance Counsel who will advise you on an appropriate response. Even if you do not expect to respond to the request, you must still report the request.

Anti-boycott laws, including examples of boycott requests, are discussed in greater depth in the *Anti-boycott Policy*. See Reference materials below.

Key takeaways

1. Always know your customer and the ultimate destination and end use of your goods, services, technical information, or software.
2. Trade controls involve more than trading with risky countries. They cover any import or export of parts, equipment, services, data, and knowledge worldwide.
3. No business transactions is so important or urgent that it justifies breaking the law.

If you have questions

For trade control and sanctions questions, contact the Global Trade Control & Compliance Manager or Compliance Counsel.

For anti-boycott questions, contact your Hemisphere Counsel or Compliance Counsel.

Reporting violations

Any suspected violation of trade control or sanctions laws must be immediately reported to the Global Trade Control & Compliance Manager **and** Compliance Counsel.

Any suspected violation of anti-boycott laws must be immediately reported to your Hemisphere Counsel **and** Compliance Counsel.

Reference materials

- Trade Compliance Policy
 - Trade Compliance Standards
 - Sanctions Policy
 - Anti-boycott Policy
-

Section 4

Protecting and using company assets



4.1 Theft and abuse of company assets

Archer employees use Company assets to perform their jobs. These assets include Company property, funds, time, intellectual property, confidential information, and corporate opportunities.

All Archer employees are responsible for protecting Company assets against theft, waste, loss, damage, misuse, or infringement and for using these assets in appropriate ways. Employees also have a duty of care to report the theft or abuse of Company assets by others.

Company property

You are responsible for ensuring that Archer property that you use as part of your work is not stolen, wasted, lost, damaged, or misused.

Company property includes buildings and other facilities; operational equipment, tools, and supplies; and office equipment, tools, and supplies.

Company property is to be used for business purposes. Limited, occasional, and incidental personal use is permitted for certain Company equipment issued for your individual use (such as vehicles, computers, or telephones). See also *Use of information technology* in this Manual.

Transferring and disposal of company property

When considering the transfer or disposal of Company assets, you must follow Archer's established guidelines and procedures and obtain all necessary approvals for such transfers or disposals.

Company funds

Always protect Archer's funds as you would your own – guarding it against theft, waste, loss, or misuse. Theft of funds includes embezzlement and kickback arrangements. Misuse of Company procurement or credit cards you may hold is also theft. These are not the only examples.

All expense reports, bills, and invoices created by you must be legitimate and accurate. Employees who submit false expense reports, bills, or invoices will be disciplined, including and up to termination. Similarly, all expense reports, bills, and invoices received by you must be carefully reviewed for legitimacy and accuracy. See *Accurate and complete records* in this Manual.

Company time

Your time at work is for working. When at work, you are expected to be fully engaged in your work and not undertaking personal activities beyond a reasonably modest level. You are expected to devote the necessary time and attention to your work in order to fully accomplish your responsibilities.

Those required to report their hours worked must do so truthfully and accurately. Employees are responsible for properly clocking in and out. Tampering, falsifying, or otherwise altering a time card (or other time reporting form) or failure to properly clock in and out are grounds for disciplinary action. Employees also must not clock in or out for another employee.

Employees eligible for overtime pay must obtain supervisor approval to work overtime. Employees who work overtime without approval, or who fail to report overtime actually worked (whether approved or not) may be subject to disciplinary action.

Company intellectual property and confidential information

You are responsible for protecting Archer's intellectual property and confidential information. See *Intellectual property and confidential information* in this Manual.

Corporate opportunities

Archer employees may not use any information obtained in their employment with Archer to exploit for their own personal benefit a business opportunity that belongs, or should in fairness belong, to the Company. Accordingly, employees are prohibited from:

- taking personally for themselves opportunities that are discovered through the use of Company property, proprietary and confidential information, or their position
- using Company property, proprietary and confidential information, or their position for personal gain
- competing with the Company

See *Conflicts of interest* and *Intellectual property and confidential information* sections in this Manual.

Key takeaways

1. Theft and abuse of Company assets take many forms and come in all sizes.
2. Your co-workers' theft and abuse hurts you and the Company and must be reported.
3. Theft and abuse of Company assets may result in criminal prosecution.

If you have questions

For Company property and time questions, contact your HR Manager or Internal Audit.

For Company funds questions, contact your Controller or Internal Audit.

For Company intellectual property and confidential information questions, contact the General Counsel or Compliance Counsel.

For corporate opportunity questions, contact the General Counsel or Compliance Counsel.

Reporting violations

Any suspected violation of Company property and time rules must be immediately reported to your HR Manager and Internal Audit.

Any suspected violation of Company funds rules must be immediately reported to your Controller and Internal Audit.

Any suspected violation of Company intellectual property and confidential information rules must be immediately reported to the General Counsel or Compliance Counsel.

Any suspected violation of corporate opportunity rules must be immediately reported to the General Counsel or Compliance Counsel.

Reference materials

- *Use of information technology*, in this Manual
 - *Accurate and complete records*, in this Manual
 - *Conflicts of interest*, in this Manual
 - *Intellectual property and confidential information*, in this Manual
-

4.2 Intellectual property and confidential information

Archer's success requires technological innovations. These innovations improve products, increase revenue, and lower costs. The Company spends a lot of money to develop these innovations because they give Archer an advantage over our competitors.

Employees must protect the Company's trade secrets and other confidential information, whether technical or business information.

Employees must also respect the trade secrets and intellectual property rights (such as patents) of other companies. In their work for Archer, employees must not disclose or use any confidential information learned while working for another company.

Definitions

- **Intellectual property** – for purposes of this section, “intellectual property” means any idea, process, identity mark, invention, or improvement conceived by an employee that relates to the Company's business or was developed or acquired with Company resources. Intellectual property includes **trade secrets**, patents, trademarks, service marks, domain names, and copyrights.

- **Trade secret** – for purposes of this section, a “trade secret” is any information that has economic value to the Company because of its secrecy – something that gives the Company an advantage over its competitors, or that would be harmful to the Company if its competitors obtained that information. It includes, but is not limited to:

- non-public information about the Company's products and technology (such as formulas, drawings, lab results,

- R&D information for new or improved products, invention disclosures, and pending patent applications)

- business methods (such as business and marketing strategies and financing and tax plans)
- lists of – and arrangements with – customers, suppliers, and vendors
- prices paid or charged for equipment, products, and labor
- manufacturing information (such as processes, sources of materials, and inventories)
- business knowledge (such as business risks, business opportunities, budgets, divestitures, and organizational changes).

- **Confidential information** – “confidential information” includes **trade secrets** and any other information to which the Company is required by law or contract to keep confidential (such as customer data and employee information/records) or has declared to be confidential.

Safeguarding the Company's intellectual property and confidential information

You are responsible for protecting the Company's intellectual property, and you must not reveal the Company's trade secrets or other confidential information to others or use such information for your personal benefit. Disclosing the Company's

trade secrets may also be a violation of competition and antitrust laws. See *Competition and antitrust laws* in this Manual.

Any idea, process, identity mark, invention, or improvement conceived by you that relates to the Company's business or was developed or acquired with Company's resources is the property of the Company. You must promptly disclose any new idea, process, identity mark, invention, or improvement to enable the Company to timely protect the asset.

These duties apply for as long as you are employed at Archer and also after your employment has ended.

Precautions to take with trade secrets and other confidential information

You must take all necessary precautions when dealing with trade secrets and other confidential information.

At work

- secure all confidential information when unattended — do not leave confidential papers or computer disks or other storage devices in the open
- log-off or lock your computers, especially during lunch and after hours
- remove flip-charts and erase blackboards/whiteboards at the end of meetings
- mark all confidential information “confidential” to notify anyone handling the information that it is confidential and requires special precautions
- shred confidential documents before disposal
- limit employee access to only those with a need to know
- limit third party access to only those authorized to see it

- report all unauthorized access by employees or third parties
- be especially careful as to the recipient when transferring or transmitting confidential information over the telephone or e-mail
- use computer passwords and do not share them with others

When in public and traveling

- be careful when discussing confidential information — a conversation, either in person or over the telephone, can easily be overheard or monitored
- be careful when transferring or transmitting confidential information over e-mail or the internet without a secured connection — the transmission can easily be monitored or intercepted
- be careful when working with papers or on your computer when third parties are around (such as at a restaurant, in the airport, or on an airplane) — others can easily obtain confidential information by reading your papers or your computer screen
- secure all confidential information when unattended — do not leave confidential papers, your computer, or computer disks or other storage devices in the open, even for a moment
- always carry your computer with you and not in checked baggage
- do not throw away confidential documents without ensuring that they are unreadable

Intellectual property, trade secrets, and confidential information of others

You must not knowingly infringe upon or otherwise make improper use of the intellectual property, trade secrets, or other confidential information belonging to third parties.

Do not disclose any trade secret or other confidential information of your former employers, especially:

- customer lists
- marketing plans
- sales data
- products or services under development
- technical or performance data

If you receive unsolicited information that may contain trade secrets or other confidential information of a third party, immediately forward the information to your Hemisphere Counsel or Compliance Counsel.

Copyrighted materials and licensed software

You are responsible for properly handling copyrighted materials. When in doubt: do not copy, seek written authorization from the copyright owner, or get clarification from your Hemisphere Counsel or Compliance Counsel.

Before installing any software not provided by the Company's IT Department, employees must obtain the approval of the IT Department.

Key takeaways

1. Intellectual Property can include any business asset developed for the Company or with Company time or resources.
2. Company IP helps the Company succeed by differentiating us from our competitors and helps us to better serve our customers. We must protect it.
3. We must respect and not use others' IP. We can face stiff penalties if we do not.

If you have questions

Contact your Hemisphere Counsel or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to your Hemisphere Counsel *and* Compliance Counsel.

Reference materials

- *Competition and antitrust laws*, in this Manual
-

4.3 Use of information technology

Archer provides information technology to employees to help employees do their jobs. Information technology includes: desk-top and laptop computers, computer hardware and software, communication equipment, such as wired and mobile telephones and fax machines, personal digital assistants, the Archer network, access to the Internet and intranet, including e-mail.

Information technology issued by the Company is the property of Archer. Employees must use it for business purposes. Employees must also use information technology appropriately to safeguard the Company against embarrassment or legal actions.

Personal use

Company information technology is to be used for business purposes. Limited, appropriate, and occasional personal use is permitted. See *Theft and abuse of company assets* in this Manual for additional responsibilities with regards to Archer assets.

E-mail

Many people write e-mails as if they were talking rather than creating a business communication. Inappropriate, inaccurate, or careless communications can create serious liability risks for you and Archer. Internal and external e-mails should be written in a professional manner because they are business communications. Never send an e-mail that would embarrass you or the Company if it were made public or sent on to your management.

Export-controlled information or software

You must not transfer or transmit export-controlled technical information or software across international borders without approval from the Trade Control & Compliance Manager. See *Trade control, sanctions, and anti-boycott laws* in this Manual.

Other situations

Other examples of inappropriate use of Company information technology include:

- running a personal business
- conducting illegal activities
- gambling
- viewing, downloading, sending, posting, or publishing pornographic material
- making, sending, or posting obscene or abusive remarks or proposals or inappropriate jokes or materials that may be offensive to others. See *Respectful and harassment-free workplace* in this Manual.
- installing software not provided by the Company's IT Department without IT approval. See *Intellectual property and confidential information* in this Manual.
- using Company information technology to violate any section of this Manual or other Company policies

Any attempt to disable, defeat, or circumvent any Archer firewall or other network security systems will be subject to disciplinary action, up to and including termination.

Monitoring company information technology use

Unless prohibited by law in your location, Archer may access and monitor your use of Company information technology for maintenance or business needs, to satisfy a legal requirement, or to confirm that Archer's policies are being followed.

Key takeaways

1. Information technology issued by the Company is the property of Archer and is to be used for business purposes.
2. Internal and external e-mails should be written in a professional manner because they are business communications.
3. Employees must use information technology appropriately to safeguard the employee and the Company against embarrassment or legal actions.

If you have questions

Contact your IT manager or Compliance Counsel.

Reporting violations

Any suspected violation of this section and related policies (see Reference materials below) must be immediately reported to your IT manager *and* Compliance Counsel.

Reference materials

- *Theft and abuse of company assets*, in this Manual
 - *Trade control, sanctions, and anti-boycott laws*, in this Manual
 - *Respectful and harassment-free workplace*, in this Manual
 - *Intellectual property and confidential information*, in this Manual
-

Section 5

Governments and communities



5.1 Governments and regulatory agencies

If you are asked to provide information in connection with a government or regulatory agency inquiry or investigation, you should immediately notify your manager and Archer's Legal Department.

Ask to see the official's identification/credentials and make a record of that information. Confirm the purpose and scope of the inquiry or investigation. If you have any concerns or are unsure about the identification/credentials provided or the purpose or scope of the inquiry or investigation, contact the appropriate lawyer in Archer's Legal Department.

At all times, you must be polite and make sure that any information you provide is truthful and accurate.

Basic rules you must follow

Never

- lie to or mislead any government or regulatory official
- obstruct or attempt to obstruct in any manner the collection of information (including data, testimony, or records) by properly authorized government or regulatory officials
- conceal, alter, or destroy documents or records that are the subject of an inquiry or investigation
- attempt to prevent another person from providing truthful and accurate information
- retaliate against anyone who co-operates with properly authorized officials conducting an inquiry or investigation

Always

- cooperate with properly authorized officials conducting a government or regulatory agency inquiry or investigation (after first confirming that the official's identification/credentials and the purpose and scope of the inquiry or investigation are proper)
- ensure that information relevant to a government or regulatory agency inquiry or investigation is preserved – including making sure that any automatic systems, including electronic systems, for record disposal are stopped to avoid destruction of relevant information. See also *Accurate and complete records* in this Manual

Key takeaways

1. Always be polite and make sure that any information you provide is truthful and accurate.
2. Immediately notify your supervisor and Archer's Legal Department.
3. If you have any concerns or are unsure about the identification/credentials provided or the purpose or scope of the inquiry or investigation, contact the appropriate lawyer in Archer's Legal Department.

If you have questions

Contact your manager, the General Counsel, or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to your Functional President or the General Counsel, *and* Compliance Counsel.

Reference materials

- *Accurate and complete records*, in this Manual
-

5.2 Charitable contributions

Charitable contributions are one way that Archer fosters good community relations. We are committed to operate our business as a valued neighbor in the communities in which we reside.

However, the Company must be mindful of whether certain contributions are proper or prudent, depending on the type of, or views of the, organization. Some charitable contributions can even be viewed as bribes under bribery and corruption laws.

As such, you must follow the following rules when making or approving a charitable contribution request on behalf of Archer.

Definition of “contribution”

For purposes of this section, a “contribution” can be more than just the giving of cash – it is the giving of anything of value, including cash, cash equivalents, physical items, food or drink, services, and time.

Acceptable organizations

For purposes of this section, charitable contributions can be made to the following types of organizations:

- **Community service:** Community agencies, public charities, and similar private groups that provide services such as nutrition, housing, clothing, job training, and family counseling.
- **Culture:** Art galleries, choral groups, cultural centers, museums, theaters, and similar organizations.
- **Education:** Colleges, universities, primary schools, secondary schools, and technical schools.

- **Health care:** Public charitable health agencies, public and private hospitals, local health organizations, medical research centers, and similar organizations.
- **Youth activities:** Boy and Girl Scouts, amateur sports such as Little League baseball (provided the donation does not involve the provision of athletic facilities or equipment), and similar organizations.

Approval requirements

All charitable contributions must be approved as follows:

- Your Functional President must approve any charitable contributions valued over \$250.
- The CEO must approve any charitable contributions valued over \$1,000.

You and the approvers must ensure that the contribution will not violate any bribery or corruption laws, particularly if the request is made by a government official (including employees of government-owned oil companies), political party, or political candidate. See *Bribery and corruption* in this Manual.

Key takeaways

1. All charitable contributions must be approved by the appropriate individual(s).
2. A “contribution” can be more than just the giving of cash – it is the giving of anything of value, including cash, cash equivalents, physical items, food or drink, services, and time.
3. All approvers must ensure that the requested contribution will not violate any bribery or corruption laws, particularly if the request is made by a government official (including employees of government-owned oil companies), political party, or political candidate.

If you have questions

Contact your manager, Functional President, or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to your manager or Functional President, *and* Compliance Counsel.

Reference materials

- *Bribery and corruption*, in this Manual
-

5.3 Political contributions and activities

For business and legal reasons, Archer strives to be politically neutral. As such, in general, no Company employee shall, directly or indirectly, use Company funds or resources to make contributions to a government official, political party, party official, or political candidate.

However, Archer reserves the right to make our position known on any matters which affect the Company, our employees or directors, our customers, our shareholders, or the local communities where we work. The Chief Executive Officer and the General Counsel must approve any contributions or activities in such cases.

Company contributions and activities

Under the laws of some locations, Archer is prohibited from making certain political contributions or engaging in certain political activities. For example, it is illegal for the Company to make contributions to a candidate for U.S. federal office. In all countries, contributions or activities involving government officials, political parties, party officials, or political candidates also create the risk of violating bribery or corruption laws. See *Bribery and corruption* in this Manual.

Even in locations where it is allowed by law, Archer has typically chosen, for business reasons, to remain politically neutral. Any decision to act involving Company funds or resources must be approved by the Chief Executive Officer and the General Counsel.

Personal contributions and activities

You may make personal political contributions and engage in personal political activities as long as:

- the contribution or activity does not create a conflict of interest or otherwise affect your responsibilities to the Company (see *Conflicts of interest* in this Manual),
- the activity is carried out on your personal time, and
- you make it clear that you are acting only on your own behalf and not as a representative of the Company

Key takeaways

1. The Company strives to be politically neutral.
2. The Chief Executive Officer and the General Counsel must approve any political contribution or activity involving Company funds or resources.
3. Personal political contributions and activities are allowed provided such acts do not create a conflict of interest or otherwise affect your responsibilities to the Company, such acts are carried out on your personal time, and you make it clear that you are acting only on your own behalf and not as a representative of the Company.

If you have questions

Contact the General Counsel or Compliance Counsel.

Reporting violations

Any suspected violation of this section must be immediately reported to the General Counsel *and* Compliance Counsel.

Reference materials

- *Bribery and corruption*, in this Manual
 - *Conflicts of interest*, in this Manual
-

Section 6

Employees



6.1 Fair treatment and equal employment opportunity

Archer's continued success depends on our ability to attract, develop, and retain a highly competent work force.

Archer will ensure equal employment opportunity and fair treatment to all individuals regardless of:

- race
- color
- religion
- gender (including pregnancy)
- national origin
- age
- marital status
- veteran status
- disability
- or any other status protected by law

This commitment applies to all employment decisions, including recruiting, hiring, firing, promoting, demoting, training, transfers, reductions-in-force, re-hiring, compensation, benefits, discipline, and other terms, conditions, and privileges of employment.

The Company will make reasonable accommodations for qualified individuals with disabilities, if it can do so without undue hardship. The Company makes an exception to this policy only when hiring for a position that requires specific physical abilities to perform the primary functions of the job.

The successful achievement of this commitment requires participation by all employees. Managers, in particular, are personally responsible for ensuring fairness and non-discrimination in their respective workplaces.

Key takeaways

1. Fair treatment and equal employment opportunity apply to *all* employment decisions.
2. It is the Company's policy to evaluate job candidates and employees on the basis of their ability, achievements, experience, and performance. Management will promote an environment where merit is the sole basis for employment decisions.
3. Treating one another fairly is key to the Company's ability to attract, develop, and retain a highly competent work force.

If you have questions

Contact your local, division, or corporate H.R. manager.

Reporting violations

Any suspected violation of this section must be immediately reported to your supervisor and/or local, division, or corporate H.R. manager.

Reference materials

- *Respectful and harassment-free workplace*, in this Manual
-

6.2 Respectful and harassment-free workplace

Archer is committed to maintaining a work environment free from harassment in which all individuals are treated with respect and dignity. Archer will not tolerate any form of harassment toward employees, contractors, suppliers, customers, or others in the workplace.

Harassment is strictly prohibited

Harassment is considered a form of discrimination (see *Fair treatment and equal employment opportunity* in this Manual) and it will not be tolerated in the workplace in any form.

Workplace conduct, whether verbal or physical, will be considered harassment if it shows hostility toward an individual because of his or her race, color, religion, gender (including pregnancy), national origin, age, marital status, veteran status, disability, or any other status protected by law if it:

- has the purpose or effect of creating an intimidating, hostile, or offensive work environment
- has the purpose or effect of unreasonably interfering with an individual's work performance
- negatively affects an individual's employment opportunities or
- has the purpose or effect of violating an individual's dignity

Harassing conduct includes but is not limited to: insults; negative labels or stereotyping; threatening, intimidating, or hostile acts; demeaning jokes; and words or images that demeans or shows hostility or hatred toward an individual or group that is placed on walls or otherwise circulated in the workplace.

Definition of sexual harassment

Sexual harassment is a type of discrimination particularly enforced in the United States and other countries. For the purposes of this section, "sexual harassment" is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- agreeing to such conduct is made (either explicitly or implicitly) a term or condition of an individual's employment opportunities, such as promotions, raises, or bonuses;
- agreeing to or rejecting such conduct is used in making employment decisions affecting an individual;
- such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment; or
- it has the purpose or effect of violating an individual's dignity

Sexual harassment will not be tolerated by the Company. No supervisor or other employee shall threaten or suggest that an employee's or applicant's refusal to submit to sexual advances will negatively affect any term, condition, or privilege of that person's employment. Similarly, no supervisor or other employee shall promise, imply, or give any preferred treatment to another employee or applicant in exchange for engaging in sexual conduct.

Retaliation is also prohibited

Archer strongly encourages reporting of all incidents of actual or possible harassment. The Company will promptly investigate such reports and prohibits retaliation against any individual who reports harassment or participates in an investigation of such reports. Employees who, in good faith, report incidents must under no circumstance be retaliated against in any way. Any employee who feels that he or she has been subjected to any form of retaliation should immediately report the retaliation to his or her supervisor and/or to the local, division, or corporate H.R. manager.

While Archer is committed to preventing and punishing harassment and retaliation, the Company also recognizes that false accusations of harassment or retaliation may harm the innocent person who is falsely accused. As such, any employee who, after an investigation, is found to have **knowingly** made a false accusation of harassment or retaliation may be subject to disciplinary action. However, if an employee makes a report of what he or she **in good faith** believes to be harassment or retaliation, the employee will **not** be subject to disciplinary action, even if the employee turns out to have been mistaken.

Key takeaways

1. A respectful (and productive) workplace is one where *all* employees feel comfortable, included, and valued.
2. As a global company, we must be sensitive to, and respectful of, different cultures, beliefs, and perspectives.
3. Harassing others about their personal characteristics such as race, color, religion, gender (including pregnancy), national origin, age, marital status, veteran status, and disability violates Company policy and may violate the laws of your location.

If you have questions

Contact your local, division, or corporate H.R. manager.

Reporting violations

Any suspected violation of this section must be immediately reported to your supervisor and/or local, division, or corporate H.R. manager.

Reference materials

- *Fair Treatment and Equal Employment Opportunity*, in this Manual
-

Section 7

Reporting possible violations



7.1 Reporting possible violations

It is Archer's policy that an employee who becomes aware of a possible violation of the Company's policies regarding legal or ethical business conduct must report the violation. This includes possible violations of policies set forth in this Manual, or other policies, manuals, or guides distributed by the Company.

How to report possible violations

To report concerns of improper activity, contact your immediate supervisor or your supervisor's manager. If it would be inappropriate to report concerns to your supervisor or your supervisor's manager (for example, when the conduct involves those individuals), contact one of the individuals indicated in the respective section of the Manual or the General Counsel, Chief Compliance Officer/ Compliance Counsel, or the Director of Internal Audit. These individuals will treat all reports confidentially.

Anonymous reports can be made to the Archer hotline at the following website: <https://archer.alertline.com>

The hotline is operated by an independent outside service provider retained by Archer. Information reported in this manner is forwarded to the Company without identifying the source. You also have the option of not reporting anonymously.

Cooperating with Company investigations

Every employee has an obligation to cooperate in Company investigations. You are expected to provide truthful and complete information and documentation, if requested, as well as participate in interviews conducted by Company personnel or representatives retained by the Company to conduct an investigation.

Safeguards against retaliation

No employee will be negatively affected in employment with the Company as a result of reporting a possible violation of Company policy or cooperating in a Company investigation. This includes those who report a possible violation of the Company's policies against discrimination and sexual harassment.

When appropriate, safeguards will be applied in an effort to keep the matter confidential.

Penalties

Failure to meet the required standards of conduct according to Company policies and the law will result in appropriate disciplinary action by Company management. This may include termination of employment. Employees who violate the law may be subject to criminal prosecution and may be held liable for damages incurred by the Company as a result of such violations.

Any employee who fails to report possible violations or cooperate in a Company investigation – including failing to provide truthful and complete information and documentation – may also be disciplined, up to and including termination.

Any employee who retaliates against an employee who reports possible violations or cooperates in a Company investigation will be disciplined, up to and including termination.

Any employee who **knowingly** makes false allegations of violations shall be subject to the same disciplinary action as one who fails to report possible violations or cooperate in a Company investigation. However, if an employee makes a report of what he or she, **in good faith**, believes to be in violation, the employee will **not** be subject to disciplinary action, even if the employee turns out to have been mistaken.

Certificate of compliance

I have received, read, understand, and agree to comply with the Archer Compliance and business ethics manual. I understand that failure to do so may result in disciplinary action up to and including termination of employment and/or loss of employee benefits to the extent permitted by applicable law.

Name (printed)

Signature

Date

Location

White Copy Return to:
Human Resources Department
(Keep in employee's file)

Yellow Copy Remains in Manual
(Employee's copy)

