



CODE OF ETHICS OF SONATRACH

July 2021

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PREAMBLE

This Code of Ethics is a reference document that reflects SONATRACH's commitment to complying with the legal and regulatory provisions in force and with the highest ethical standards, wherever the company operates.

It describes the standards of behavior and ethical principles expected from its managers, employees and other stakeholders, which stem from SONATRACH's core values and principles.

It helps to create a peaceful working environment that respects human and workers' rights. It also helps promote a culture of transparency and a climate of trust that allows the prevention and punishment of illicit acts and abuses committed to the detriment of the general interest, integrity, reputation and corporate image of SONATRACH.

When faced with an ethical situation, each employee must demonstrate professionalism and behave ethically and respectfully toward rules. In case of doubt, employees can refer to their hierarchy or to the Ethics Committee.

1. OBJECT

WHY A CODE OF ETHICS?

This Code sets out the ethical principles and values of SONATRACH, intended to reinforce its credibility, reputation and the confidence of its stakeholders. These principles and values also aim to improve the social environment quality and the feeling of belonging, thus contributing to the company's sustainability.

2. SCOPE

WHO IS CONCERNED BY THIS CODE OF ETHICS?

The rules and principles of ethics set out in this Code are addressed to all SONATRACH's stakeholders: employees, managers, directors, shareholder, customers, suppliers, partners, authorities and any interested third party.

3. ROLES AND RESPONSIBILITIES

The implementation of this Code of Ethics is the responsibility of SONATRACH's managers and employees.

3.1. Responsibility of Employees

Employees commit to:

- Appropriating this Code of Ethics, applicable procedures, laws and regulations;
- Respecting the rules and principles laid down in this Code in all circumstances; and
- Reporting any behavior that is contrary to this Code through the proper channels.

3.2. Responsibility of Managers

In addition to his responsibility as an employee, a manager commits to:

- Promoting the Code of Ethics among employees and contractors;
- Demonstrating exemplary behavior;
- Contributing to a healthy work environment;
- Making employees aware of their responsibilities by establishing ongoing dialogue and encouraging them to report any breach of ethics.

In addition, SONATRACH has put in place a system that allows the implementation of this Code and its periodic assessment by equipping itself with appropriate tools, notably:

3.3. The Ethics Committee

SONATRACH set up a permanent Ethics Committee, which reports directly to the President and Chief Executive Officer. It is composed of internal members of the company and independent members.

In particular, it is responsible for:

- Updating the Code of Ethics of SONATRACH;
- Disseminating and popularizing the Code of Ethics;
- Ensuring the reinforcement of ethical practices within the company and compliance with the Code of Ethics;
- Monitoring all ethical issues within the company;
- Leading and ensuring the operation of the ethics alert system;
- Examining ethical issues reported through the alert system;
- Assessing the implementation of the Code of Ethics and ensuring its updating by involving various stakeholders;
- Presenting any recommendations on ethics to the Chairman and Chief Executive Officer.

The Ethics Committee is vested with all the authority necessary to exercise its powers with regard to all the entities of SONATRACH. It can thus hear any employee or third party.

4. OUR VALUES AND PRINCIPLES

This Code of Ethics enshrines the fundamental values and principles of SONATRACH, which are translated into mutual commitments and expectations toward its shareholder, employees, partners and contractors.

All SONATRACH actions, procedures and guidelines must be inspired by these values and principles.

4.1. Commitment to the National Interest

Thanks to its role as the national development driving force, and in addition to its statutory missions, SONATRACH is fully engaged in the country's development. In order to reach its objectives and satisfy its shareholder's expectations, it aims at excellence in all fields.

4.2. Good Governance

SONATRACH carries out its activities and develops its relations with all its stakeholders in all transparency, by making available and public, credible information on its results and performances.

SONATRACH adheres to the principles of good corporate governance and has set up an internal control system in conformity with the laws and regulations in force in Algeria and in other countries where it carries out its activities.

SONATRACH subscribes to the principles of fair competition and refrains from anticompetitive practices.

4.3. Integrity

SONATRACH deals with its employees, suppliers, customers and partners in keeping with the principles of honesty and integrity.

SONATRACH's managers and employees refrain from any illicit act, abuse and unethical behavior, and commit themselves to carrying out their missions with dedication and professionalism in a climate of transparency and respect for its values and principles.

4.4. Fairness and Equal Opportunities

SONATRACH is committed to the principle of non-discrimination with respect to its employees and job applicants.

4.5. Respect for Persons and Commitments

SONATRACH respects its employees, treats them with dignity, trusts them, is grateful to them, preserves their health, ensures their safety and protects them in the workplace. It encourages fair, respectful and honest relationships.

SONATRACH honors its commitments to the community, its customers, suppliers, partners and the authorities and expects its employees and other stakeholders to do the same in a responsible manner.

4.6. Recognition of Skills and Merit

SONATRACH has created a healthy, serene and stimulating work environment that is conducive to professional growth and to a corporate culture development based on the recognition of its employees' skills and efforts.

4.7. Excellence

SONATRACH is committed to evolving its management style in order to free up initiative, encourage sharing, delegation, and the spirit of responsibility and to make the decision-making process more flexible, so as to put the company on the path to excellence.

5. SONATRACH AND ITS STAKEHOLDERS

SONATRACH develops its relations with its different stakeholders and carries out activities on the basis of a shared ethics, as set out in this Code of Ethics.

5.1. SONATRACH and its Employees

5.1.1. Access to Employment and Professional Development

SONATRACH is committed to ensuring equal access to jobs and transparency. These principles are enshrined in the collective agreement and the recruitment procedure.

SONATRACH guarantees its employees equal opportunity to develop and enhance their skills on the sole basis of professional aptitude and merit.

The right to continuous training and career development is enshrined in its procedures.

5.1.2. Healthy and Safe Working Environment

SONATRACH works to strengthen the bonds of trust, solidarity and mutual respect, whatever the position in the hierarchy. It also strives to develop team spirit and knowledge sharing among its employees by giving priority to the interests of the company.

SONATRACH mobilizes all the necessary means to ensure that its employees work in an environment that is safe, healthy, inclusive, respectful of human dignity, physical and moral integrity, and proscribes all forms of discrimination, harassment and violence.

SONATRACH's employees as well as its contractors and subcontractors are required to comply with dress codes that are consistent with their duties and reflect a professional image.

5.1.3. Respect for Privacy

SONATRACH is committed to respecting the privacy of its employees. It guarantees confidential treatment of their personal data by limiting access to them to authorized employees only and acting within a strictly professional or legal framework.

5.1.4. Participation in Public Activities

Without prejudice to the right of each employee to participate, in a personal capacity, in public activities, in compliance with the laws and regulations in force, SONATRACH undertakes to observe strict political neutrality and prohibits its employees from using the image and means of the company (premises, equipment, goods, communication spaces, financial means, etc.) for personal or partisan purposes.

Furthermore, each employee is expected to refrain from taking part in activities that could harm the image and interests of SONATRACH.

5.2. SONATRACH and its Business Partners

5.2.1. Bidders, Contractors and Subcontractors

SONATRACH guarantees freedom of access to its tenders, equal treatment of bidders and transparency in procurement and awarding of contracts, in accordance with the procedure in force within the company.

It expects bidders, contractors and subcontractors to comply with applicable laws and regulations, as well as relevant ethical rules.

SONATRACH reserves the right to exclude any bidder, contractor or subcontractor that deviates from applicable ethical rules.

5.2.2. Customers and Partners

SONATRACH seeks to be a reliable and durable partner.

It develops its commercial and partnership relations on the basis of mutual trust, mutually advantageous relations as well as observance of legal and contractual obligations and the highest ethical standards.

SONATRACH ensures the confidentiality of its customers' and partners' data, in compliance with applicable regulations.

SONATRACH is committed to ensuring the regularity and reliability of its customers' supplies. It endeavors to supply them with quality products and services, in conformity with contractual commitments.

5.3. SONATRACH and Public Authorities

As a public economic company that operates in a sector that is strategic for the country and is present throughout the national territory and abroad, SONATRACH maintains strong relations with the public authorities and government agencies, whether local or national. These relations are based on transparency, confidence, spirit of collaboration and reliability of information.

SONATRACH is constantly trying to strike a balance between its own interests and those of the community.

As a driving force of national development, SONATRACH is committed to the growth of the economy at national and local levels, the promotion of culture and sports as well as the preservation of national heritage.

5.4. PREVENTING AND COMBATING CORRUPTION

SONATRACH carries out its activities with integrity. It makes every effort to prevent and fight any form of corruption, whether active or passive, by complying with anti-corruption legislations in force, in Algeria and in all the countries where it operates.

To this end, it adopted internal control rules and procedures to prevent fraudulent practices and punish those committing them. It is also part of a systemic approach to prevent and fight corruption in accordance with international standards.

SONATRACH prohibits its employees from receiving, for their benefit or that of their relatives, any payment or benefit (services, entertainment, loans, discounts, provision of goods, offers of employment, etc.), from any person or entity, in return for material or other benefit, whether immediate or deferred. Similarly, SONATRACH prohibits its employees from giving or promising any payment or benefit whatsoever to any person or entity for unlawful benefit. Employees and third parties who become aware of such practices are required to report them without delay to their superiors or via the alert system set up by the Ethics Committee. In the event that acts of corruption are proven, disciplinary measures and/or legal proceedings will be taken against perpetrators and accomplices.

5.5. Gifts and other Benefits

With the exception of symbolic and non-pecuniary gifts of low value, as part of normal business relations or for protocol reasons, SONATRACH prohibits its managers and employees from receiving or offering gifts. In case of doubt, they should contact their hierarchy or the Ethics Committee.

In case gifts of value are received in a ceremonial context, they must be declared and deposited with the company's assets, in accordance with the terms and conditions to be defined in a specific procedure.

Any proposal, acceptance, request or promise, whether direct or indirect, of payment, service, gift or any other benefit likely to influence an employee's decision-making or of a compensation, which may damage the company's image, is considered to be an act of corruption.

SONATRACH's partners, customers and suppliers in Algeria or abroad are prohibited from providing for employees in any way whatsoever, except under contractual terms or if duly authorized by the employees' hierarchy.

5.6. Conflict of Interest

An employee is in a situation of conflict of interest when his personal interest is likely to influence his judgment or to put in doubt his impartiality in the exercise of his professional activities.

SONATRACH's employees must avoid any situation that could give rise to real or apparent conflict between their personal interests and those of the company. An employee's personal interest includes any benefit intended for himself or for members of his family, relatives or entities with which they have an interest.

SONATRACH prohibits its employees from having direct or indirect interest in a competitor's, customer's, supplier's or subcontractor's firm or company.

Employees must avoid participating in any decision-making process that could result in a conflict of interest situation. If such a situation arises, the employee must declare it to his supervisor.

5.7. Protection of SONATRACH's Assets

Employees must protect tangible and intangible property of SONATRACH (buildings, facilities, equipment, physical and intangible work tools, know-how, technical data, corporate documentation, funds, etc.) from any misuse, damage, waste or destruction.

Each employee is responsible for proper use and protection of the company's property and resources.

5.7.1. Protection of the Company's Computer Resources

SONATRACH undertakes to make available to its employees computer resources and means of communication necessary for the performance of their duties and to guarantee their proper functioning.

These resources must be protected and used for professional purposes, in accordance with the Charter for the use of the SONATRACH's information system. Their private use is restricted to specific circumstances and to the strict extent that it complies with the said Charter.

Data, information and e-mails, created or saved on SONATRACH's computers, are the exclusive property of SONATRACH. SONATRACH reserves the right to use them and exercise control over their use.

5.7.2. Protection of Confidential Information

Employees shall protect and never disclose the company's confidential information or data, in accordance with the procedures and regulations in force in this regard, even after the termination of the employment relationship.

All employees are bound by the obligation of discretion and professional secrecy.

Any misappropriation, concealment or destruction of documents and any communication to third parties of classified documents or information shall be punished as gross misconduct, without prejudice to legal proceedings.

When an employee who becomes aware in the exercise of his functions of classified information and data, leaves his job, he cannot exercise any activity with or on behalf of similar or competing companies in Algeria or abroad, during a period defined by SONATRACH.

Partners, customers, suppliers and providers are also required to comply with confidentiality rules, in accordance with confidentiality agreements that bind them to SONATRACH.

5.7.3. Protection of Intellectual Property

SONATRACH respects copyrights, intellectual property, trademarks, trade secrets, patents, licenses and software that are acquired or right-of-use acquired. It also protects its own intangible properties.

SONATRACH forbids its employees from using software and other computer programs that it did not authorize or to which it did not take a subscription.

5.7.4. Reliability and Compliance of Information

SONATRACH ensures the production and communication of true and accurate information that complies with legal obligations.

Notwithstanding legal proceedings, any falsification or manipulation of information is a fraud punished by the internal regulations of SONATRACH.

6. HEALTH, SAFETY AND ENVIRONMENT

The preservation of people's health, safety and property and the safeguarding of the environment is a primary concern of SONATRACH as enshrined in its general declaration of HSE policy, in which it spells out its values, ambitions and commitments in order to align with the best standards and performances in this area.

This commitment involves all the personnel and is part of a responsible approach aiming at operational excellence.

SONATRACH requires its employees, contractors and subcontractors, whatever their level of responsibility, to strictly respect the company's procedures and instructions regarding health, safety and the environment.

Managers have an additional responsibility to lead by example through their behavior and decisions, giving primacy to people's health and safety and environmental protection in any decision-making process.

SONATRACH also expects its employees and contractors to report any non-compliance or risk situation directly to the relevant manager or, if necessary, through the ethics alert system.

7. COMMUNICATION AND DIALOGUE

SONATRACH recognizes the importance of ongoing and regular communication and dialogue with its employees and other stakeholders.

In its public communication, SONATRACH is committed to providing accurate, consistent and responsible information about its activities and results.

SONATRACH's communication policy restricts public communication to duly authorized employees only.

SONATRACH employees must refrain from using the company's image or publishing in the media and social networks confidential information and any document, comment, photo or video that could damage the image of the country, the company and its employees.

Participation in conferences and forums in which information and experiences related to the company's activities are communicated, must require prior approval from management.

The provision of information and its publication in the context of research work or internship reports is subject to prior approval of the management.

8. CORPORATE RESPONSIBILITY

SONATRACH is committed to carrying out its activities in compliance with the best standards governing environmental protection. It ensures the corporate acceptability of any new project and remains attentive to its environment, or as part of permanent dialogue with local communities.

SONATRACH conducts its business in line with a sustainable development approach, which ensures rational and responsible use of natural and energy resources.

As a citizen company, SONATRACH works everywhere in Algeria to strengthen social links and promote the creation of wealth and employment. It contributes, in direct and indirect ways, to local development wherever it operates.

Through its actions of patronage and sponsoring, SONATRACH contributes to the preservation of biodiversity and the preservation of cultural and historical heritage.

9. SUBSIDIARIES AND HOLDINGS OF THE SONATRACH GROUP

SONATRACH's relationships with its subsidiaries and holdings are based on the principles of good governance and are oriented toward performance. They are also based on a balance of interests, synergy, the promotion of healthy and fair competition and a shared ethical culture, thus enhancing the Group's image.

SONATRACH expects its employees in its subsidiaries and holdings to comply with the ethical behaviors set out in this Code. It advises its subsidiaries and holdings to draw inspiration from this Code in defining their own ethical reference framework.

10. THE ETHICS ALERT SYSTEM

SONATRACH provides its employees and other stakeholders with an alert system to report, via dedicated and secure channels, any breach of this Code of Ethics.

This system guarantees the confidentiality of the information collected and provides for the protection of bona fide whistleblowers against any retaliatory measures.

11. DISSEMINATION OF THIS CODE OF ETHICS

This Code of Ethics is widely distributed to all SONATRACH stakeholders. It is published on the intranet portal as well as on the SONATRACH website.