



TRANSOCEAN

CODE OF BUSINESS CONDUCT AND ETHICS

1. INTRODUCTION

At Transocean Inc. ("Transocean") our Core Values (FIRST), form the foundation of our business:

- Financial Discipline
- Integrity and Honesty
- Respect for Employees, Customers and Suppliers
- Safety of People, Property and the Environment
- Technical Leadership

Adherence to these core values requires that we conduct our business in accordance with both the law and the highest standards of business ethics. In furtherance of that goal, the Board of Directors has adopted the Code of Business Conduct and Ethics, the Anti-Corruption and Business Conduct Policy and Insider Trading and Confidential Information Policy, all of which apply to the Transocean group of companies (the "Company"), its Board of Directors and all employees.

2. GENERAL PRINCIPLES

- A. It is the policy of the Company (which term, as used in this Code, includes Transocean Inc. and each of its subsidiaries) to comply with all applicable laws, rules and regulations. When the application of a law, rule or regulation is uncertain, the guidance and advice of the General Counsel or Chief Compliance Officer of Transocean should be sought.
- B. Employees and others who act for or on behalf of Transocean may not, either directly or indirectly, offer, make or promise anything of value, or approve or authorize the giving of anything of value, to an employee of any government, government-owned or controlled company, political party or international organization, or to a political party itself, in order to obtain or retain business, to gain any improper advantage or benefit. Similarly, such offers, promises or payments must not be made to facilitate or expedite any routine governmental action except under the conditions specified in the Anti-Corruption and Business Conduct Policy, Foreign Corrupt Practices Act section.
- C. The Company's policy is to be nonpartisan. The Company does not support or take positions as to political parties or candidates at any level of government. Except to the extent specifically allowed by law, no corporate funds, properties or services shall be used directly or indirectly to influence the nomination or election of any candidate to public office. The Company

encourages its employees to take an active personal interest in community and government affairs at all levels. In accordance with this policy, the Company may sponsor nonpartisan educational programs for the purposes of better acquainting employees with the need to exercise citizenship responsibilities.

- D. The Company's policy is to maintain accurate and complete books, records and accounts that, in reasonable detail, accurately and fairly reflect all transactions, including all expenses, disbursements, receipts, and the disposition of assets and which comply with accepted accounting rules and controls. Such books and records shall be retained in accordance with the applicable Company record retention policy.
- E. The Company's policy is to require the undivided commitment of its employees in the exercise of their Company responsibilities. Personal investments or other activities that create a conflict of interest are prohibited and circumstances that give the appearance of a conflict of interest are to be avoided.
- F. The Company's policy is that employees must immediately report any actual or suspected violations of laws, rules or regulations or unethical conduct (including violations of this Code) connected with the business of the Company or its subsidiaries to their supervisor, the Transocean General Counsel, Chief Compliance Officer or designated individuals in the Transocean Internal Audit Department. It is further the policy of the Company that in all appropriate cases, each recipient of such information will endeavor to keep confidential the source of such reports and the employee's efforts to bring a possible problem to the attention of the appropriate person. Reports involving senior management may be made directly to the Internal Audit Department or anonymously through the Helpline. The addresses and phone numbers for reporting are:

Reports made directly to the Company:

Transocean Internal Audit
P.O. Box 2765
Houston, Texas 77252-2765
+1 713-232-7500
(Outside the U.S. or U.S.
long distance – Call collect)

Transocean General Counsel
P.O. Box 2765
Houston, Texas 77252-2765
+1 713-232-7608
(Outside the U.S. or U.S. long
distance – Call collect where
available)

**Transocean Chief Compliance
Officer**
P.O. Box 2765
Houston, Texas 77252-2765
+1 713-232-7604
(Outside the U.S. or U.S. long
distance – Call collect where
available)

Reports made anonymously:

In addition, the Company has established a "Helpline" for anonymous reporting of any violations of its Code of Conduct. The Helpline is administered by a third party who cannot disclose any names or numbers to the Company. The contact information is as follows:

U.S. & Canada: (800) 461-9330
International: call collect (720) 514-4400 (where available)

or use the internet: <http://mysafeworkplace.com>

This Code of Business Conduct and Ethics applies to the Board of Directors, the Company, and all employees, all of whom are required to adhere to its terms. A summary of the Code's standards and requirements will be provided to and followed by the Company's agents and representatives, including consultants.

3. CONFLICTS OF INTEREST

The Company will not permit conflicts of interest on the part of its directors, officers and employees except under guidelines or procedures approved by the Board of Directors or an appropriate committee of the Board. A "conflict of interest" exists when a person's private interest interferes in any way – or even appears to interfere – with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, these persons may create conflicts of interest.

Because of the difficulty in determining what gives rise to a conflict of interest, it is the policy of the Company to require all directors to report promptly in writing to the Chairman of the Board, and all officers and employees to report promptly in writing to the Transocean General Counsel or Chief Compliance Officer any actual or potential conflict of interest as well as any information necessary to determine the existence or likely development of conflicts of interest. This specifically includes any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest. Should there be any question as to whether a conflict in fact exists, any doubt should be resolved in favor of assuming that the conflict does exist, and should be reported. Employees should use the following as a guide to potential conflicts.

Whenever this Code refers to the interests of any officer, director or employee in a position of authority, it includes the known interests (i.e. interests widely known based on public information) of the individual's immediate family.

Directorships, Trusteeships, Officerships and Partnerships

All directorships, trusteeships, officerships or partnerships (except in not-for-profit corporations or other charitable institutions) should be reported to the Transocean General Counsel. Additionally, before an officer or employee accepts such a position, he should first consult with his supervisor or an appropriate member of management, who will refer the matter as necessary to the Transocean General Counsel for a decision.

Investments in Enterprises with which the Company Does Business or Competes

Each officer, director and employee owning an investment in any enterprise that has current or prospective dealings with, or competes with, the Company shall report such interest unless the interest is in an enterprise whose common stock is listed on a national securities exchange or traded over the counter and, if the interest is in equity securities, such interest constitutes less than 1% of the issued and outstanding equity securities of the enterprise.

Compensation for Services, Other than from the Company

If any officer, director or employee has the intention of rendering, or has rendered, while in the employ of the Company, services to any person or firm that has current or prospective dealings with, or competes with, the Company, the facts, including the amount of compensation received, or to be received, must be reported in writing.

Loans, Payment, Commissions or Reimbursements

No director, officer or employee may accept any loan (unless such loan is from a firm regularly in the business of loaning money to individuals, such as a bank), payment, significant gift, commission or reimbursement in any form from any competitor of the Company, or from any person or firm having current or prospective dealings with the Company.

Gifts, Meals and Entertainment

The Company is committed to conducting its business with integrity and in compliance with all applicable laws. We require accountability in the area of business gifts, meals and entertainment, regardless of whether they are received or given by Company personnel.

Certain gifts and entertainment are never acceptable. They are:

- Cash or cash equivalent gifts (such as gift certificates) in any amount, and
- Sexually oriented entertainment.

Giving Gifts, Meals and Entertainment

Gifts, meals and entertainment given or provided to our customers, suppliers or contractors should always be reasonable in value and frequency and must be reported accurately and completely under the Company's standard expense account procedures.

There are strict requirements that apply to gifts, meals and entertainment of "non-U.S. government officials", including individuals who work for national or state-owned oil companies. These requirements are more fully explained in the attached Anti-Corruption and Business Conduct Policy. Violations of that Policy could expose you and the Company to severe civil and criminal penalties.

Receipt of Gifts, Meals and Entertainment

An officer, director or employee must be cognizant of actual or perceived conflicts of interest. Therefore, it is important to never accept anything that is not reasonable or customary from any person or firm having current or prospective dealings with the Company (such as a supplier or contractor) and to report meals, gifts and entertainment in excess of U.S. \$250.00 per event on the Transocean "Gift, Meal and Entertainment Register" located on the Company internet website.

In addition, gifts, meals or entertainment received more than 6 times per year from a particular person or firm must be immediately reported to the General Counsel or Chief Compliance Officer.

If you are invited to a hunting or fishing outing or other event involving an overnight stay, you must:

1. obtain prior written approval from either the President and Chief Operating Officer or the Executive Vice President, Performance (as appropriate); and
2. report such approved exception on the "Gift, Meal and Entertainment Register" on the Company intranet website.

Company-Sponsored Events

Guidelines and requirements that apply to Company-sponsored events are stated in the Transocean Human Resources Policy (USR-HRM-PP-01, Section 2, subsection 5.1).

4. POLITICAL CONTRIBUTIONS

The use of corporate funds for political contributions is prohibited by law in connection with all U.S. federal elections and in most state and local elections. It may also be prohibited in many other jurisdictions where the Company operates. These prohibitions also cover indirect support of candidates or political parties, whether in the form of tickets for special dinners or other fund-raising events, the loan of employees to political parties or committees, or the furnishing of transportation, special duplicating services and the like. Any request made to an

officer or employee for a contribution by the Company, directly or indirectly, for a political candidate or political activity should be reported in writing to the Transocean General Counsel for handling. No Company funds or assets may be utilized for any such foreign or domestic political contribution or support without the prior written approval of the Transocean General Counsel. The Company will not reimburse personal political contributions, directly or indirectly.

This policy is in no way intended to discourage officers and employees from making personal contributions directly to candidates or political parties of their choice.

5. FOREIGN CORRUPT PRACTICES ACT (“FCPA”)

The FCPA is a U.S. law that prohibits offering, giving or promising to give anything of value to a non-U.S. government official (including individuals working for national oil companies) to obtain or retain business, or obtain any improper business advantage. It is the policy of the Company that all directors, officers, employees and others who represent the Company comply with the FCPA, and that we keep accurate records of all transactions involving government officials, regardless of the amount involved.

The attached Anti-Corruption and Business Conduct Policy explains the FCPA requirements in more detail and includes questions and answers that will help you apply them in your everyday business activities.

6. AGENTS

The Company periodically engages third parties on its behalf to perform services which involve interaction with non-U.S. government officials, customers and vendors. Such third parties are referred to as “Agents”, and include marketing agents and certain consultants, customs agents, freight forwarders, shipping agents, travel agents, and any other individuals who negotiate directly with non-U.S. government officials on behalf of the Company to resolve tax or other matters. Illegal or improper actions of Agents can have serious and detrimental consequences for the Company and it is therefore essential that Agents understand and comply with the requirements in this policy and all applicable laws.

The Anti-Corruption and Business Conduct Policy contains more information about Agents. Before an Agent can perform any services for the Company, the Agent must, as necessary:

- A. undergo a due diligence background check supervised by the Chief Compliance Officer;
- B. sign a written contract which includes standard provisions (available from Regional Legal Counsel) relating to FCPA compliance, audit, annual certification and immediate termination for violation of the FCPA or the Company’s policy, and agree not to subcontract work without prior written approval;

- C. agree to abide by the principles in the Company's Code of Business Conduct and Ethics and Anti-Corruption and Business Conduct Policy; and
- D. be approved by all of the following:
 - Senior Vice President of the respective business unit;
 - Chief Compliance Officer; and
 - General Counsel.

7. CONFIDENTIAL INFORMATION

Each director, officer or employee will maintain the confidentiality of confidential information and shall not knowingly disclose confidential business information about the affairs of the Company to any person or to any nonaffiliated enterprise when such person or enterprise might derive any financial gain or benefit therefrom or when any disclosure might be contrary to the best interest of or adversely affect the Company, except when disclosure is authorized by the Transocean General Counsel or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us.

Continuing Obligation

The obligation to preserve confidential information continues even after employment ends. No director, officer or employee who has acquired confidential business information about the affairs of the Company, which information is not publicly available and which might tend to influence the market price of the Company's stock or its other securities or the securities of any other company with which the Company might have dealings, shall use such confidential information as an opportunity for personal financial gain or benefit. Examples of confidential information and further guidelines are stated in the Insider Trading and Confidential Information Policy.

8. PROPER ACCOUNTING

Compliance with accepted accounting rules and controls is required at all times. Books and records shall be made and kept which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. No undisclosed or unrecorded fund or asset of the Company may be established for any purpose.

9. CORPORATE OPPORTUNITIES

Employees, officers and directors may from time to time learn of business opportunities through association with the Company or the use of Company property, information or position. These opportunities belong to the Company and must be disclosed to the Company. No employee, officer or director may disclose

such opportunity to a third party or invest in such opportunity without the written consent of Company. No director, officer or employee may use corporate property, information, or position for improper personal gain, and, except under guidelines or procedures approved by the Company's Board of Directors, no director, officer or employee may compete with the Company directly or indirectly.

10. FAIR DEALING

The Company's core values mandate that we deal fairly with our customers, suppliers, competitors and employees. In that connection, directors, officers and employees must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

11. PROPER USE OF CORPORATE ASSETS

Consistent with our core values of integrity and financial discipline, all employees, officers and directors should protect the Company's assets and ensure their efficient use. Accordingly, the Company prohibits the following:

- A. dishonesty, theft or any fraudulent act;
- B. forgery or alteration of any negotiable instruments such as Company checks or drafts;
- C. misappropriation of or non-business use of Company, employee, customer or supplier assets provided, however that incidental personal use of Company assets may be permitted.

The above list is not all-inclusive but intended to be illustrative of situations which are prohibited by this policy.

12. COMPLIANCE WITH LAWS

It is the Company's policy to observe and comply with all laws, rules and regulations applicable to it or the conduct of its business wherever located. In some situations the applicable governmental laws, rules and regulations of the United States may conflict with the applicable law of another country. In such cases, the Company will endeavor to resolve such a conflict following the advice of its legal counsel.

It is not possible to highlight or summarize all of the laws with which the Company must comply. Many of the Company's other manuals and policies contain references, however, to various specific laws and employees are directed to such manuals for specific areas as appropriate. By way of example, reference to various applicable laws is made in the Company's Insider Trading Policy, Anti-Corruption and Business Conduct Policy and employment handbook.

The Company wishes to highlight several areas of other applicable laws with which the Company must comply:

- A. **Antitrust Laws** – The Company’s policy is to conduct its business activities in accordance with all applicable antitrust, competition and trade practice laws. These antitrust laws prohibit, among other things, price fixing. In other words, the Company must make its pricing decisions independently of its competitors. Other activities prohibited by such laws include: market and customer allocation; group boycotts/refusals to deal; resale price maintenance; unlawful tying; unlawful exclusivity agreements; anti-competitive information exchanges; monopolization; price discrimination and, under certain circumstances, attempts to engage in these types of activities. Any agreement or joint activity involving the Company and another party, the intent or effect of which is to reduce competition, may violate such laws. Violations of the antitrust laws can result in both criminal and civil penalties for the Company and the individuals involved. Employees are required to contact the Company’s legal department for advice and assistance before taking any action that might involve these laws.
- B. **Boycotts** – The Company will not directly or indirectly engage in any activity that could have the effect of promoting a boycott or restrictive trade practice fostered by a country against customers or suppliers or against a U.S. person, firm or corporation. Any such request shall be promptly reported to the Company’s legal department for appropriate action.
- C. **Export** – The Company requires compliance with all applicable export control laws and regulations of the United States and any other country in which Transocean conducts business. Laws related to these issues are explained further in the Anti-Corruption and Business Conduct Policy, attached.
- D. **Money Laundering, Anti-Terrorism and Anti-Corruption** – The Company prohibits making payments in furtherance of illegal activities such as money laundering, commercial bribery or that finance or support financially, or otherwise sponsor, facilitate, or assist or support any terrorist person, activity or organization. Laws related to these issues are explained further in the Anti-Corruption and Business Conduct Policy, attached.
- E. **Technology Transfer Restrictions** – Transmission of technical data and U.S. origin products may require a U.S. export license, even for oral or written disclosure to a non-U.S. person in the United States. Serious consequences including fines and the loss of export privileges, can result if an item or technology that requires a license is exported or disclosed without a proper license. If there are any questions in this regard, the Company’s legal department should be contacted for appropriate action.
- F. **Equal Opportunity** – It is the policy of the Company not to discriminate against employees, directors, officers, customers or suppliers on account of race, color, age, sex, religion or national origin except as may be required by applicable law.

13. SEC DISCLOSURES AND PUBLIC COMMUNICATIONS

It is the Company's policy to insist upon full, fair, accurate, timely and understandable disclosure in reports and documents the Company files with or submits to the SEC and in other public communications made by the Company.

This requirement shall be applicable to the Company's chief executive officer, senior financial officers including the Company's principal financial officer, principal accounting officer or controller and persons performing similar functions, and to all other employees who play a role in drafting, making or disseminating these reports, documents and communications.

14. ADMINISTRATION OF CODE OF BUSINESS CONDUCT AND ETHICS

The Code of Business Conduct and Ethics of the Company shall be administered as follows:

- A. The Audit Committee shall, periodically, in light of the experience of the Company, review the Code of Business Conduct and Ethics, and when necessary or desirable, make recommendations to the Board of Directors designed to help ensure (i) the Code continues to conform to applicable law, and (ii) that any weaknesses in the Code revealed through monitoring, auditing or reporting systems are eliminated or corrected.
- B. The Transocean Chief Executive Officer and Chief Compliance Officer have overall responsibility to oversee compliance with this Code of Business Conduct and Ethics. Each manager is responsible for the enforcement of this policy by the employees under his or her supervision. The Company shall exercise due care, based on the due diligence conducted prior to hiring or promoting any individual to whom it will be delegating discretionary authority, in order to ensure that such individual does not have a propensity to engage in illegal or improper activities. A person with "discretionary authority" includes (i) any individual who has substantial control over the Company or who has a substantial role in policy-making within the Company, including directors, officers and individuals in charge of a major business unit, (ii) any individual who exercises substantial supervisory authority, such as a division manager or a marketing manager, and (iii) any other individual who, although not a part of the Company's management, nevertheless exercises substantial discretion when acting within the scope of his/her authority (for example, an individual with authority to negotiate or set price levels or an individual authorized to negotiate or approve significant contracts).
- C. To ensure the continued dissemination and communication of the Code of Business Conduct and Ethics, the Company must take, or cause to be taken, reasonable steps to communicate effectively the standards and procedures included in the Code of Business Conduct and Ethics to employees and agents of the Company. Such steps will include the following: mandatory attendance at training sessions conducted in local offices, web-based training, periodic notices and reminders to employees and publication of the Code and Helpline number on the Company's intranet website.

- D. The Company shall take reasonable steps to monitor and audit compliance with the Code of Business Conduct and Ethics, including the establishment of monitoring and auditing systems that are reasonably designed to prevent and detect conduct in violation of the Code of Business Conduct and Ethics by employees and agents of the Company.
- E. The Company shall maintain a reporting system that will allow violations of the Code of Business Conduct and Ethics to be reported and acted upon by officers or other employees of the Company with sufficient authority to deal objectively with the reported matters. The existence and nature of the reporting system will be communicated to all employees and, to the extent appropriate, to agents of the Company. It shall be a violation of this Code to intimidate or impose any form of retribution on any employee or agent who utilizes such reporting system in good faith to report actual or suspected violations (except that appropriate action may be taken against such employee or agent if such individual is one of the wrongdoers). Employees are encouraged to talk to their supervisors, managers, Regional Legal Counsel, Chief Compliance Officer or General Counsel when in doubt about the best course of action in a particular situation. As necessary, such discussions and questions will be maintained in confidence.
- F. Directors, officers and designated employees in positions of authority of the Company will be required annually at a time appointed by the Chief Compliance Officer to certify that they understand this policy and have complied and will comply with its terms. The Chief Compliance Officer of the Company will be responsible for notifying the CEO and the Audit Committee of the Board that such certificates are on file.
- G. Any employee who has any questions about the interpretation of this policy or its applications to a particular proposed course of action should present that question to an appropriate higher level of corporate authority. Questions of interpretation of this policy, or the legality of any proposed course of conduct, should be referred to the Transocean General Counsel or Chief Compliance Officer.
- H. The Company will enforce its Code of Business Conduct and Ethics through appropriate means of discipline. The disciplinary measures, which may be invoked at the discretion of the Company, include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, termination of employment and restitution. Persons subject to disciplinary measures may include, in addition to the violator, others involved in the wrongdoing such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who if requested to divulge information withhold material information regarding a violation, and (iii) supervisors who approve or condone the violations or attempt to retaliate against employees or agents for reporting violations or violators. In appropriate cases, sanctions may include referral for criminal prosecution or civil action.

- I. Subject to the applicable document retention program, the Company shall document its compliance efforts and results to evidence its commitment to comply with the standards and procedures set forth above.

15. WAIVERS

Any changes to this Code applicable to executive officers or any waivers of this Code for any directors or executive officers of the Company may only be made by the Company's Board of Directors and, if required by applicable SEC and NYSE rules, must be promptly disclosed to the Company's shareholders.