

A Personal Message from Amr Farrag, Chairman

Dear colleagues,

I hereby present the code of business conduct, which shall be effective from the date of its issue.

SAKNAFTA like many successful organizations, bases its success on trust – trust that we will uphold the highest ethical standards when providing services to our clients.

To help advance and preserve this trust I, expect our employees, suppliers and vendors who work for us to exercise good judgment and common sense while carrying out our business activities. Each one of us is personally responsible for living our values, following the Code which is designed to serve as a guide and reference for our behavior to ensure that our day-to-day business activities are conducted safely and in a fair, honest and ethical manner.

The managers, must lead by example and ensure that those who report to you understand the Code and follow it in their work and a working environment can be developed which encourages compliance and the adoption of good business practices.

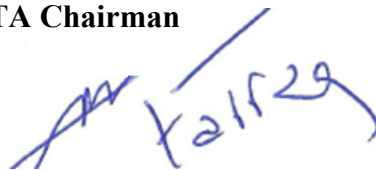
Because the business climate is so dynamic and complex, it is difficult to cover everything in one document. This Code of Conduct is designed to outline the behaviors that I, expect from any employee of SAKNAFTA. The fundamental principles of SAKNAFTA Code of Conduct can be easily summed up as honesty, integrity, transparency and a commitment to “doing the right thing”.

This code of business conduct is available to all of our employees and those who work for us, as a clear direction it is your personal responsibility to act in accordance with the requirements set out in this Code of Business Conduct. Please read the Code carefully and refer to it when you are uncertain of the correct action to take.

You must understand, promote and apply this Code to your conduct and work with SAKNAFTA and those of you who have any questions may refer to their managers for better understanding.

Yours Sincerely

Amr Farrag
SAKNAFTA Chairman



• **INTRODUCTION:**

This Code of Business Conduct and Ethics (the "Code" or "Code of Conduct") expresses the commitment of SAKNAFTA to conduct business in accordance with all applicable laws, rules and regulations and the highest ethical standards.

All employees, associates, independent contractors and directors are expected to follow the Code.

SAKNAFTA also expects our suppliers and vendors to abide by this Code.

This Code is not intended to cover all laws or policies nor every possible ethical issue that you may face.

If you have questions about this Code or are unsure whether it applies in a specific situation, please ask your manager.

• **GENERAL EMPLOYEE CONDUCT:**

SAKNAFTA expects its employees to conduct themselves in a businesslike manner. Drinking, gambling, fighting, swearing, and similar unprofessional activities are strictly prohibited while on the job.

Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computer.

• **COMPLIANCE WITH LAWS, RULES, AND REGULATIONS:**

It is SAKNAFTA policy to comply with all applicable laws, rules and regulations within the countries where we do business. Where differences exist between the standard of the law or regulations and the requirements of the Code the higher standard will be applied. Each of us must be dedicated to complying fully with the letter and spirit of the laws, rules and regulations that apply to our business. The Policy Guide provides guidance as to certain of the laws, rules and regulations that apply to SAKNAFTA activities.

The single most valuable asset of SAKNAFTA is our name. We have established the goodwill of the SAKNAFTA with continued integrity since inception. We protect our copyrights, trademarks and trade secrets zealously.

SAKNAFTA respects the property rights of others, including their copyrights, trademarks, trade secrets, patents and know-how. Our employees understand that unauthorized copying of copyright protected works is not permitted, and may subject SAKNAFTA and the individual employees to legal liability. We recognize that permission is required to use another person's intellectual property.

• PRIVACY AND CONFIDENTIALITY:

SAKNAFTA employees often learn confidential, proprietary or private financial and personal information about customers or others with whom the Organization has dealings, observe the following principles:

- Collect, use, and retain only the personal information necessary for the Organization's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.
- Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
- Limit internal access to personal information to those with a legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained.
- Obtain the consent of the person concerned before externally disclosing any personal information, unless legal process or contractual obligation provides otherwise.

• CONFLICT OF INTEREST:

All employees share a serious responsibility for the SAKNAFTA good public relations, especially at the community level. Their readiness to help with religious, charitable, educational, and civic activities brings credit to the Organization and is encouraged.

Employees must, however, avoid acquiring any business interest or participating in any other activity outside the SAKNAFTA that would, or would appear to;

- Create an excessive demand upon their time and attention, thus depriving the SAKNAFTA of their best efforts on the job.
- Create a conflict of interest - an obligation, interest, or distraction - that may interfere with the independent exercise of judgment in the SAKNAFTA best interest.

A personal conflict of interest occurs when an individual's private interest interferes with the interests of SAKNAFTA. An employee must never use or attempt to use his or her position at the firm to obtain any improper personal benefit for himself or herself, for his or her family members, or for any other person, from any person or entity. SAKNAFTA interest must come before the personal gain of our employees. We seek to avoid even the appearance of a conflict of interest.

Any employee who is aware of a transaction or relationship that might give rise to a conflict of interest should discuss the matter promptly with the appropriate Human Resources Department.

• **INTEGRITY:**

SAKNAFTA acts with integrity at all times by being honest, by following the law, and by treating others fairly and respectfully. Our reputation and success depend on fair dealing. SAKNAFTA does not seek competitive advantage through illegal or unethical business practices, such as antitrust or unfair competition law violations. SAKNAFTA conducts its business honestly and transparently and does not seek to exercise improper influence on any individual or entity. We are subject to domestic and international anti-bribery and corruption laws which target bribes in relation to both commercial entities and public officials.

We do not offer or give, nor request or receive, any bribe of any description or value to obtain or retain business, to reward the improper performance of someone's duties or for any other purpose. This applies to everyone who works for, or provides services to SAKNAFTA. Each employee must deal fairly with all of our stakeholders, including SAKNAFTA clients, employees, and service providers, as well as our competitors.

We do not offer or give money or gifts to any government official or political party or candidate for an illegal purpose. We do not violate our clients' policies that do not permit the giving of gifts. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice. However Reasonable and proportionate gifts and hospitality intended for these purposes are not prohibited. However, inappropriate, frequent or lavish gifts or hospitality can result in an actual or perceived conflict of interest, the development of an obligation on the part of the recipient, or could be considered as bribery.

SAKNAFTA recognizes that information about competitors, customers and suppliers is a valuable asset. We obtain such information legally. We do not seek such competitive information from the current or former employees of our competitors.

• **HARASSMENT:**

SAKNAFTA has concern for the personal dignity and individual worth of every employee. Harassment is not tolerated.

SAKNAFTA treats all applicants and employees by their qualifications, achievements and demonstrated skills without regard to age, race, color, gender, religion, disability, national origin, veteran status, marital status or sexual orientation. We will not tolerate abuse or harassment of any kind whether directed at Employees, Contract Staff, Industry Partners or others. Harassment includes any unwanted conduct that has the effect of violating dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment. We afford equal opportunity in regard to each individual's terms and conditions of employment and in regard to any other matter that affects the working environment of the employee. We promote diversity in our employment practices.

- **USE OF COMPANY ASSETS:**

All employees must protect SAKNAFTA assets and ensure their efficient use. All SAKNAFTA assets should be used for legitimate business purposes only. Any personal use of SAKNAFTA assets must be incidental and insignificant in cost and time. We must preserve, and not change, hide or destroy any records that are subject to an investigation or which may be used in any official proceeding.

- **ENVIRONMENT, HEALTH AND SAFETY (HSE):**

SAKNAFTA is committed to providing a healthy and safe place to work. We are committed to promoting practices that protect the environment as we believe that all accidents, occupational illnesses and injuries are preventable. Our priority is to ensure that all our people – regardless of where they work or what they do – return home safe and well at the end of every working day.

Health and safety practices are governed by HSE policies which apply to all personnel and, in addition, businesses may create local procedures which you should follow. SAKNAFTA provides a safe place to work and you have a personal responsibility to ensure that you are competent and appropriately trained to undertake your work activities.

You must;

- immediately stop any work that appears to be unsafe.
- comply with the requirements of our HSE procedures, and assist those working with you to do the same.
- ensure you identify, assess and take steps to control HSE hazards associated with your work.
- use the personal protective equipment required for the task you are undertaking.
- handle, transport and arrange for the disposal of raw materials, products and wastes in a safe, environmentally and socially responsible manner;
- engage regularly, openly and honestly with our stakeholders, and particularly those people affected by our operations, and take their views into account in our decision-making;
- make sure you know what to do if an emergency occurs at your workplace and that visitors are familiar with emergency procedures;
- report to your manager any accident, injury, illness, unsafe or unhealthy condition, incident, spill or release of material to the environment so that appropriate action can be taken to prevent, correct or control those conditions.

We believe in being good stewards of the world in which we work and live. We expect our employees to report to work free from the influence of any substance that could impair them from the safe and effective performance of their jobs.

- **COMPLIANCE AND REPORTING:**

Employees must try to identify and raise potential issues before they lead to problems. Any employee who becomes aware of any existing or potential violation of this Code must promptly notify to the Audit Committee. Employees may report suspected violations of law or this Code anonymously.

SAKNAFTA will take appropriate disciplinary or preventive action to address any reported existing or potential violation of this Code. SAKNAFTA will not retaliate against any person who reports suspected violations of law or this Code. It is a violation of this Code to submit a report that is known to be false.

• **REPORTING PROCEDURE:**

SAKNAFTA has developed these procedures to fulfill its responsibilities and to ensure that any complaints concerning suspected violations of law or Company policy, including our Code of Conduct, are promptly and effectively addressed.

• **DEFINITIONS:**

- “Accounting Matters” includes, without limitation, (i) fraud, deliberate error or misrepresentation in the preparation, evaluation, review or audit of any financial statement of the Company, (ii) fraud, deliberate error or misrepresentation in the recording and maintaining of financial records of the Company, (iii) deficiencies in or noncompliance with the Company’s internal accounting controls, (iv) misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in the Company’s financial records, financial reports or audit reports, (v) deviation from full and fair reporting of the Company’s financial condition.
- “Complaints” include any adverse information provided to the Company, whether in the form of a concern, a demand for remedial action, or a report of a suspected violation of any law or Company policy, including but not limited to, Accounting Matters.
- “Violation” means any act or omission by an employee that is against the law or Company policy.

• **SUBMISSION OF COMPLAINTS:**

1. An employee who has a good faith belief that a violation of law or Company policy may occur, is occurring or has occurred, has a duty to report it under this Policy, except in those countries whose laws prohibit the placement of such a duty on employees.
2. An employee may submit a Complaint to the Audit Committee or to the employee’s manager or the Country Manager, except where such individuals are the subject of the Complaint, then to the Chief Executive Officer CEO.
3. Complaints, including Complaints by non-employees, may be submitted to the Audit Committee of SAKNAFTA by postage in a sealed envelope, which envelope shall be forwarded unopened to the Audit Committee.
4. Complaints should contain as much specific information as possible. Anonymous Complaints are permitted.

• TREATMENT OF COMPLAINTS:

1. Upon receipt of a Complaint by the Audit Committee, the Audit Committee will (i) determine whether the complaint pertains to Accounting Matters, and (ii) when possible, acknowledge receipt of the Complaint to the sender.
2. Assessment, investigation and evaluation of Complaints shall be conducted by, or at the direction of the Audit Committee.
3. Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Vice President, Internal Audit or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the extent possible, consistent with the need to conduct an adequate review.
4. The Audit Committee shall inform the Chairman of all Complaints received by the Audit Committee, with an initial assessment concerning each Complaint. The Audit Committee shall have the ability to consult with any member of management who is not the subject of the alleged Violation and who may have appropriate expertise or knowledge to assist with the investigation.
5. All Complaints and all related data shall be collected and managed in accordance with all applicable data protection and privacy laws.
6. The Audit Committee shall report to the Chairman periodically about the process for receiving Complaints, so that the Committee can ensure that the process is satisfactory in its efficiency, accuracy, and timeliness, protection of confidentiality, and effectiveness. Legal or other requirements may not allow for complete anonymity.
7. Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
8. The Company will not discharge, demote, suspend, threaten, harass, retaliate or in any manner discriminate against any employee based upon any lawful actions taken by such employee with respect to any good faith reporting of Complaints.
9. The Company may take disciplinary action against any employee who violates this Policy, acts in bad faith or misuses this Policy.

• ACTIONS:

- SAKNAFTA will keep all information as confidential as possible during the course of our investigation.
- Strict disciplinary Actions will be taken against the accused by the SAKNAFTA in the event of procedural violation.
- Strict Criminal and disciplinary actions will be taken against the accused in the event of proven fraudulent or other legal violations including but not limited harassment.
- Retaliation is not tolerated.