



**Mediterranean Oil & Gas Plc**

**CODE OF ETHICS**

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## **1. INTRODUCTION**

Mediterranean Oil & Gas plc (“MOG” or “Company” ) is committed to promote a culture of honesty, integrity and accountability and to operate in accordance with the highest ethical standards and applicable laws and regulations.

With the following corporate Code of Ethics (the “Code”), MOG adopts the principles of legitimacy, fairness, transparency and verifiability on which its conduct as well as the one of its subsidiaries must rest.

Such a commitment by the Company aims to significantly reflect on its reputation, i.e. its attitude to be publicly regarded as a responsible and reliable enterprise, values which – in the Company’s view – are key elements to its success and to the promotion of its image.

The Code of Ethics shall also be read in conjunction with the specific Group Anti-Bribery Policy.

## **2. SCOPE OF APPLICATION**

This Code outlines the ethical principles that should guide all representatives of the Company and of the Company’s subsidiaries and controlled entities in their daily work.

It is the responsibility of each representative to become familiar with the principles set out in this Code and to integrate them into every aspect of MOG's business.

The provisions set out in this Code apply, with no exception, to anyone involved in the activities carried out by the Company and therefore to its directors, managers, employees, hired freelancers, suppliers as well as those who work for it directly or indirectly, on both a regular basis or temporarily.

In particular, by way of example:

- the members of the Board of Directors follow the principles of the code when corporate goals have to be set;
- managers move to practice when it comes to the values and principles of the Code by taking charge of responsibilities towards internal and external partners and by enhancing confidence as well as the Company’s cohesion and spirit.
- Corporate employees and hired freelancers on a regular basis, in due compliance with the Laws and Provisions in force, act and behave according to the principles, goals and commitments outlined in the Code.

MOG is committed to disseminate this Code of Ethics through a communication programme addressing all its business partners.

## **3. FOREWORD**

### **3.1 Unethical behaviours**

Those who break the rules of civil and harmonious co-existence and of fair social and business relationships – as provided for and governed by Law and Regulations, individually or as a group – behave unethically.

Unethical behaviours can jeopardize the relationships between MOG and its shareholders, employees, freelancers, as well as its public or private commercial, economic and financial partners.

### **3.2 The value of reputation**

Good reputation represents a crucial, intangible asset. Good reputation enhances shareholders' confidence and clients' satisfaction, attracts the best human resources, makes suppliers and creditors trust the Company. It also facilitates the adoption and the implementation of shared decisions at corporate level, while strict authority in the work planning, organizing and performing phases can be avoided.

### **3.3 The Structure of the Code of Ethics**

A Code of Ethics consists of:

- *general ethical principles*
- *specific behavioural principles*
- *mechanisms for implementation*

## **4. ETHICAL PRINCIPLES**

The corporate activities must be carried out in full compliance with Laws and with the principles of impartiality, honesty, transparency, fairness and *bona fide* towards shareholders, Target Groups, Public Administrations as well as other parties or authorities with which the Company comes into contact when carrying out its institutional and/or instrumental activities.

Such principles are listed below.

### **4.1 Compliance with laws, rules and procedures**

In carrying out their respective professional activities, Target Groups must comply with the laws and regulations in force in their respective Countries, uphold the Code of Ethics, follow the Group Anti-Bribery Policy, the corporate procedures and observe the articles of association and the business ethics, whenever required.

For these reasons MOG is committed to set up detailed "Codes of Ethic" for the local Group subsidiaries that incorporate specific laws, rules and procedures of the Country where the subsidiary is operating.

In no case may the pursuit of corporate interests justify the breach of such provisions and procedures and Company's representatives are expected to maintain compliance with the letter and spirit of all laws governing the jurisdictions in which they perform their duties day by day, in particular on:

1. Human Rights Laws
2. Privacy Laws
3. Health and Safety Laws
4. Environmental Laws
5. Securities Laws
6. Competition Laws

## **4.2 Conflict of interests**

The Company must avoid any conflict of interests during all the activities it carries out and in all the relationships it establishes.

A conflict of interest exists both when: (a) either a corporate body or one of its members or a shareholder, or an employee holds an interest that clashes with the one pursued by the Company, and (b) when the representatives of Commercial Partners, external Consultants, or private or public institutions have a self-interest that is in contrast with the one they hold in relation to their office or function. See the Group Anti-Bribery Policy for further information.

## **4.3 Confidentiality**

The Company ensures that the information it holds is confidential and that no confidential data will be collected, disseminated or used unless an explicit authorization by the information owner is granted and the Regulations in force are fully complied with.

Top Managers, Commercial Partners and Consultant must use maximum discretion, even when not in the business hours, in order to protect the know-how of all corporate sectors, e.g. internal information on technical, financial, legal, administrative, commercial matters or referred to personnel management.

## **4.4 Relationship with Shareholders**

MOG promotes equal information and protects its interests and the interests of its shareholders from any attempt by other shareholders or coalitions of shareholders to see their personal interests before theirs.

In addition to that, MOG does its best so that its economic and financial performance preserves and increases the Company value, and shareholders' investments are properly paid back.

## **4.5 The Value of Human Resources**

Top Managers, Commercial Partners and Consultants are key players to achieve corporate success.

For this reason, the Company protects and promotes the value of its human resources in order to improve and increase experience and knowledge on law-abiding behaviours.

MOG also guarantees the physical and moral integrity of its Employees, Commercial Partners, External Consultants, proper working conditions where human dignity and personal beliefs and opinions are fully respected, and safe and secure working environments.

## **4.6 Fairness in Relations Among Employees**

Relations among employees must be guided by fairness, collaboration, loyalty and mutual respect at all levels.

In hierarchical relationships implying subordination or hierarchical difference, authority must be exercised with fairness, respect and moderation avoiding any abuse.

In particular, any action which is likely to impact on the dignity or independence of employees or freelancers must be avoided. Moreover, any choice regarding work planning must always safeguard the value of individual contributions.

#### **4.7 Non-discrimination**

In taking its decisions affecting external and internal parties, MOG avoids any discrimination based on age, sex, sexual orientation, health, race, nationality, political opinions, religion or any other criteria interfering with the fundamental rights and freedoms of individuals.

#### **4.8 Quality of Services**

The Company aims at satisfying and protecting its contractual counterparts, while holding in high regard any request which is likely to improve the quality of the services and products supplied.

#### **4.9 Environmental Protection**

The environment is our main asset and we must protect it. Consistently with this principle, the planning of MOG's activities looks forward to striking the right balance between the economic activities the Company develops and the environmental needs, while bringing the rights of the present and future generations into the picture.

### **5. BUSINESS CONDUCT STANDARDS**

Please refer to the Group Anti-Bribery Policy for detailed information. MOG business relationships are guided by principles of loyalty, fairness, transparency, efficiency and openness to the market. Target Groups shall behave ethically in doing any business where the Company's interests lie, regardless of the market fairness and the importance of the issues at stake. Corruption, cronyism, collusive behaviour, pressure, direct and/or third-party soliciting personal benefits or career advantages for personal or others' gains are prohibited. In carrying out his/her duties and in supplying services, each corporate Representative or Freelancer shall refrain from those activities which are of no interest to the Company.

### **6. ETHICS IN THE RELATIONSHIP WITH PUBLIC ADMINISTRATIONS**

As per this Code of Ethics, the expression "**Public Administration**" refers to any State, local, or EU Authority, any independent agency or administrative authority, including its branches; any public officer, or other individual entrusted with a public service at National, International or EU level. MOG representatives must comply with the Law and behave ethically with Public Administrations. Please refer to the Group Anti-Bribery Policy for further information.

### **7. ETHICS IN THE RELATIONSHIP WITH EMPLOYEES**

#### **7.1 Equal Opportunities**

MOG offers to all its workers equal opportunities and ensures that they are all treated equally, according to their skills and abilities without any discrimination.

## **7.2 Employees moral integrity: discriminatory behaviours prohibition**

MOG is committed to protect the moral integrity of its employees and to guarantee that they enjoy a working environment where their dignity is respected, where they are protected by any form of psychological violence or mobbing, and where any discriminatory behaviour which can adversely affect them, their beliefs or inclinations is contrasted at all times.

## **7.3 Harassment at work**

MOG industrial relations, both internal and external, must not give rise to any form of harassment. It is therefore forbidden, by way of example:

- to develop an intimidating and hostile working environment where individuals or groups are isolated by the rest;
- to interfere with the working performance of others when there is no reason to;
- to hinder career advancement prospects for competition;
- any form of sexual harassment, behaviour or statement which is likely to upset others, as well as any act of gross indecency.

## **7.4 Alcohol or drug abuse**

It is forbidden to deliver any service while under the effects of alcohol, drugs or other similar substances, even occasionally.

It is also forbidden to take or give for any reason drugs while working and at work.

## **7.5 Dissemination of the personnel management policy**

MOG is committed to disseminate its personnel management policy to all its employees through its communication instruments, notably notice boards, delivery or sharing of policy documents, newsletters and memos.

## **7.6 Main duties of Employees**

Employees must act loyally in order to comply with their contractual obligations, and ensure that they can supply the services provided for in the Code of Ethics.

## **7.7 Employees Privacy Protection**

Let alone the cases prescribed by law, MOG is committed not to disseminate data regarding its employees, or third parties, which have been developed or acquired during its business activity, without proper authorization by the interested parties.

## **8. PROTECTION OF THE STOCK CAPITAL, CREDITORS AND MARKET**

MOG is committed to guarantee that the principles for:

- (a) safeguarding the integrity of its stock capital,
- (b) protecting creditors and third parties engaged with the Company,
- (c) carrying out economic and financial activities transparently and fairly,

are spread and uphold.

## **9. TRANSPARENCY AND INTERNAL AUDIT**

Transparency towards shareholders and third parties is guaranteed by specific policies as well as by internal audits.

Any suspected violation of this Code or of any applicable laws or regulations must be immediately reported to a member of management team.

All suspected reported violations will be promptly investigated and treated confidentially to the extent possible.

## **10. HEALTH, SAFETY AND ENVIRONMENT**

MOG is committed to:

- Set out and implement a corporate HSE Policy
- safeguard the environment and spread and consolidate the culture of a safe working environment
- guarantee a safe and healthy working environment to its employees, Commercial Partners, External Consultants and, in general, to all parties MOG works with.

This Code of Ethics was adopted by the Board of Directors of MOG and took effect on 28<sup>th</sup> Sept 2009.

The corporate Board of Directors is responsible for monitoring compliance with the Code, for regularly assessing its adequacy, for interpreting the Code in any particular situation and for approving any changes to the Code as is required from time to time.

Sergio Morandi  
Chief Executive Officer