

**BBL COMPANY**

**Compliance Protocol  
following the Internal Exclusion Policy**

**Version 2.0**

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## 1. Introduction

This document describes the structure and implementation of the BBL Company *Compliance Protocol* in order to meet the guidelines as set forth by the *Internal Exclusion Policy* (as attached under point 3 of Appendix A). The *Director* of BBL Company V.O.F. (“BBLC”) shall fulfill the role of compliance officer who is responsible for assuring adequate implementation, compliance and maintenance of this protocol. The compliance officer shall consider the internal rules and goals of BBLC and supervise the way in and extent to which BBLC conforms to the internal rules and relevant external laws and regulation. Moreover, the *Director* shall be responsible for constraining potential compliance risks and embedding compliance in relevant business processes by creating awareness among employees. In addition, regularly scheduled compliance audits shall be performed by a party external to BBLC. Relevant definitions are provided under appendix A.5.

### A. Background

The *Internal Exclusion Policy* is a result of the requirements set by the European Commission (hereafter, the EC) and *The Authorities* to BBLC to address possible conflicts of interest that may arise with regard to discussions and decisions related to the marketing of the *Non-Exempted Capacity*. The *Internal Exclusion Policy* sets forth procedures that address the identification and management of these potential conflicts of interest by exclusion of the *Conflicted Partner*.

### B. Scope and application

This *Compliance Protocol* outlines the practical application of the *Internal Exclusion Policy*. It provides compliance guidelines concerning relevant lines of communication between BBLC and the Partners. These lines of communication include the *GMP*, the *OC*, the annual reports, the management reports of BBLC, the monthly reports regarding the *OSLA* and *OSLA* and relevant expert meetings. The elements that constitute the *Compliance Protocol* consist of the standards of conduct for BBLC employees, the identification and management of *Excluded Matters*, setting-up main and restricted meetings, upholding a *Document Management System* that corresponds to these separate meetings and the organization of instruction sessions and auditing.

## 2. Compliance Protocol Elements

### A. Primary Policies and Procedures

#### 1. Standards of Conduct for BBLC employees

In addition to the standards mentioned in the general BBLC Code of Conduct, employees are expected to adhere to the present *Compliance Protocol* and the following standards in particular:

- No employee shall make, file, or use any false, fictitious, or fraudulent statements or documents in connection with matters related to the guidelines in this *Compliance Protocol*.
- No employee shall falsify, conceal or cover up a material fact in the performance of their duties with respect to this *Compliance Protocol*.

- Each employee shall be responsible for reporting any violations of this *Compliance Protocol* to the compliance officer as appropriate.
- Employees shall sign the confidentiality agreement which is provided under point 2 of Appendix A.

## 2. Identification and Management of *Excluded Matters*

Any *Relevant Person* is excluded from all *Excluded Matters*. This exclusion also results in the *Conflicted Partner's* inability to vote on such matters.

The exclusion of the *Conflicted Partner* shall take place by the following means:

- The *Conflicted Partner* does not participate, attend, and/or vote in those parts of the *OC* and *GMP* where *Excluded Matters* are discussed;
- BBLC and the *Non Conflicted Partners* shall not communicate any *Commercially Sensitive Information* with respect to the marketing of the *Non-Exempted Capacity* to the *Conflicted Partner*, including but not limited to via documents such as the monthly reports, the annual reports, the annual business plans, the operating budgets and investment budgets

The following checklist shall be used to assess whether matters should be classified as *Excluded Matters*. The list provides an overview for each relevant line of communication between the Partners and BBLC:

- **GMP/OC:** any matters related to the marketing of *Non-Exempted Capacity* or containing *Commercially Sensitive Information* with respect to the marketing of *Non-Exempted Capacity*, including any matters related to the following regulatory issues are considered *Excluded Matters*: implementation of ENTSOG Network Codes, European Regulations, annexes to the European Directives with direct effect, and national legislation following implementation of European Directives, all related to the marketing of *Non-Exempted Capacity*.

N.B.: all matters related to Health, Safety and Environment (HSE), summaries of the non-Restricted previous meeting (“Minutes”), Service Level Agreements (SLA), offshore management, and technical issues are generally not considered to be *Excluded Matters*.

- **BBLC budget:** the *Director* shall ensure that the BBLC budget is checked on the presence and purged of any *Excluded Matters* prior to distribution. If the budget involves *Excluded Matters*, the *Conflicted Partner* shall receive a modified version of the budget from which the *Commercially Sensitive Information* has been removed.
- **Annual reports:** the *Director* shall ensure that the annual reports are checked on the presence and purged of any *Excluded Matters* prior to distribution. If the annual report involves *Excluded Matters*, two versions of the report shall be produced, one containing and one without the *Excluded Matters*. Only the second version will be distributed.
- **Management reports BBLC:** any of the following sections of these reports are considered *Excluded Matters*: the Specials section (provided these cover matters related to the marketing of *Non-Exempted Capacity*), specifications of Current Liabilities and

Accounts Receivable, explanations of the Operating Income and information about the gas balance of other shippers as long as any of its contents are related to the marketing of *Non-Exempted Capacity* or relevant regulatory issues.

N.B. the following sections of the management report are not considered *Excluded Matters*: the KPI-report, the Specials section (provided these do not cover matters related to the marketing of *Non-Exempted Capacity* or relevant regulatory issues), the Balance Sheet –excluding *Commercially Sensitive Information* of Current liabilities and Accounts receivable-, the Profit & Loss account – excluding *Commercially Sensitive Information* with respect to Operating Income-, the Cash Flow Report, the section discussing Commercial Operations (including aggregated overviews of capacity, gas flow and electricity usage, inventory) – excluding information on the gas balance of the Other shippers category-, the real physical content BBL, the End of day deviation, and the Overview *OSLA* contract.

- **E-mail correspondence:** All *OC* and *GMP* related reports, documents and memoranda shall be distributed via the *Document Management System* and not via E-mail. All non-*OC* and non-*GMP* related reports, documents and memoranda involving communication between BBLC and Partners shall be distributed via the *Document Management System* and not via E-mail. Any E-mail correspondence between BBLC and the *Conflicted Partner* shall not contain any *Excluded Matters*. BBLC employees, *Relevant Persons*, Partner representatives and subject-matter experts shall be instructed to minimize E-mail correspondence and not to send any E-mails containing *Excluded Matters* to the *Conflicted Partner*.
- **Expert meetings:** Prior to any expert meeting, the chairman of the meeting shall determine whether the meeting involves *Excluded Matters* and discuss this with the *Director*. Meetings involving no *Excluded Matters* may be attended by the *Conflicted Partner*. If a meeting involves *Excluded Matters*, the *Conflicted Partner* shall be excluded from all parts of this meeting that involve *Excluded Matters*.
- **Monthly reports regarding the *OSLA* and *OSLA*:** the contents and workings of the monthly reports regarding the *OSLA* and *OSLA* are not affected by the *Internal Exclusion Policy* and are therefore not discussed in this document.

### 3. Setting-up main and restricted meetings and a *Document Management System*

The *GMP* and *OC* shall each be divided into main meetings (Main-*GMP*/Main-*OC*) and restricted meetings (Restricted-*GMP*/Restricted-*OC*). Each meeting shall be attended by a minimal number of persons. This number includes permanent Partners representatives who may be accompanied by subject-matter experts if appropriate.

The discussable contents of the main and restricted meetings are as follows:

- The Main-*GMP/OC* shall cover all matters other than *Excluded Matters*;
- The Restricted-*GMP/OC* shall cover any *Excluded Matters*.

The *Conflicted Partner* shall not participate in the Restricted-*GMP/OC*. The *Conflicted Partner* shall be notified of decisions made during Restricted-*GMP/OC* without sharing any *Commercially Sensitive Information*.

To this end, every Restricted-*GMP/OC* shall commence by checking whether the agenda contains issues which should be shared with the *Conflicted Partner*.

During the first Restricted-*GMP/OC* of each calendar year, a verification shall be done as to whether the separation of subjects e.g. restricted and non-restricted was executed correctly in the preceding calendar year or whether improvements are required.

*Excluded Matters* are identified in advance of each *OC* meeting and *GMP* according to the following procedure:

When preparing the agenda of the meetings, the *Director* shall identify the *Excluded Matters*. The chairman of each *OC* meeting or *GMP* sets the agenda. The agenda will comprise two parts; one relating to the main-meeting and the other relating to the restricted meeting. In the event there is doubt if an item should be treated as *Excluded Matters*, the chairman will consult the *Non Conflicted Partners*.

The agenda of the meetings shall be circulated at least 10 working days in advance of the meetings. The Partners can make objections to the chairman with regard to the matters that have been identified or not been identified as *Excluded Matters*. This 10 day time period can be reduced if all Partners agree on the matters which have been determined by the chairman as *Excluded Matters*. Objections, if any, must be made in writing and notified to the chairman and to the other Partners at the latest 5 working days before the meeting that is to discuss, deal with and/or vote on the matters having been identified as *Excluded Matters*.

If objections are made by one or several *Non Conflicted Partners* in writing and within the applicable time window, the chairman will re-examine his decision on whether the matter should or should not be considered as *Excluded Matters*, after having consulted the *Director*.

If objections are made by the *Conflicted Partner* in writing and within the applicable time window, the *Non Conflicted Partners* and the *Director* will meet or hold a telephone conference before the relevant *OC* meeting or *GMP* to deliberate and if needed the *Non Conflicted Partners* will decide unanimously on whether the matters identified by the chairman as being *Excluded Matters* should be open for discussion and voting by the *Conflicted Partner*. The *Conflicted Partner* will not attend said deliberation (or telephone conference) and/or vote. Any decision of the *Non Conflicted Partners* as to whether a matter is to be considered as *Excluded Matters* shall be binding upon the *Conflicted Partner*, who shall be excluded from the relevant parts of the meeting(s) during which the *Excluded Matters* are scheduled and discussed, subject to a possible challenge as described below.

Any decision of the *Non Conflicted Partners* with regard to the Excluded Matter-nature of a given matter can be challenged by the *Conflicted Partner*. Such challenge is to take place after the meetings at which the *Excluded Matters* have been discussed have taken place.

In accordance with the agenda and no later than 5 working days prior to the beginning of each meeting, BBLC shall place all relevant documentation required in preparation for the meetings in the designated area of the *Document Management System* in use, i.e. all documentation relevant to the Main-*GMP/Main-OC* shall be placed in the Main area of

the system, whereas all documentation relevant to the Restricted-*GMP*/Restricted-*OC* shall be placed in the Restricted area of the system. All documentation relevant to the *GMP* and *OC* meetings shall be shared among Partners via this system and not via E-mail. If objections have been raised by a partner as to whether a matter is to be considered as Excluded or not, the above date at which the documentation shall have to be placed on the *Document Management System* can be reduced to 3 working days prior to the relevant meeting.

The *Document Management System* in place shall provide a secure authentication and authorization infrastructure. In practice this shall be reflected by a differentiation between a Main and a Restricted area regarding all documents relevant to the *GMP* and *OC*. Main and Restricted areas shall have controlled users. *Relevant Persons* shall have access only to the Main areas that contain only those documents relevant to the Main-*GMP* and Main-*OC*, while the Restricted areas containing those documents relevant to the Restricted-*GMP* and Restricted-*OC* shall be accessible to those persons who are not *Relevant Persons*.

After each meeting, a declaration of physical exclusion of *Relevant Persons* shall be recorded in the minutes of the meeting. Separate minutes shall be made for the Main meeting and the Restricted meeting. These shall be treated as separate items and stored in similar manner as all other documents relevant to the *GMP* and *OC*.

## **B. Providing Compliance Instruction**

BBLC employees, *Relevant Persons*, representatives of *Non Conflicted Partners*, service providers and subject-matter experts shall receive an instruction that shall cover the topics and guidelines set forth in this Protocol before they begin their assigned duties. A statement acknowledging the employees' commitment to and receipt of the *Compliance Protocol* and Code of Conduct shall be signed and dated, and retained in the BBLC *Document Management System*.

## **C. Auditing and Monitoring**

### **1. Internal Audit and Independent Review**

The execution of this BBLC *Compliance Protocol* shall be audited annually by the internal audit department of one of the *Non Conflicted Partners* and possible improvements of the *Compliance Protocol* resulting from these audits shall be considered. During the annual audit, spot checks shall be made to check whether the separation of information for *Non Conflicted Partners* and *Conflicted Partners* is executed correctly and in line with this *Compliance Protocol*. In addition, an independent third party shall conduct an annual compliance review of the design and implementation of the internal exclusion framework. Reports will be disclosed to the management board and discussed within the Main-*GMP*. If the *Compliance Protocol* is changed, all employees involved with BBLC shall receive an updated instruction.

### **2. Maintaining a Track Record and Incident Register**

BBLC shall keep record of who attended the Main/Restricted-*OC* and/or Main/Restricted-*GMP*. For the *GMP*, a record shall be held of how the votes have been cast by the Partners in matters related to the marketing of *Non-Exempted Capacity*, including the reasons why a *Relevant Person* was not excluded from matters according to

the applying guidelines. Items stored in the track record shall not disclose any *Commercially Sensitive Information*.

- The track record is stored in the Main area of the *Document Management System*.
- The track record is shared with *The Authorities* on a regular basis.
- The track record shall include an incident register listing each occasion when a non-compliance with the *Compliance Protocol* occurs. All cases of non-compliance shall be reported at the appropriate *GMP/OC*.
- The *Director* shall be notified of each incident including all relevant details.



# Appendix A – Attachments

## 1. BBLC Code of Conduct

### Foreword

BBL Company V.O.F. (hereinafter “BBLC”) is a general *Partnership* and operates as a legally and financially independent company. The company’s main activities are the design, construction, operation, exploitation and (possibly) abandonment of a pipeline facility connecting the Netherlands (Balgzand) and the United Kingdom (Bacton).

The outstanding reputation of each of the ultimate shareholders (N.V. Nederlandse Gasunie, Uniper Global Commodities SE (as legal successor of E.ON Ruhrgas AG) and Fluxys N.V.) in the natural gas transportation business is anticipated to grease the company’s maturation process and to quickly gain the status of a top quartile transport provider in the European gas market.

It is the company’s objective to provide an undisputed best-in-class performance firmly rooted in high standards in respect of safety, reliability and morale. The company applies integral quality care in order to bring about a customer-oriented approach and continuous improvement in its operations.

This Code of Conduct sets forth the norms and values applicable to all employees and which serve to promote and guarantee the quality and integrity of the company’s operations. It is the task of everyone involved in such operations to put this into practice, both in their own work as well as in collaboration with others.

### Introduction to the Code of Conduct

The BBLC Code of Conduct concerns the way in which the company does business. In addition, part of the code covers the duties of BBLC employees towards the company.

The term ‘employees’ is to be understood in its widest meaning as it covers both staff working on a permanent basis (including the *Director*) as well as staff contracted in for the execution of certain tasks. Each employee is personally responsible for observance of the Code of Conduct. Whoever detects any problems in this area will inform the *Director* accordingly. However, should the problem be related to the *Director* himself, the relevant notification has to be given to the Manager Internal Audit of N.V. Nederlandse Gasunie and the Partners.

### Company policy

#### Business ethics

*EU, Dutch and UK legislation as the starting point*

BBLC has been developed and will be operated in full compliance with all applicable laws and regulations. In addition, the company also chooses integrity as a guiding principle for doing business. An established reputation as a reliable and honest business partner is of great value to the company.

The company expects that everyone in the organization acts with integrity. Employees are not allowed to achieve results by breaking laws or violating the norms in any other way. The management supports employees who, rather than sacrificing these principles, refuses to exploit opportunities or chances. Sincerity is expected from all employees. This

means that policy statements are observed, as well as administrative and technical rules and procedures.

### **Safety and the environment**

#### *Continuous attention*

Personal health, safety and environmental preservation all have a high priority at BBLC. These must be manifested in the management of the business.

### **Economic competition**

#### *Keeping to the rules of competition*

Company employees have to adhere to the relevant European, Dutch and United Kingdom laws and regulation regarding competition in the execution of their tasks.

### **Non-discrimination**

#### *Discrimination is absolutely forbidden*

The company offers all employees the same opportunities on commencement of employment, during employment and equal working conditions, regardless of race, colour, religion, nationality, gender or sexual proclivity.

### **Donations to political parties**

#### *None*

BBLC does not make donations to politicians and/or to political parties.

### **Presents, favours, and the like**

#### *Not acceptable*

It is not permitted to do business by attempting to influence another party by means of gifts or (personal) favours. This covers any service that is given or received with the intention to influence the business dealings in an improper way.

### **Individual rules of behavior**

#### **Assets**

##### *Business use, not for personal purposes*

During their work activities each employee is responsible for the correct use of the company's assets. This does not only mean property and possessions and assets of the company, but also company information and right *in rem*. Assets of all kinds are only be used to realize the aims of the company. On an ad-hoc basis, management may decide to allow (temporary) deviations from this rule. Also information and means of communication (internet, e-mail and telephone) are for business use only. Limited private use is allowed within admissible limits.

#### **Payment**

##### *According to procedure, businesslike and never personal*

Payments to third parties must be according to accepted regulatory, legal and ethical norms.

Entertainment expenses are in proportion to the commercial interest and are duly evidenced by supporting documents.

Remunerations paid to employees by third parties and arising from the employee's function within BBLC have to be reported to the *Director* and are for the benefit of the company. Any exception to this rule has to be expressly approved by the *Director*.

### **Interest outside BBLC**

*Must be stated and may not conflict*

Business activities of BBLC employees in addition to their employment by BBLC should not be in conflict with the interests of the company.

Substantial (financial) interests in a BBLC business partner must be stated in advance. The same applies to employees invited to take up a position as a member of a supervisory board.

### **Conflict of interests**

*Private and business interests must be separated at all times*

Employees of BBLC should avoid conflict of interest between their private interests and those of the company, in particular in the context of contacts with third parties providing goods and/or rendering services to BBLC.

In the event of an emerging conflict of interest such employees have to inform their management forthwith with the aim of agreeing on the appropriate course of action.

The *Director* shall at all times act in the best interest of the BBLC. This shall apply in particular in relation to the contractual relationship between a Partner or its Affiliate and the BBLC. In the event of disputes under such contractual relationships the *Director* shall provide all Partners with the relevant information relating to such disputes.

### **Favours from third parties**

*Not allowed, unless...*

Gifts from or personal favours granted by third parties should not be accepted unless such gifts or favours are exceptional and do not exceed the €50 limit. Any gift has to be reported to the employee's line manager. Presents or favours in excess of this amount are to be reported to the budget holder, who can decide to return such (in the case of gifts) or let BBLC benefit by them. Any payment of money and/or any personal service rendered to an employee by any third party, that is related to the work within BBLC, is strictly forbidden.

Relationships with business partners must be kept pure. The consideration of any personal advantage or benefit should never play a role in business decisions.

### **Company Information**

*Preservation of Confidentiality of data and information is a main obligation*

Any information that may damage BBLC commercially, technically or otherwise if accessed by third parties has to be treated in strict confidentiality and may not be disclosed to any third party without prior written authorization of the *Director*.

If, for the purpose of the work, any confidential information has to be disclosed to any third party, this party has to sign a letter of confidentiality in advance. Only the *Director* can decide to publish any information about the company.

It is not allowed to discuss sensitive information in places where confidentiality is not guaranteed. Employees should not leave any sensitive information unprotected on their desks (clean desk policy) or in their offices; cupboards must be locked, and computers protected by passwords and closed when they are left without surveillance. Sensitive information must never be left unattended.

### **Recording Information**

#### *Truthful*

Business transactions are properly recorded (accurately, on time and in full) in conformance with ruling BBLC guidelines. This also applies to claiming of expenses incurred in the course of executing activities for BBLC.

### **Safety and the environment**

#### *Active attention by everyone*

Every employee has to work taking full account of all applicable rules and legislation on safety and environmental protection, and limit any possible risks to health. He or she is obliged to report unsafe situations to his/her immediate superior and to immediately intervene if any dangerous or threatening situations arise. In addition every employee is expected to pay care and attention to the preservation of the environment.

### **Observance**

Each employee of BBLC has the duty to immediately report any detected voluntary or involuntary infringement of the Code on Conduct to the *Director* and, where the infringement is related to the *Director* himself, to the Manager Internal Audit of N.V. Nederlandse Gasunie and the Partners. The Manager Internal Audit will conduct the appropriate investigations and, subsequently, report its outcome to the *Director*. It is in the *Director's* discretion to obtain legal council in support of his decision on the way forward. Appropriate feedback will be provided to the whistle-blowing party. Whistle-blowing issues will be treated in the strictest confidence possible. During and subsequent to the investigation, the Manager Internal Audit will ensure full and continued protection of his source(s) of information.

Contravention of this Code of Conduct may result in sanctions in the form of disciplinary measures, dismissal and/or reporting to the judiciary.

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## 2. BBLC *Internal Exclusion Policy*

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### 1. Background and Objective

BBL Company V.O.F. (BBLC) has been granted an exemption based on Article 22 of Directive 2003/55/EC. The exemption applies to the initial shipper contracts, hereinafter: the “*Exempted Capacity*”. Since the exemption does not cover the additional capacity which came available following the installment of a fourth compressor, this capacity is non-exempted. Together with the Interruptible Reverse Flow (IRF) services of BBLC, this capacity will be referred to as the “*Non-Exempted Capacity*”.

The European Commission (EC), the Office of the Gas and Electricity Markets (*Ofgem*) and the Autoriteit Consument & Markt (*ACM*) (hereinafter: “*The Authorities*”) have requested BBLC to address the possible Conflict of Interests relating to the marketing of *Non-Exempted Capacity* (hereinafter: “*CoI*”) by exclusion of any shareholder of BBLC who exercises directly or indirectly control over an undertaking performing any of the functions of production or supply or which is itself directly or indirectly controlled by such an undertaking (hereinafter: the “*Conflicted Shareholder*”).

This *Internal Exclusion Policy* is to set forth procedures that address the identification and management of the Conflicted Shareholder’s potential CoI that may arise as long as the Conflicted Shareholder remains as a shareholder or until and not later than the expiry date of above mentioned exemption (2 December 2022).

### 2. Scope

For the purposes of this document, this policy covers those CoIs that may arise with regard to discussions and decisions related to the marketing of the non-exempted part of BBLC’s capacity.

For the purposes of this policy, “*Relevant Person*” means any of the following: a *Director*, partner or equivalent, manager, employee or appointed representative of the Conflicted Shareholder, as well as any other person who is appointed by the Conflicted Shareholder, to represent the Conflicted Shareholder in any matter relating to BBLC.

The measures of control for identification and management of CoI as set out in this document will apply to all relevant information and decisions with regard to the

marketing of the *Non-Exempted Capacity*, unless such decisions will have a *Material Adverse Impact* on the *Exempted Capacity*.

### **3. Identification and Management of Conflicts of Interest**

(3.1) BBLC has given undertakings to *The Authorities* on the internal exclusion for its Conflicted Shareholder in respect of the following matters:

- Exclusion from all matters related to the marketing of the *Non-Exempted Capacity* (such as decisions related to market arrangements and commercial arrangements).
- Keeping the Conflicted Shareholder excluded from *Commercially Sensitive Information* with respect to the marketing of *Non-Exempted Capacity*.
- Discussing implementation of any ENTSOG Network Code, European regulations, annexes to the European Directives with direct effect, and national legislation following implementation of European Directives, all related to the marketing of the *Non-Exempted Capacity*. If decisions regarding such implementation will have a financial impact, not being a *Material Adverse Impact* in which case (3.3) applies, on the *Exempted Capacity*, the Conflicted Shareholder will be informed about the results of the decisions, without sharing any *Commercially Sensitive Information*.

(3.2) The means proposed by BBLC to *The Authorities*, to exclude the Conflicted Shareholder from the matters as described in (3.1) are the following:

- the Conflicted Shareholder not participating, attending and voting in those parts of the *OC* meeting (*defined in 1A*) and *GMP* (*defined in 1A*) where the matters, to be excluded from according to (3.1), are discussed;
- BBLC and the other shareholders not providing information to the Conflicted Shareholder on the matters to be excluded from according to (3.1); and
- BBLC drafting a program in order to be able to conduct a compliance check.

(3.3) If decisions regarding the marketing of *Non-Exempted Capacity* would lead to a *Material Adverse Impact*, e.g. significant negative impact on the revenues, dividends or excess cash following BBLC's original business case, the Conflicted Shareholder will not be excluded from participating, attending and voting in relevant (parts of) meetings. This also includes investments as a direct result of marketing *Non-Exempted Capacity*. If such a case would occur, the Conflicted Shareholder will only be provided the minimum required information which is necessary to address the *Material Adverse Impact*.

BBLC shall keep record of:

- (a) each occasion when a *Relevant Person* has participated, attended and exercised its voting rights in the *OC* and / or the *GMP* in matters related to the marketing of the non exempted part of BBLC's capacity; and
- (b) the reasons why a *Relevant Person* was not excluded from matters as set out in (3.1).

This track record will be shared with *The Authorities* on an annual basis.

### **4. Measures of Control for Identification and Management of CoI**

To ensure compliance with the policy as set out in this document, BBLC has implemented an Internal Exclusion Framework that consists of the following aspects:

- a) Governance & culture
- b) Policies, processes and procedures
- c) People
- d) Monitoring, testing and reporting

### **a) Governance and culture**

To establish effective corporate governance and clear responsibilities, with regard to the policy as set out in this document, BBLC has established the following control measures:

- The number of persons that will attend *OC* and *GMP* meetings will be kept to a minimum. This includes permanent representatives who can be accompanied by subject-matter experts.
- Only the *Relevant Persons* will be sent documentation regarding agenda items to ensure restricted information flows.
- Newly nominated representatives and subject-matter experts from any Shareholder are provided by BBLC with induction training to discuss and explain this policy and CoI in a broader context to ensure continuity of knowledge and expertise.
- The Conflicted Shareholder will not participate in the decision making process, unless (3.3) applies, regarding the *Non-Exempted Capacity* to prevent CoI within the decision making process. The Conflicted Shareholder will be notified of decisions by BBLC, without sharing any *Commercially Sensitive Information*.

### **b) Policies, processes and procedures**

In order to establish the control environment used to assure compliance with this policy, BBLC has implemented operational procedures and information barriers.

#### **Operational procedures**

- *Relevant Persons* will sign a confidentiality agreement annually.
- Additional to the record tracking by BBLC following (3.3), BBLC will conduct a yearly risk assessment by discussing possible CoI regarding matters as described in (3.1) and associated risks in the first *OC* and *GMP* meeting of each calendar year. Identified risks, and when necessary mitigating measures, will be recorded. In addition, possible *Material Adverse Impact* will be substantiated during this meeting.
- The agenda of *OC* and *GMP* meetings will be determined by the chairman. The agenda will be set up in a manner that enables the Conflicted Shareholder to be excluded from the relevant matter according to this policy, e.g. morning and afternoon sessions. Furthermore, the topics of the agenda will be headlined in a manner that it does not disclose *Commercially Sensitive Information* with respect to those matters outlined in 3.1.
- Prior to any meeting, the agenda and relevant information will be circulated by BBLC in a timely fashion to all shareholders. Information will be differentiated by topics that concern the marketing of the *Non-Exempted Capacity* and all other topics. The *Relevant Persons* will not be provided with *Commercially Sensitive Information* related to the marketing of *Non-Exempted Capacity*.

- In the meetings, the *Relevant Persons* will be physically excluded from all matters related to the marketing of the *Non-Exempted Capacity*. This will be recorded in the minutes of the meeting.
- Minutes of the meeting shall be prepared by BBLC. The minutes shall be adopted in the next meeting. The minutes of the meeting will set out the items on the agenda and clearly state the decisions taken and actions agreed. Minutes will be split between topics that concern the marketing of the *Non-Exempted Capacity* and all other topics. The Conflicted Shareholder will not receive the part of the minutes that concern the *Non-Exempted Capacity*.
- If non-compliance with the policy as set out in this document occurs this will be reported by (persons representing) shareholders and / or other persons present (staff of BBLC or external advisers) to the *Director* of BBLC, including all relevant details. Such incidents and follow-up will be recorded in an incidents register. This incident register will be at all times available to the relevant authorities upon their request.

**Information barrier management:**

Exclusion of the Conflicted Shareholder from all information related to the marketing of *Non-Exempted Capacity* is achieved by the following control measures:

- The Conflicted Shareholder is denied access to BBLC servers, except for technical and offshore data related to the operation of the BBL in a safe and prudent manner.
- Separate mail-groups for information related to the marketing of the *Non-Exempted Capacity* and all other topics are established.
- A secure authentication and authorization infrastructure is implemented. Users and user groups are identified and separate access rights or restrictions will be applied to information.
- Based on the authorization structure, specific access rights and restrictions will be granted to authorize or deny access to sections of the IT infrastructure.
- Within the IT infrastructure safeguards will continue to apply to restrict or allow access to the IT infrastructure where non-exempted information is stored.

**c) People**

To develop competencies and awareness on this policy and the infrastructure through which this can be achieved, BBLC has established several control measures:

- Compliance with regard to the policy as set out in this document is integrated into the performance management cycle of the *Director*.
- The policy as set out in this document will be incorporated in the BBLC Code of Conduct.
- This policy will be provided to all relevant employees of BBLC and any shareholder. Awareness of its contents is achieved by a training session on its contents. Newly nominated representatives and subject-matter experts from any Shareholder are made aware of the contents of this policy through induction sessions.
- Updating all relevant employees of BBLC yearly on compliance issues relating to CoI.



#### **d) Monitoring, testing and reporting**

To provide insight into strengths and weaknesses of compliance arrangements and establish reporting lines concerning the compliance risks BBLC has implemented a process of monitoring, testing and reporting. This process includes the following control measures:

- BBLC keeps and regularly updates a record of incidents and measures taken.
- BBLC has established a monitoring program that includes:
  - The internal audit department of one of the shareholders (not being the Conflicted Shareholder) conducting a yearly audit of the functioning of BBLC's internal exclusion framework.
  - Every year, an independent third party conducting a compliance review of the design and implementation of the internal exclusion framework.
- Reports will be disclosed to the management board and discussed within *GMP* meetings.

### 3. List of *Relevant Persons* and Other Persons Involved

This list is kept as a separate attachment to facilitate updating if required.

## 4. Definitions

When used in this *Compliance Protocol* the following terms shall have the meaning ascribed to them in this definitions section. When defined terms are used in the plural they mean the plural of the defined term.

*ACM*: Autoriteit Consument & Markt;

*Commercially Sensitive Information*: particulars of individual customers and/or potential customers that have come available in the usual course of business, which on reasonable grounds can be assumed as not being in the public domain and which can reasonably be expected to provide a competitive advantage to the *Conflicted Partner* or to any of its Affiliates active in the production and/or supply of natural gas;

*Compliance Protocol*: this protocol;

*Conflicted Partner*: any Partner of BBLC who exercises direct or indirect control over an undertaking performing any of the functions of production or supply or which is itself directly or indirectly controlled by such an undertaking; the Partners that are not a *Conflicted Partner* are hereinafter collectively referred to as the “*Non Conflicted Partners*”;

*Director*: the person responsible for day to day management of the *Partnership*. The *Director* shall act in accordance with the resolutions of the *GMP*;

*Document Management System*: the system used to store and distribute electronic documents within BBLC;

Uniper Global Commodities SE, whose principal place of business is at 40221 Düsseldorf, Holzstr. 6, Germany as legal successor of E.ON Ruhrgas AG;

*Excluded Matters*: all matters relating to the marketing of *Non-Exempted Capacity*, in particular (but not limited to) those matters which contain *Commercially Sensitive Information*. This includes discussion of the implementation of any ENTSOG Network Code, European Regulations, Annexes to the European Directives with direct effect, and national legislation following implementation of European Directives, all related to the marketing of the *Non-Exempted Capacity*. If decisions regarding such implementation will have a financial impact, not being a *Material Adverse Impact*, on the *Exempted Capacity*, the *Conflicted Partner* shall be informed about the results of the decisions, without sharing any *Commercially Sensitive Information*;

*Exempted Capacity*: capacity that is exempted from regulation or parts thereof based on the exemption which has been granted to BBLC on the ground of Article 22 of Directive 2003/55/EC. This exemption applies to the initial shipper contracts;

*Fluxys*: Fluxys Europe B.V., whose principal place of business is at Rotterdam, 3012 KG Westblaak 89, the Netherlands, formerly Fluxys NL B.V.;

*Gasunie*: N.V. Nederlandse Gasunie, whose principal place of business is at Groningen, 9700 MA Concourslaan 17, the Netherlands;

*GMP*: means General Meeting of Partners;

*Internal Exclusion Policy*: the document describing the requirements concerning exclusion of the *Conflicted Partner*;

*Material Adverse Impact*: A Material Adverse Impact according to 3.3 of the attached IEP, shall be understood as decisions regarding the marketing of Non-Exempted Capacity that could lead to:

- i. with respect to the revenues a negative impact of 10% in relation to the revenues of the previous year, or
- ii. with respect to Excess Cash that can be distributed to the Partners a cumulative negative impact of 10 million EUR in three subsequent years, or
- iii. with respect to dividends a cumulative negative impact of 10 million EUR in three subsequent years.

The cumulative negative impact according to Section 2.2.3 (ii) and (iii) will be calculated by discounting the effects on Excess Cash and dividends, respectively, at 6% before taxes to the time of the decision;

*Non-Exempted Capacity*: all capacity that can be marketed other than *Exempted Capacity*;

*Ofgem*: Office of Gas and Electricity Markets;

*OSLA*: Operational Service Level Agreement between BBLC and N.V. Nederlandse Gasunie;

*OMSA*: Operation and Maintenance Services Agreement between BBLC and Royal Dutch Shell;

*OC*: means Operations Committee;

*Partnership*: means the general *Partnership* (“*vennootschap onder firma*”) under Dutch law consisting of *Gasunie*, *E.ON* and *Fluxys*;

*Relevant Person*: a *Director*, partner or equivalent, manager, employee or appointed representative of the *Conflicted Partner*, to represent the *Conflicted Partner* in any matter relating to BBLC;

*The Authorities*: the *ACM* and *Ofgem*.