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Code of Business Conduct and Ethics

Introduction

Diamond Offshore Drilling, Inc. (the “Company” or “we”) is committed to maintaining high standards for honest and ethical conduct in all of its business dealings. This Code of Business Conduct and Ethics (referred to as this “Code”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but rather is intended to set out basic principles with which we expect you, our employees, officers and directors, to comply. Each of you is expected to conduct yourself in accordance with the policies set forth in this Code and seek to avoid even the appearance of improper behavior. All supervisory and management personnel, including all officers and directors of the Company, have a special responsibility to lead according to the standards in this Code. Our supervisory and management personnel are also expected to adhere to and promote our “open door” policy. This means that they are available to any of you who may have ethical concerns, questions or complaints. All references in this Code to dealings with, or actions of or transactions with, the Company refer also to dealings with, or actions of or transactions with, any Company subsidiary or affiliate and any other entity in which the Company has a substantial investment.

Read the Code in its entirety and think about how it applies in all that you do for our Company. When confronted with a difficult situation, ask yourself the following questions before taking action:

- Is this action legal, ethical and socially responsible?
- Does this action comply with both the spirit and the letter of the Code?
- Will this action appear appropriate when viewed later by others?
- Is it clear that the Company would not be embarrassed or compromised if this action became known within the Company or publicly?

Unless you can answer these questions with a “yes,” do not take the action and ask your supervisor or contact the Legal Department.

The Company also maintains the Global Excellence Management System (GEMS), which contains additional policies and procedures with which our employees must comply. GEMS does not constitute part of this Code, and in the event of any conflict or inconsistency between this Code and GEMS, this Code shall control.

This Code in its entirety (including both Part I and Part II) is applicable to each employee, officer and director of the Company. Part I of this Code is also intended to constitute a “code of ethics” for purposes of Item 406 of Regulation S-K under the Securities Act of 1933 and the Securities Exchange Act of 1934. As such, it also applies to the Company’s chief executive officer, chief financial officer and controller, and any person performing similar functions (including each officer of the Company having any or all of the following responsibilities and/or authority, regardless of formal title: the president, the chief executive officer, the chief financial officer, the chief accounting officer, the controller, the treasurer, the chief tax officer, the chief legal officer, the chief of internal audit, any assistant general counsel responsible for finance matters, any assistant controller and any regional or business unit financial officer (each, a “Covered

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Officer”)), in order to deter wrongdoing and to promote (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships, (ii) full, fair, accurate, timely and understandable disclosure in periodic reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (“SEC”) and in other public communications made by the Company, (iii) compliance with applicable governmental laws, rules and regulations, (iv) prompt internal reporting of violations of this Code to the appropriate person or persons identified herein and (v) accountability for adherence to this Code.

In addition to any other reporting obligations under this Code, each Covered Officer will promptly bring to the attention of the Chairman of the Audit Committee and the General Counsel (or such other person as may be designated by the Board of Directors of the Company from time to time) any credible information he or she may receive or become aware of indicating:

- that any violation by a Covered Officer of this Code either has occurred, may be occurring or is imminent;
- that any violation of the U.S. federal securities laws or any rule or regulation thereunder by a Covered Officer has occurred, may be occurring, or is imminent; or
- that any violation by a Covered Officer of any other law, rule or regulation applicable to the Company has occurred, is occurring or is imminent.

A completed certificate attesting to compliance with this Code will be obtained from all Covered Officers by the General Counsel promptly after the approval of this Code by the Audit Committee or an individual becoming a Covered Officer, as pertinent, and thereafter on an annual basis. The General Counsel will make all such certificates available to the Audit Committee or full Board of Directors upon request.

Nothing in this Code or any other Company policy or agreement is intended to or shall (i) prohibit or restrict employees, officers or directors from communicating about or reporting any possible violation of federal, state or local law or regulation to any governmental agency or entity, including, but not limited to, the Securities and Exchange Commission, or any applicable self-regulatory organization, or making any other disclosure that is protected under the whistleblower provisions of federal, state or local law or regulation, in each case without notice to the Company, or (ii) limit the right of employees, officers or directors to receive an award for information provided to any such governmental agency or entity or self-regulatory organization. For the avoidance of doubt, the Company hereby confirms its consent to any such disclosure that is protected under the whistleblower provisions of federal, state or local law or regulation by any employee, officer or director, notwithstanding anything to the contrary in this Code or any other Company policy or agreement, except for information that is protected from disclosure by any applicable law or privilege.

Part I

1. Compliance with the Law Is Required

Obeying the law, both in letter and in spirit, is the foundation on which this Company’s ethical standards are built. You should respect and obey the laws, rules and regulations of the United States and the states, counties, cities and all other jurisdictions in which we operate. Although not all of you are expected to know the details of these laws, it is important that you know

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enough to determine when to seek advice from your supervisors, managers or others. The Company's Legal Department is available if you have any questions about the details of applicable laws and regulations. If a law conflicts with a policy in this Code, the law takes precedence over this Code; however, if a local custom or policy conflicts with this Code, this Code takes precedence over it.

We will not tolerate violations or circumvention of any applicable laws or regulations by an employee or by an individual or entity acting for us or on our behalf, nor will the Company tolerate the disregard or circumvention of Company policies or engaging in unethical dealings in connection with the Company's business. Failure to comply with the Code or to cooperate with any investigation may subject you to disciplinary action. Any director, supervisor, manager or officer who directs, approves or allows a violation or has knowledge of a violation and does not act promptly to report and correct it will be subject to disciplinary action.

Disciplinary action may include termination, referral for criminal prosecution and reimbursement to the Company or others for any resulting losses or damages. If the reporting individual is involved in the Code violation, the fact that the individual reported the violation will be given consideration by the Company in any resulting disciplinary action.

2. Insider Trading Is Prohibited

Legal compliance includes complying with the so-called "insider trading" prohibitions under the federal securities laws. The federal securities laws impose civil and criminal liability on anyone who buys, sells or otherwise trades in securities while in possession of material nonpublic information, commonly called "inside information," about the company that issued the securities. This applies equally to trading in securities of the Company and in the securities of other companies.

Inside information may take many forms. Precisely what constitutes "material nonpublic" information in a particular situation may be difficult to determine in advance since it always depends on the particular facts and circumstances.

You should take a broad view of "materiality" and consider information about an issuer of securities, whether positive or negative, to be material if either (i) there is a reasonable likelihood that it would be considered important to a prudent investor in making an investment decision about that company or (ii) the public disclosure of the information would be reasonably likely to impact the price of that company's securities. Some examples of information that very often is sensitive and likely to be material include financial results or forecasts, a significant regulatory action or litigation development, a possible merger, acquisition or divestiture, financial problems, a significant financing or capital transaction, a significant change in business strategy or product development, or a significant management change. These examples are only illustrative and are not intended to be exhaustive.

Information is considered "nonpublic" if it has not previously been disclosed to the investing public through a broadly disseminated release, such as a news release over the major business wire services or the radio, television or print media or inclusion in a document filed with the SEC.

The potential for insider trading liability is wide. For example, you could be responsible for trades made by persons to whom you have disclosed inside information (a "tip"), whether or not

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you intended to, or did, realize any profit from the “tipping.” The general rule and the Company’s policy is that if you have material nonpublic information about the Company or any other company, you must abstain from trading in that company’s securities and you may not disclose the information to others who might use it to trade or recommend that company’s securities to others. You should carefully review the Company’s Insider Trading Policy and ensure your compliance with the Company’s Insider Trading Policy.

3. Anti-Bribery and Anti-Corruption

The Company prohibits bribery in all forms. We comply with all applicable U.S. and international laws, treaties and regulations forbidding bribery and corruption, including the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA) and the local laws that apply where we conduct business. Everyone subject to the Code must understand and comply with the FCPA, the UKBA and any other applicable anti-bribery laws, regardless of their location or nationality. Engaging in any form of bribery or corrupt activity risks exposing you and the Company to criminal and civil penalties under U.S. federal, state and international laws.

Bribery occurs when cash or anything of value is promised, offered or paid in exchange for an improper business advantage. An improper business advantage includes improperly obtaining or retaining business, or the improper performance of an official or commercial function. Bribery and corruption can involve government employees or officials (including employees or officials of state-owned or state-controlled enterprises) or members of their family, or can involve entities or individuals engaged in commercial activity in the private sector. Anything of value can potentially become a bribe, including:

- An offer of employment or internship,
- Cash or cash equivalent (gift cards),
- Charitable contributions or donations,
- Discounts on products or services,
- Gifts,
- Hospitality,
- In-kind contributions,
- Personal favors; or
- Scholarships.

Bribes or corrupt payments can be direct or indirect such as through a third party. The Company expressly prohibits corrupt promises, offers or payments made through third party intermediaries or by anyone acting for or on behalf of the Company. Kickbacks are also a form of bribery and are prohibited. A kickback occurs when an individual receives anything of value in exchange for improper preferential treatment to a vendor or third party. Facilitation payments are explicitly illegal in most jurisdictions and are prohibited by the Company in all locations. Facilitation payments are cash payments made to low-level government employees or officials for the purpose of expediting or securing the performance of a routine government action.

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4. Conflicts Of Interest

A “conflict of interest” occurs when your individual private interests interfere or conflict with the interests of the Company or even when they only appear to interfere or conflict. If you have a conflict of interest it may be difficult for you to perform or work objectively and effectively, or to exercise sound business judgment on behalf of the Company. Conflicts of interest should be avoided.

It may not always be clear whether a situation presents a conflict of interest or potential conflict of interest. For example, a conflict of interest can arise involving your family members or even your close friends. Examples of some potential conflicts of interest are:

- Receipt of an improper personal benefit as a result of your position with the Company, whether that benefit is received from the Company or a third party, such as a competitor, customer or supplier.
- Obtaining a loan, guarantee of obligations or other similar financial accommodation from the Company or from a third party, such as a competitor, customer or supplier.
- Serving as an officer, employee or consultant, or otherwise having a material financial interest in a competitor, customer or supplier of the Company.

If a situation arises which you believe could involve a conflict of interest, or even the appearance of a conflict of interest, on your part, you should report the matter to your supervisor or department manager. If you are an executive officer of the Company, any actual or potential conflict of interest must be reported to the Company’s General Counsel.

5. Political Contributions and Lobbying Activities

Political Contributions. U.S. corporations are barred by federal law from making political contributions in connection with U.S. federal elections. Many states and non-U.S. jurisdictions have similar prohibitions. Therefore, the Board of Directors or its designee must approve the use of Company funds, time or resources for political contributions. Company policies broadly define political contributions and provide additional guidance. You are encouraged to participate in the political process on your own time, and to make political contributions in your own name and from your own assets. From time to time, communications regarding public issues important to the Company’s business or operations may be sent to employees. Personal contributions of your free time or money to any such political or community activities, including Company-approved political action committees, are permissible but entirely voluntary.

Lobbying Activities. Lobbying activities are strictly regulated and may trigger registration and reporting requirements. Employees and directors, or their agents or representatives, must consult and comply with Company policies prior to contacting any U.S. federal, state or local government official or an employee of a legislative body, government agency or department for the purpose of influencing policy, legislation, agency rules or regulations or any other official action on behalf of the Company.

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6. Restrictive Trade Practices and Controls

The Company will not directly or indirectly engage in any activity that could have the effect of promoting a boycott or restrictive trade practice not approved by the U.S. government. Such prohibited agreements may include refusing to do business with, providing information regarding or discriminating against, persons or companies based on race, religion, sex, national origin or nationality. U.S. law requires that a request to participate in such prohibited activities be reported promptly to the U.S. government. A reportable request to participate in a boycott may include the receipt of a contract or terms and conditions that obligate the Company to comply with all laws of a boycotting country. Failure to report such requests or the actual participation in a boycott that the United States does not sanction can result in enforcement and penalties. Refer to Company policies and immediately seek the advice of a Compliance Officer prior to taking any action upon such a request.

We comply with all export and reexport controls and import laws governing the movement of goods, technology, software and services across borders. In addition to the actual shipment of goods, export regulations also control the transfer, release or disclosure to foreign persons in the U.S. of controlled commodities. Transmission of technical data or U.S.-origin products may require a U.S. export license, even for oral, written or electronic disclosure. Serious consequences, including fines and the loss of import and export privileges, can result if an item or technology that requires a license is imported or exported or disclosed without a proper license.

The Company complies with all U.S. economic and trade sanctions, or restrictions against certain countries, individuals, entities, vessels and activities. Trade sanctions imposed by other organizations, like the European Union or United Nations, also may restrict our business. We fully comply with all applicable trade restriction laws within our global operations. If you identify goods or services potentially received or transferred through a sanctioned country, or conduct involving a sanctioned country, person or activity, you must immediately seek the advice of a Compliance Officer.

7. Corporate Opportunities Belong to the Company

Subject to the Company's organizational documents, employees, officers and directors have a duty to advance the Company's legitimate interests when the opportunity to do so arises. Subject to the Company's organizational documents, you are prohibited from taking for yourself personally opportunities that properly belong to the Company or its subsidiaries or which you discover through the use of corporate property, information or position, and you are also prohibited from using corporate property, information or position for personal gain or competing with the Company or a subsidiary of the Company.

8. Accurate Books and Records Must Be Maintained

It is our policy to comply with the financial reporting and accounting regulations that apply to the Company. All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must accurately and fairly represent the Company's transactions and must conform to legal requirements and our system of internal controls. You may not create or participate in the creation of records that are misleading or artificial. No unrecorded or "off the books" funds or assets are to be maintained except where a senior

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financial officer has determined that they are required or permitted under applicable laws and regulations.

You should retain Company records in accordance with our record retention policies. In the event litigation or a governmental investigation is under way or threatened which may involve any records under your control, you should consult the Company's Legal Department for guidance with regard to maintaining those records.

You are prohibited from directly or indirectly taking any action to fraudulently influence, coerce, manipulate or mislead the Company's independent public auditors for the purpose of rendering the financial statements of the Company misleading.

9. Complete, Accurate and Timely Disclosure Is Required

As a public company, the Company is required to file regular reports with the SEC. The Company is committed to full compliance with these important obligations and we seek to provide full, fair, accurate, timely and understandable disclosure in our SEC reports, press releases and other public communications, including but not limited to reports or other documents filed with governmental agencies. To assist in this endeavor, the Company maintains disclosure controls and procedures, including internal financial controls, under which you may be requested to provide information or otherwise participate in the financial accounting and disclosure process. If you participate in this process, you have a responsibility to provide information and disclosures in a timely manner and to assure that information and disclosures you provide are complete, accurate and understandable. You may never make a materially false or misleading statement or withhold any material information or assist others in doing so.

10. Reporting Procedures; Compliance with This Code

You are urged to promptly report illegal or unethical behavior, including financial misconduct and other violations of this Code. If you wish, your concerns or complaints will be kept confidential and your identity will be kept anonymous, though we may be required by law to reveal this information in some circumstances. ***We will not allow retaliation against you if you report misconduct by others in good faith.***

The following are some guidelines you may follow in reporting violations of this Code or other misconduct, or if you are unsure about how to handle a situation:

- You are encouraged as a first step to speak openly and freely to your supervisor or department manager;
- If for any reason you are not comfortable approaching your supervisor or department manager or you are not satisfied that your complaint has been handled fairly or appropriately, then you can contact the Company's Vice President of Human Resources or the Company's General Counsel; or
- If your concerns or complaints relate to the Company's financial, accounting, internal controls or auditing activities, then you may utilize the special Audit Committee procedures for complaints regarding accounting, internal accounting controls and auditing matters, which have been adopted by the Audit Committee of the Board for this purpose.

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11. Handling of Reports and Investigations

We are committed to reviewing and responding to all matters that may violate our ethical and compliance standards contained in the Code and Company policies. This includes promptly conducting fair and thorough investigations tailored to the circumstances and taking appropriate remedial steps as warranted, including disciplinary action. Individuals who violate the Code or the Company's policies, misuse their positions of authority, refuse to cooperate during an investigation, make a knowingly false complaint or retaliate against someone for reporting or providing information about a claim, may be subject to disciplinary measures.

You are expected to fully cooperate in Company investigations and, consistent with applicable law, to keep your participation in the investigation confidential. Cooperation includes providing clear and truthful information during an investigation. All reports will be treated confidentially to the fullest extent possible. It is imperative that reporting individuals not conduct their own preliminary investigations. Such actions could compromise the integrity of an investigation and adversely affect the Company and others.

The Company will not tolerate threats or acts of retaliation against employees for asking a question, raising a concern in good faith or cooperating in an investigation. All forms of retaliation are prohibited, including any form of discipline, reprisal, intimidation or other form of retaliation taken against an employee who has acted in good faith. Threats of retaliation should be reported immediately.

12. Accountability for Adherence to This Code

As a condition of your position with the Company, you accept the responsibility of complying with the policies set forth in this Code. If you violate any of these policies, you will be subject to disciplinary action, including suspension or termination for cause, or other legal action if appropriate under the circumstances. This Code is not intended to and does not create a contract of employment between you and the Company, nor does it guarantee that your employment with the Company will continue as long as you comply with its policies.

13. Amendment, Modification and Waiver of This Code

Only the Board of Directors may amend or modify this Code. Only the Board or an authorized committee of the Board may waive the requirements of this Code for Covered Officers, executive officers or directors. We will promptly disclose any such amendments or waivers (including implicit waivers) to the extent required by stock exchange rules or applicable laws or regulations. For this purpose, "waiver" means the approval by the Board of a material departure from a provision of this Code and an "implicit waiver" means the failure of the Board to take action within a reasonable period of time regarding a material departure from a provision of this Code after any executive officer of the Company has become aware of such material departure.

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Part II

14. Confidentiality Must Be Maintained

You must maintain the confidentiality of confidential information entrusted to you by the Company or our subsidiaries, suppliers, customers and others with whom we conduct business. Furthermore, you may not use any such information for your own (or any third party's) profit or advantage. You may disclose confidential information when disclosure is authorized by the Legal Department or required by laws, regulations or legal proceedings. Confidential information generally includes non-public information that might be useful to competitors or others, or harmful to the owner of the information if disclosed. Your obligation to preserve confidential information continues even after your employment ends. You should consult the Legal Department if you believe you may have a legal obligation to disclose confidential information.

15. Competitors and Others Must Be Dealt with Fairly

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. We do not permit or condone improper taking or use of proprietary information of others, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies. You should endeavor to deal fairly with our customers, suppliers, competitors and employees and not attempt to take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation or any other intentional unfair-dealing practice.

16. Company Assets and Property Must Be Protected and Used Properly

You should endeavor to protect the assets and property of the Company and its subsidiaries and ensure their efficient use. Theft, carelessness and waste have a direct impact on profitability. You should immediately report any suspected incident of fraud or theft affecting the Company. You should not use Company assets for non-Company business, though incidental personal use is permitted. You may never use Company funds or property in furtherance of any unlawful purpose.

Your obligation to protect the assets and property of the Company and its subsidiaries includes our proprietary information, including intellectual property, such as trade secrets, patents, trademarks and copyrights, and business, marketing and strategic plans, designs, databases, records, salary information and any unpublished financial data and reports. You may not use or distribute this information without proper authorization.

17. Discrimination and Harassment Are Not Permitted

The Company does not tolerate any form of discrimination or sexual harassment in the workplace. The Company is an equal opportunity employer. It is our policy to provide equal opportunities for all applicants and employees and to recruit, hire, transfer, promote, train and administer all personnel policies without regard to race, color, religion, national origin, gender, age, marital status, disability or veteran status.

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If you feel that you are being subjected to discriminatory treatment or sexual harassment you should immediately utilize the Company's complaint procedure in GEMS, or consult the procedures described in Section 7 of this Code. ***The Company will not take or permit retaliatory actions against an employee who, in good faith, reports or provides information about misconduct.***

18. Improper Payments Are Prohibited; Gifts and Hospitality

The Company requires the use of good judgment and moderation when giving or accepting gifts or hospitality in business settings. Gifts and hospitality (which include meals, hotels, lodging, travel and entertainment must have a legitimate business purpose, be reasonable and proportionate, be given openly and transparently, approved in accordance with Company policies and properly recorded in the Company's books and records. A legitimate business purpose can include advancing a business relationship, developing business or expressing gratitude. Gifts and hospitality that are given in exchange for an improper business advantage are considered bribes or kickbacks and are strictly prohibited.

You should never give, offer or accept a gift, entertainment or other item of value unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any law or regulation. You should take particular care to avoid accepting any favor or anything of value which could reasonably be interpreted as influencing your judgment in performing your duties for the Company. If you are uncertain about the propriety of any gift or payment, you should consult the Company's Legal Department.

Offering, giving or reimbursing gifts or hospitality to government employees or officials creates special concerns. Some countries, including the U.S., have strict limitations on the value and nature of gifts and hospitality such officials (including individuals running for office) can accept, which must be respected. It is your responsibility to understand whether you are interacting with a government employee or official as a part of your job duties, and to consult a Compliance Officer if you are in doubt. Any interaction with a government employee or official that could have the appearance of impropriety must be avoided. Prior to giving gifts or hospitality of any value to officials in any location, you must consult Company policies and, if necessary, a Compliance Officer.

Individuals and entities the Company does business with cannot be placed in a position where they may feel obligated to give a gift, provide hospitality or provide personal favors benefitting an employee in order to do business or continue to do business with the Company. Therefore, employees must not solicit gifts, hospitality or favors of any value from third parties. Anyone who receives gifts or hospitality of any value from a third party, especially an existing vendor or a vendor seeking to do business with the Company, must consult Company policies and, if necessary, a Compliance Officer. You may be required to return or dispose of gifts that do not comply with Company policies.

19. A Safe and Healthy Work Environment Must Be Maintained

The Company strives to provide each employee with a safe and healthful work environment. You must assist in maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment,

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practices or conditions. Violence and threatening behavior are never permitted. All employees should report to work in condition to perform their duties, free from the influence of alcohol or illegal drugs. The use of illegal drugs in the workplace will not be tolerated.