

COMPLIANCE AND ETHICS COMMITTEE (the “Committee”) TERMS OF REFERENCE

1 Constitution and purpose

The Committee is constituted by the Board with the purpose of assisting the Board in fulfilling its oversight responsibilities in all areas relating to compliance and ethics. The Committee will ensure, in the provision of assurance to Petrofac’s stakeholders, that the Company’s policies and approach to compliance and ethics are adequate and effective. Together with the Board and the Executive Leadership, it will promote the importance of compliance and ethics with both employees and those who work with Petrofac.

2 Membership

- 2.1 Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations Committee in consultation with the Chairman of the Committee. The Committee shall be made up of at least three members, all of whom must be independent Non-executive Directors and where possible, one member should also be a member of the Audit Committee.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chairman of the Board, other Board members, the Group General Counsel, the Chief Compliance Officer, the Group Head of Internal Audit Director of Investigations, and external advisers may be invited to attend for all or part of any meeting as and when appropriate and necessary.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided the director remains independent.
- 2.4 The Board shall appoint the Committee Chairman who shall be an independent Non-executive Director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not be the Committee Chairman.
- 2.5 For the time being the make-up of the Committee shall be as follows:
 - (a) George Pierson – Committee Chairman
 - (b) Andrea Abt; and
 - (c) Matthias Bichsel.

In the event any member of the Committee steps down as a Director of the Company, the Committee shall continue until a new member is so appointed.

3 Secretary

- 3.1 The Head of Company Secretariat or their nominee shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4 Quorum

- 4.1 The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

5 Meetings

- 5.1 The Committee shall meet (including telephonically and electronically) at least four times a year at appropriate intervals, and at such other times as required. Additional meetings may be convened at the request of any Committee member, the Group General Counsel, the Chief Compliance Officer or the Group Heads of Legal, Finance or Internal Audit.
- 5.2 Outside of the formal meeting programme, the Committee Chairman will maintain a dialogue, as required and appropriate, with senior individuals in the Group, including the Board Chairman, the Group Chief Executive, the Chief Financial Officer, the Group General Counsel and the Chief Compliance Officer.

6 Notice of Meetings

- 6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than three working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.
- 6.3 Notices, agendas and supporting papers can be sent in electronic form.

7 Minutes of Meetings

- 7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

- 7.3 Minutes of Committee meetings shall be circulated promptly to all members of the Committee and once agreed, circulated to all members of the Board and to any other members of the Group, unless in the opinion of the Committee Chairman, it would be inappropriate to do so.

8 Annual General Meeting

- 8.1 The Committee Chairman shall attend the Annual General Meeting prepared to respond to any shareholder questions on the Committee's activities.

9 Responsibilities of the Committee Chairman

The responsibilities of the Committee Chairman shall include fostering an open, inclusive and, where appropriate, challenging discussion as well as engaging with principal stakeholders on significant matters related to the areas of responsibility of the Committee.

10 Duties

Petrofac has certain principles and rules relating to compliance and ethics which are set out in the Company's Code of Conduct and its supporting documents. These ensure an appropriate focus on compliance and ethics issues and clarify accountability within the Petrofac leadership group. The Committee has been established to uphold and oversee the implementation of these principles and rules, consider and approve any proposed amendments and promote the communication of Petrofac's commitment to compliance and ethical matters to all staff and its stakeholders.

In order to satisfy its obligations to uphold the principles and rules set out in the Code of Conduct, the Committee shall have oversight of the Group as a whole and, unless required otherwise by regulation, shall carry out the duties set out below:

- 10.1 assist the Board in fulfilling its oversight responsibilities in relation to the Company's compliance and ethics programme;
- 10.2 advise the Board and make recommendations on the development and implementation of strategy, policy, procedures and processes in respect of compliance and ethical matters;
- 10.3 keep under review key compliance and ethical risks and monitor the adequacy and effectiveness of respective mitigation activities and controls;
- 10.4 keep under review the Company's procedures for detecting fraud;
- 10.5 keep under review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance;
- 10.6 keep under review the adequacy and effectiveness of the Company's anti-money laundering systems and controls;

- 10.7 oversee the development and monitor the implementation and effectiveness of the Group Compliance Charter, the Company's Code of Conduct and other policies, procedures and standards in relation to compliance and ethics, including the Standard for the Prevention of Bribery and Corruption, the Standard for Anti-Money Laundering, the Ethical, Social and Regulatory Risk Policy, the Trade Compliance Policy, and the Conflict of Interest Policy;
- 10.8 review and approve at least annually and, if considered appropriate, recommend amendments to:
 - 10.8.1 the Group Compliance Charter, the Company's Code of Conduct, the Standard for the Prevention of Bribery and Corruption, the Standard for Anti-Money Laundering, the Ethical, Social and Regulatory Risk Policy, the Trade Compliance Policy, and the Conflict of Interest Policy; and
 - 10.8.2 the Company's compliance programme, including the processes and procedures in place for the identification, assessment, management and reporting of compliance and ethical risk and controls, to ensure they adequately reflect the Company's legal obligations, culture, values and expectations;
- 10.9 evaluate the compliance and ethical aspects of Company culture and make recommendations to the Board on steps to be taken to ensure a culture of integrity and honesty exists in the Company's business dealings;
- 10.10 monitor and approve the role and mandate of the Group compliance function, approve the appointment or termination of the Chief Compliance Officer receive regular reports from the Company's Chief Compliance Officer and keep under review the adequacy and effectiveness of the Company's compliance function;
- 10.11 receive reports and review findings of significant internal and external investigations, audits and reviews regarding significant fraud or error, or possible breaches of compliance and ethics policies and procedures. Exercise oversight, where possible, over any such investigation impacting the Group;
- 10.12 oversee, review and approve, as required and in liaison as necessary with the Audit Committee, the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing and impropriety in financial reporting or other matters and ensure such systems (and any other systems it considers necessary) adequately and securely allow ethical concerns to be raised in confidence. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action;
- 10.13 as necessary and where permitted by law, support the Company in engaging with regulatory bodies, industry groups, advisers and other stakeholders regarding ethical issues and compliance matters; and

10.14 ensure the Chief Compliance Officer and the Director of Investigations have direct access to the Chairman of the Board and to the Committee Chairman.

10.15 work and liaise as necessary with all other Board committees, ensuring the interaction between Committees and with the Board is reviewed regularly.

11 Reporting Responsibilities

11.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on matters within its duties and responsibilities.

11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action, improvement or change is proposed.

11.3 Through the Committee Chairman, and in conjunction with the Chairman of the Board, ensure that the Company maintains contact as required with its principal shareholders about compliance and ethics. 11.4 The Committee shall compile a report to shareholders on its activities which will be included in the Company's annual report.

12 Other matters

The Committee shall:

12.1 arrange for periodic reviews of its own performance and, at least annually, review its constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval. These Terms of Reference may only be amended with the consent of the Board;

12.2 have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance when required;

12.3 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and

12.4 give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code and published guidance, the requirements of the FCA's Listing Rules, Prospectus and Disclosure and Transparency Rules, the requirements of the UK's Bribery Act 2010 and any other applicable rules, as appropriate.

13 Authority

The Committee is authorised by the Board to carry out the duties set out in these Terms of Reference. In fulfilling its duties, the Committee is authorised by the Board to:

13.1 seek any information it requires from any employee of the Company in order to perform its duties.

- 13.2 call any employee to be questioned at a meeting of the Committee, as and when required, with employees directed to co-operate with any requests made by the Committee;
- 13.3 have unrestricted access to Company documentation and information; and
- 13.4 obtain, at the Company's expense, independent legal or other professional advice on any matters within its Terms of Reference.