



TEEKAY

**TEEKAY
TANKERS LTD.
STANDARDS
OF BUSINESS
CONDUCT POLICY**



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CEO'S MESSAGE

Since I arrived at Teekay Tankers, I have told every one that I want us to be the leading tanker company in the world. To do that we need everyone to work together as a single unit – commercial, technical, operational and financial, at sea and ashore – One Tanker Team. We need the whole team to be aligned, working for a common goal, all pulling our oars in the same direction.

The only way we can do that effectively is to have real trust in each other. To build that trust, integrity is integral. Fortunately, I see people acting with integrity wherever I go around the organization. It is one of the pillars of our SPIRIT values, and we define it like this:

- We do what is right.
- We are open and honest, and lead by example.
- We build trust with others and are trustworthy.
- We admit our mistakes and use them as an opportunity to improve our skills and processes.

However, we must be vigilant, and that is why the Business Conduct Policy is so important. It can help us maintain those standards to which we aspire. Here is how we reference its relevance, using the 4 Rs: read, reflect, red (flags), and report.

Firstly, read the policy! We ask all new recruits to Teekay to read it and acknowledge that they will abide by it. We also ask employees to refresh their memory of it every year.



Kevin Mackay, CEO

Reading the policy is easy, but make sure that you spend a few minutes reflecting on it. What does it actually mean to abide by these rules? How will you be guided by our Integrity value?

How can you encourage your colleagues to also be Doing Business With Integrity?

In your business life, be aware of red flags. Consider what is going on at the periphery of events. If you have ANY doubts, ask.

Report any concern – and we have several mechanisms in place to do so. Better safe than sorry.

Teekay Tankers is the original Teekay franchise. Torben Karlshøj put his name and reputation on the line with every vessel sailing with the TK logo, and with every company bearing his initials. Torben talked about developing a 100-year brand.

This means we are in business for the long run. We want to be successful today, tomorrow, and long into the future. To fulfill that desire, to be successful in the long-run, means no short cuts.

“ It is not enough to do things right; it is also important to do them in the right way.

BACKGROUND

Why Teekay Has Standards Of Business Conduct

As responsible business leaders, it is not enough to do things right; it is also important to do them in the right way. Our business decisions and actions must be ethical and in full compliance with legal requirements. These Standards of Business Conduct (“Standards”) are an extension of our Teekay Core Values and reflect our continued commitment to manage our business activities with integrity.

How To Use The Standards Of Business Conduct

These Standards summarize the regulatory requirements and business practices that guide our decision-making and business activities. These Standards contain basic information about our policies as well as information on how to obtain guidance regarding a particular business practice or compliance concern. It is important that all employees take the time to review this document and make a commitment to uphold its requirements. To the extent that Directors are involved in activities relating to the business of Teekay, these standards also apply to them.

Although these Standards do not cover the full spectrum of employee activities, they are indicative of Teekay’s commitment to maintain high standards of ethical conduct, and are considered to be descriptive of the type of practices expected from employees in all circumstances. These Standards do not

Teekay Core Value:

INTEGRITY
We do what is right.

We are open and honest, and lead by example. We build trust with others and are trustworthy. We admit our mistakes and use them as an opportunity to improve our skills and processes.

replace other more detailed policies and guidelines. Divisional or local policies will generally provide additional detail to these Standards or cover a situation specific to a particular location or business unit. If a divisional or local policy conflicts with these Standards, these Standards shall take precedence.

Compliance With Law

Teekay is aware of and strictly obeys the laws and regulations that govern the management of our business. Where there are local laws or regulations in various jurisdictions that we operate – our position is to meet or exceed these requirements. We are responsible for understanding these laws and regulations as they apply to our jobs and for preventing, detecting and reporting instances of non-compliance to the Chief Compliance Officer.

“There are no circumstances at Teekay that would allow us to disregard any law or regulatory requirement in the conduct of our business and no such activity will be tolerated.

ANTI-CORRUPTION AND ANTI-BRIBERY

It is our policy to conduct all of our business with integrity. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and in an honest and ethical manner in all our business dealings and relationships wherever we operate or propose to operate, and to implementing and enforcing effective systems to counter bribery and corruption. We do not pay bribes in the furtherance of our business and expect that you will not do so on our behalf. We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate, including the UK Bribery Act 2010 (the “Bribery Act”) and the United States Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”) and any other applicable laws, statutes, regulations or codes of other countries relating to anti-bribery or anti-corruption (collectively referred to as “Anti-corruption Legislation”). Penalties and fines under these laws can be severe.

What Is Bribery?

A “bribe” an inducement, advantage, benefit or reward of any kind offered, promised or provided, either directly or through an intermediary, in order to influence the making or not making or implementation of a decision or act, or, to facilitate or expedite a routine function by the party concerned.

Gifts And Hospitality – What Is Acceptable?

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

“Gifts” include physical objects, services, favours or other items of value. Some business situations call for giving gifts or receiving gifts. Gift giving and receiving practices vary among cultures. In all cases gifts given or received by Teekay employees must be legal and reasonable.

Teekay employees may accept or provide hospitality (i.e. activities where a representative of both parties is present), provided such activities or hospitality advances Teekay’s interests and is reasonable in the context of that business.

The giving or receipt of gifts and hospitality is generally acceptable if:

- a) it is not made with the intention of influencing either Teekay or a third party to obtain or retain business or a business advantage;
- b) it complies with local written law;
- c) it is given in our name, not in your name;

Quiz: What is the maximum value of a gift or hospitality you can offer or receive as a part of doing business, without reporting it?

a) NEVER accept any gift.

b) \$500 USD

c) \$5000 USD

d) Do whatever it takes to get the business

see pg. 6 for the answer

- d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- e) the value and nature is appropriate in the circumstances;
- f) it is given openly, not secretly; and,
- g) it is not given to “facilitate” or expedite a routine procedure;

If you are proposing to give a gift or provide hospitality to a person on behalf of Teekay which has a value in excess of US\$500, or you receive a gift or are invited to hospitality which has a value in excess of US\$500, you must report the matter promptly to the Chief Compliance Officer to ensure appropriateness and transparency.

Now you know the answer to the Quiz question is b) \$500 USD, but remember that any gift or entertainment amount could be offside of the policy if it is given to influence you or the other party or is not appropriate in the circumstance.

Employees need to be especially diligent in applying these guidelines to the giving or receiving of gifts, hospitality and entertainment to or from “Public Officials”. The giving or receiving gifts with public officials is prohibited. Please contact the Chief Compliance Officer or Legal if any of these circumstances arise. Public Officials include:

- i. Any officer or employee of a government entity or public international organization, or any department or agency of such entity or organization;
- ii. Any officer or employee of a government-owned or controlled company (including a company partially owned by the government);
- iii. Any political party or political party official;
- iv. Any candidate for political office;
- v. Any member of a royal family;
- vi. Any officer or employee of a public international organization (or any department or agency thereof);
- vii. Any officer or employee of a government-owned or controlled commercial organization (such as state-owned oil companies or hospitals);
- viii. Anyone acting in an official capacity on behalf of any of the foregoing (whether paid or unpaid); and
- ix. Any relatives or close friends of Public Officials.

Record-Keeping

We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments or providing gifts or hospitality to third parties, accordingly, you must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with this Policy, and the Travel and Expense Guidelines and specify the reason for the expenditure in reasonable detail.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness. No accounts

must be kept “off-book” to facilitate or conceal improper payments. In many cases the covering up of a transaction or omission to report a transaction that violates an applicable Anti-corruption Legislation by mischaracterizing it on the Teekay’s books and records (such as an expense account) is a separate offence under such legislation.

Due Diligence

Teekay and any person acting on its behalf must take all necessary precautions to ensure that business relationships are formed only with reputable and qualified third parties. Teekay has developed a due diligence process to evaluate potential partners, agents, representatives and certain suppliers which involves a risk assessment, completion of an information questionnaire and in some cases external due diligence procedures. In most cases, the contract which formalizes the business arrangement must also include anti-corruption and anti-bribery clauses and certifications. Third parties are not permitted to pay bribes on our behalf. Additional information can be found on Teekay’s Global Sharepoint site or contact Legal or the Chief Compliance Officer.

What To Do If You Are A Victim Of Bribery Or Corruption?

It is important that you tell your manager and the Chief Compliance Officer or the Chair of the Audit Committee if you are the victim or attempted victim of bribery or corruption. Alternatively, you can make a report anonymously to Teekay’s Business Conduct Hotline and Web Reporting Tool (the “Hotline”) if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity. The Hotline (both phone and web based versions) are available in all major languages. The link to the Hotline is available at www.teekay.com or the direct link: <https://www.tnwinc.com/reportline/Teekay>

If you are left with no alternative but to make corrupt payments in order to protect against loss of life, limb or liberty please make a report immediately to the Chief Compliance Officer. In the case of vessel masters, discuss the situation directly with the on shore vessel manager and report the item in accordance with Polaris policy SP1446.

FRAUD



The prevention, detection and reporting of fraud is the responsibility of all employees of Teekay. Management employees are further expected to be familiar with the types of improprieties that might occur within their areas of responsibility, and be alert for any indication of fraud or irregularity.

“Fraud” is defined as the intentional, false representation or concealment of facts for the purpose of personal or corporate gain. Actions constituting fraud include, but are not limited to:

- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Intentional fraudulent reporting of the company’s financial position;
- Profiteering as a result of insider knowledge of company activities;
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Company with the intent or result of personal gain;
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; or,

- Any similar or related inappropriate conduct.

Employees who detect or suspect a fraud has occurred must report the incident immediately either directly to their manager, to a member of Internal Audit or alternatively employees may report suspected instances of fraud anonymously to the Hotline or use the Web Reporting Tool.

All information received will be treated confidentially to the extent possible while still allowing a full investigation to be conducted into the suspected fraud. Teekay reserves the right to pass on any information to law enforcement agencies in order that such entities may determine whether criminal charges are warranted.

Any employee who suspects dishonest or fraudulent activity should not attempt to:

- a) personally conduct investigations or interviews/interrogations related to any suspected fraudulent act; or,
- b) contact the suspected individual in an effort to determine facts or demand restitution.

The Internal Audit group has the primary responsibility to coordinate the investigation of all suspected fraudulent acts reported under this Policy. If the investigation substantiates that fraudulent activities have occurred, Internal Audit will issue reports to appropriate management personnel and to the Board of Directors through the Audit Committee. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to Teekay.

All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the General Counsel. No information concerning the status of an investigation should be given out by persons involved in or aware of the investigation. The proper

response to any inquiry is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

Based on the results of the investigation, management will determine an action plan for employee discipline, any referral to the applicable law enforcement agency and/or changes to processes or controls.

Decisions to prosecute either employees or external parties by way of civil proceedings or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with the General Counsel and senior management, as will final decisions on disposition of the case.

ANTI-MONEY LAUNDERING

Money laundering involves the use of proceeds of crime and/or the concealment of the criminal origin of money or assets within a legitimate business or business activities. Anti-money laundering laws are strict and may operate to impose criminal liability on any company or individual employee that assists in or enables money laundering to occur. No Teekay personnel shall be involved in or facilitate money laundering. All Teekay personnel have a duty to report any such suspicious activity to the Chief Compliance Officer. The following is a non-exhaustive list of “red flag” examples which are indicative of potential money laundering:

- Any transactions where the basic details of the parties cannot be checked or verified.
- Payments that are made in currencies other than that specified in the invoice, contract or purchase order.
- Attempts to receive or make payments in cash or its equivalents, such as cashier cheques;
- Requests to make overpayments.



- Transactions that are made through unknown or unnecessary intermediaries or transactions that are accompanied by a request for secrecy.
- Transactions related to high risk countries, as defined by the international governmental FATF (Financial Action Task Force), see www.fatf-gafi.org/countries/#high-risk.
- Requesting to make or making any sizable in cash payments.

COMPANY ASSETS AND INFORMATION

Privacy Of Communications

Teekay will abide by all applicable legal requirements protecting the privacy of a customer's or employee's personal information. We must all ensure that appropriate processes and systems are in place to safeguard access to this type of information.

We respect customer and employee related information and protect its security, confidentiality and integrity. All customer and employee personal information is confidential and may not be disclosed except as permitted by law and applicable regulations. Access to customer and employee personal information is strictly controlled on a 'need to know' basis and is used for legitimate business purposes only.

Integrity

Individually and collectively, our personal integrity supports the honest use of time, funds and property in ethical dealing with employees and others. Business needs take priority in the allocation of our time at work. Use of company time and property is for business purposes only, unless otherwise authorized by management.

We consciously set high standards of courtesy, professionalism, respectful-



ness and honesty in our interactions with our customers, shareholders, suppliers, employees and the community.

We establish and maintain an ethical workplace. We treat people fairly and respect human rights. We take allegations of harassment and unlawful discrimination seriously and address all such concerns that are raised regarding these policies.

Company Information

In the course of employment with Teekay, employees are provided with access to certain records, reports, processes, plans, bids, proposals, and other documents, databases or software that are considered to be proprietary or confidential information. Unauthorized disclosure or misuse of this information could have serious consequences. For example, we could be placed at a competitive disadvantage, our financial stability could be affected, we could be exposed to legal liability, or, our reputation could be compromised. Employees are therefore prohibited

from discussing or disclosing any confidential information about Teekay unless properly authorized to do so. This would include sharing information with any external third-party, as well as limiting the sharing of information within Teekay on a “need to know” basis only. This requirement remains in effect during and after employment with Teekay.

Where authorization for disclosure of information to a third-party has been given, the employee involved must ensure that an appropriate confidentiality or non-disclosure agreement has been executed.

Communications or files created by an employee during the course of business are the property of the company and not the private property of the employee. The company may, at any time, bypass applicable personal passwords to inspect, investigate or search computerized files or email, if it is deemed to be in our best interests to do so or if required by law

Company Property

Any employee who possesses or is provided with access to company property shall exercise care while using such property and ensure its proper maintenance, security, handling and operation. An employee may be held financially and/ or criminally responsible for any losses due to fraud or mistreatment of property.

Misuse of company property may include personal use, removal of property from company premises, copying of copyrighted/licensed materials (including software), and inappropriate use of the property or misappropriation of company funds.

Use Of Information Technology

Use of company provided information technology and the access to its contents are authorized for legitimate Teekay business related purposes.

The Workplace

A safe and clean work environment is important to the well being of our employees. Teekay complies with applicable safety and health regulations and appropriate practices.

The company does not tolerate workplace discrimination and harassment. We must all ensure that the company is a safe and respectful environment where high value is placed in equity, fairness and dignity. Please refer to the Global Employee Conduct Policies and Guidelines for further information on your rights and obligations.

CONFLICTS OF INTEREST

All Teekay employees should avoid any activity that creates an actual or potential conflict of interest, i.e., any situation in which their actions or loyalties are divided between personal interest and Teekay's interests or between Teekay's interests and those of another. If you are unsure whether a conflict exists, you should consult Legal or Internal Audit.

The following activities are prohibited unless prior approval is received by the General Counsel:

- Owning, operating, or being employed by any business that competes, directly or indirectly, with Teekay;
- Owning greater than 10% of the outstanding shares of a competitor company (public or private);
- Engaging in a business transaction with Teekay except in connection with our regular employee programs;
- Having a direct or indirect personal financial relationship with a competitor, customer, or supplier (this does not include the purchase of publicly traded shares unless a controlling or significantly influential interest is acquired);

- Being on the Board of Directors of a for profit company (particularly a competitor);
- On Teekay's behalf, awarding a contract or entering into any other financial transaction with a former employee or family member;
- Engaging in any other employment or extensive personal projects during work hours, or using Teekay property in other employment;
- Soliciting or entering into any business or financial transaction with an employee you supervise, either directly or indirectly; and,
- Solicitation and distribution of materials by a third party to Teekay employees on company property, without previous authorization from a senior manager of the department/division.



SANCTIONED COUNTRIES

Teekay and its subsidiaries and affiliates are committed to conducting their business in compliance with US and other national laws and regulations that are applicable to transactions regarding sanctioned countries. These activities will be conducted in a manner that is consistent with the Company's values, ethical standards and commitment to legal compliance.

Sanctioned Countries are countries or occasionally government authorities subject to embargos imposed by the US, EU or the UN and approved by the US. A routinely updated list of Sanctioned Countries and designated individuals can be found on the website of the US Treasury Department at www.treas.gov.

No Teekay business unit or employee, regardless of location, will engage in any dealing with a country or designated individuals subject to US, EU or UN

embargoes or trade sanctions without advance documented approval by the Legal Department. The Legal Department will determine when it is appropriate to seek US government license for a transaction involving a sanctioned country.

Dealings with countries under an embargo or sanctions regimen imposed by countries or authorities other than the US, EU or the UN must also be approved in advance by the Legal Department.

All documents relating to a transaction authorized by the US Government involving a sanctioned country will be maintained according to the Government License having authorized the transaction or the Company's Records Retention Policy, whichever is longer.

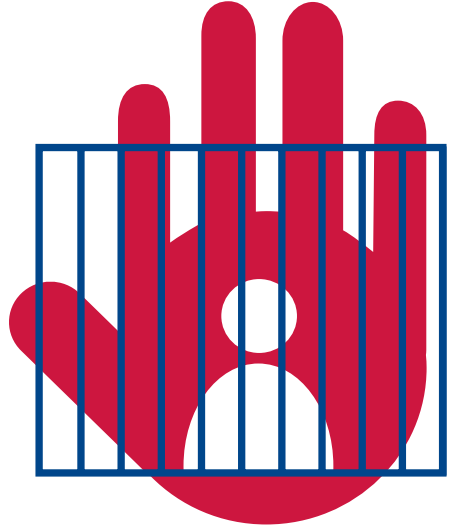
The Teekay Legal Department has developed guidelines on how to comply with this policy and all relevant employees should acquaint themselves with those guidelines.



MODERN SLAVERY

Modern Slavery involves the deprivation of a person's liberty by another to exploit them for gain either personally or commercially. Teekay and its subsidiaries are committed to a zero tolerance towards modern slavery in its business dealings and relationships. Teekay has implemented a program to provide comfort that modern slavery is not taking place within the company or our supply chain. Elements of the program include the following:

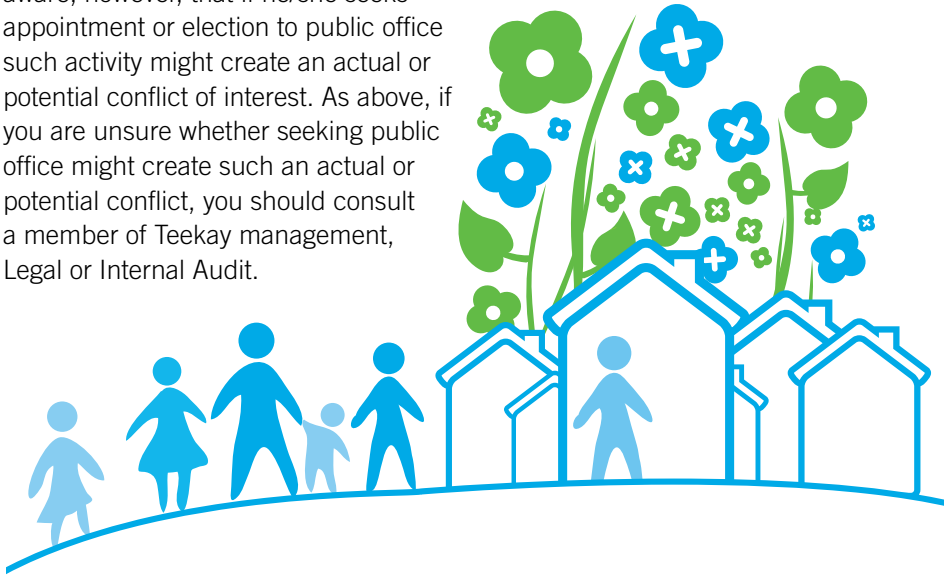
- Scrapping policy for vessels
- Appropriate due diligence based on risk assessment
- Compliance and awareness training
- Contract clauses ensuring compliance
- Annual compliance reporting



COMMUNITY

Citizenship And Community Service

The improvement of society as well as the communities we serve and in which we operate is important to us. We encourage the support of charitable, civic, educational and cultural causes. Every Teekay employee should be aware, however, that if he/she seeks appointment or election to public office such activity might create an actual or potential conflict of interest. As above, if you are unsure whether seeking public office might create such an actual or potential conflict, you should consult a member of Teekay management, Legal or Internal Audit.



Environment

Teekay is committed to the protection of the environment. To comply with this commitment, our policy is to meet or exceed all applicable laws and regulations. Employees must report any occurrence that is a breach of any law or regulation relating to the protection of the environment.

COMPLIANCE WITH THE STANDARDS OF BUSINESS CONDUCT

These Standards provide the overarching guidelines for business practices and regulatory compliance for all Teekay Corporation entities and all Teekay employees. Teekay does business globally, and our business operations are subject to the laws in different countries.

Failure to read and/or acknowledge these Standards does not exempt an employee from his/her responsibility to comply with these Standards, applicable laws, regulations and all Teekay policies and procedures that are related to his/her job.

Administration And Enforcement

Teekay's Internal Audit department is responsible for compliance auditing of these standards.

Violations of these Standards will not be tolerated. Consequences for such violations may include disciplinary action up to and including termination of employment. Employees who have willfully failed to report a violation of these Standards may also be subject to disciplinary action.

Resources For Guidance And Reporting

It is your right and responsibility to obtain guidance about a business practice/and or compliance issue when you are uncertain about what action you should take and to report instances of questionable behavior and/or possible violations of these Standards.

If you become aware of suspected violations of these Standards you should report such suspected violations promptly to the Chief Compliance Officer or report anonymously to Teekay's Business Conduct Hotline at the contact coordinates located on the internal and external company websites, which is independently managed by Navex Global.

To assist in the response to or investigation of the alleged violation, your report should contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of the alleged violation.

Report Violations!

Most frauds are uncovered by employees just like you. Do your part to help by anonymously reporting suspected fraud, bribery, irregular accounting or other violations of the Standards of Business Conduct Policy.

COUNTRY	AT&T ACCESS CODE
Canada & US	877-507-8685
Australia	1-800-031-296
Brazil	0-800-892-1615
China – North	10-800-711-1069
China – South	10-800-110-0998
India	877-507-8685 (code: 000-117)
Japan	0034-800-900408
Korea	00798-1-1-006-7789
Norway	800-16827
Philippines	1-800-1-111-0567
Singapore	800-110-1845
Spain	900-95-1102
UK	0808-234-9298

Suspicious activity can also be reported online at www.teekay.ethicspoint.com

Without limiting the foregoing, the report should, to the extent possible, contain the following information:

- The alleged event, matter or issue that is the subject of the alleged violation;
- The name of each person involved;
- If the alleged violation involves a specific event or events, the approximate date and location of each event; and,
- Any additional information, documentation or other evidence available relating to the alleged violation.

Teekay encourages its employees to report contraventions of these Standards. An employee who refuses to engage in an activity that is in contravention of these Standards or reports an activity that is in contravention of these Standards will be protected from reprisal, discrimination or disciplinary action.

If you need details on a specific policy or if you need guidance regarding a business practice or compliance issue or wish to report questionable behavior and/or possible violation, talk to your immediate supervisor, Legal or Internal Audit.

Our Responsibilities

All Teekay employees are responsible to:

- Conduct business with integrity and in full compliance with these Standards;

- Understand and comply with these Standards, applicable laws, regulations and all Teekay policies and guidelines that are related to their jobs;
- Obtain guidance for resolving a business practice or compliance concern if he/she is uncertain about how to proceed in a situation; and,
- Report possible violations of these Standards.

Requests For Waivers And Changes In The Standards

A waiver of a provision of these Standards may be requested whenever there is reasonable likelihood that a contemplated action will violate these Standards. Any waiver (including an implicit waiver) that constitutes a material departure from a provision of these Standards shall be publicly disclosed on a timely basis, to the extent required by applicable SEC or other rules, regulations and laws. In addition, any amendments to these Standards (other than technical, administrative or other non-substantive amendments) shall be publicly disclosed on a timely basis, to the extent required by applicable SEC or other rules, regulations and laws.



These Standards have the endorsement and full support of the Teekay Board of Directors.

Last approved March 2018