



## Seplat Petroleum Development Company Plc

### Political and Charitable Contributions Policy

Adopted by the Board on 29 January 2016

#### 1. INTRODUCTION AND PURPOSE

- 1.1 SEPLAT values communities within and outside its areas of operation as key stakeholders of the Company, and actively supports corporate citizenship initiatives in its communities. The Company encourages its Directors and Employees to be active in civic and community activities, including participation in the political and democratic process.
- 1.2 Due to the vulnerability of Political and Charitable Contributions to abuse and corruption, the Company has adopted this Political and Charitable Contributions Policy to set the parameters within which the Company, Directors and Employees may participate in political and civic activities.

#### 2. APPLICABILITY

- 2.1 This Policy applies to every Director and Employee.

#### 3. RESPONSIBILITY

- 3.1. The Board shall be responsible for ensuring that this Policy: (i) is updated as required to reflect current issues related to Political and Charitable Contributions, and (ii) is implemented and strictly enforced.
- 3.2. The General Counsel shall be responsible for the revision, interpretation and enforcement of this Policy, including the conduct of training on this Policy.
- 3.3. The GM-External Affairs & Communications shall be responsible for the day-to-day implementation of this Policy.
- 3.4. Each Director and Employee shall be responsible for reading this Policy carefully, understanding and complying fully with this Policy – in letter and in spirit.

#### 4. DEFINITIONS

For purposes of this Policy, the following definitions of key terms shall apply:

- 4.1 “Board” means the Board of Directors of Seplat Petroleum Development Company Plc.
- 4.2 “Charitable Contribution” means directly or indirectly using SEPLAT’s resources including but not limited to cash, time, property or facilities to make a cash or kind contribution to individuals, associations or organizations for social, health, educational, environmental, cultural or any other benefits.
- 4.3 “CSR Committee” means the Corporate Social Responsibility Committee of the Board.
- 4.4 “Director” means a member of the Board.
- 4.5 “Employee” for the purpose of simplicity only, means someone employed by SEPLAT and/or its affiliates and non-employees such as: contract staff, agent and consultant working for SEPLAT and/or its affiliates.
- 4.6 “General Counsel” means the General Counsel of SEPLAT.
- 4.7 “GM-External Affairs & Communications” means the General Manager of the External Affairs and Communications department of SEPLAT.
- 4.8 “Political Contribution” means directly or indirectly using SEPLAT’s resources including but not limited to cash, time, property or facilities to make a cash or kind contribution to a politician, political candidate, political campaign, or a political party or committee.

#### 5. RELATED POLICIES

- 5.1 This Policy should be read together with SEPLAT’s: (a) Code of Conduct; (b) Anti-Bribery and Corruption Policy, and (c) Gifts and Hospitality Guidelines, and any other relevant policies and guidelines that SEPLAT may develop from time to time.

## 6. POLITICAL CONTRIBUTIONS

- 6.1 It is the policy of SEPLAT that no Director or Employee shall, directly or indirectly, use the Company's resources to make, offer or solicit for Political Contributions. This includes making, offering, or soliciting for Political Contributions.
- 6.2 SEPLAT respects the right of Directors and Employees to make personal Political Contributions, provided that such contributions are not offered or made, and are not perceived as being offered or made, on behalf of SEPLAT or to obtain any business advantage for SEPLAT. In particular, Directors and Employees must:
- (a) not use SEPLAT's cash, time, property, facility or any other resources to carry out or support personal political activities; and
  - (b) always make clear that their political views and actions are personal, and not that of the Company.
- 6.3 To avoid conflicts of interest, Directors and Employees must notify the Company in writing before seeking or accepting a public office.
- ✚ Notice from Directors should be directed to the Chairman of the Board (or the Senior Independent Non-Executive Director, in the case of the Chairman).
  - ✚ Notice from Employees should be directed to the Chief Executive Officer of the Company.

## 7. CHARITABLE CONTRIBUTIONS

- 7.1. The External Affairs and Communications department shall propose a budget to be approved by the Board, which the Company shall set aside as a yearly budget for its Charitable Contributions. The budget shall reflect the Company's existing commitments and new spending estimates for the year.
- 7.2. Charitable Contributions shall only be given for public/individual benefits, such as: social, educational, environmental, welfare, cultural purposes, etc.
- 7.3. Directors and Employees shall not use Charitable Contributions as subterfuge to carry out an unethical or illegal purpose.
- 7.4. The Company shall not support charities and other non-profit organizations that:
- (a) are for-profit;
  - (b) are involved in the abuse of human rights;
  - (c) are involved in recreational or illegal drugs, weaponry, alcohol, or tobacco;
  - (d) are involved in practices that are detrimental to life, health or the environment;
  - (e) have or support mainly political activities or circulate political information;
  - (f) have policies or practices that discriminate on grounds of race, gender, culture/tribe, religion, disability, etc;
  - (g) have policies or practices that are in violation of the law; or
  - (h) have policies or practices that are not in line with the Code of Conduct, Corporate Governance Policies, and CSR Policy of the Company.
- 7.5. Requests made by an external party for Charitable Contributions shall be in writing, and shall indicate the name of the organization, the cause for which it seeks contributions, the amount of the contribution, and any other information necessary to validate its request for Charitable Contributions.
- 7.6. Upon receiving such request for Charitable Contributions, a Director or Employee must complete, and submit to the GM-External Affairs & Communications, the *Charitable Donations Request Form* attached as Appendix 2 to this Policy.
- 7.7. Upon receipt, the GM-External Affairs & Communications shall conduct a due diligence exercise to ascertain:

- (a) that the organization seeking Charitable Contributions is a non-government, non-profit organization that is legally constituted to carry out the purpose for which a Charitable Contribution is sought from SEPLAT;
  - (b) that the charitable organization and the requested contribution are in line with Section 7.4 of this Policy; and
  - (c) any other matter necessary to validate the legitimacy of the requested contribution.
- 7.8. Upon confirmation of Section 7.7 above, the GM-External Affairs & Communications shall ensure that the request for Charitable Contributions is addressed in accordance with Sections 7.9 – 7.11 below.
- 7.9. Charitable Contributions with an aggregate value up of US\$200,000 and below shall be reviewed and approved by the GM-External Affairs & Communications.
- 7.10. Charitable Contributions with an aggregate value exceeding US\$200,000 and up to US\$1,000,000 shall be reviewed and approved by the Chief Executive Officer.
- 7.11. Charitable Contributions with an aggregate value exceeding US\$1,000,000 shall be reviewed by the CSR Committee in the first instance. If approved, the CSR Committee shall make a recommendation to the Board.
- 7.12. The GM-External Affairs & Communications shall ensure that the CSR Committee and the Board are promptly informed of all Charitable Contributions that are approved in accordance with Sections 7.9 and 7.10.
- 7.13. Where special circumstances require the Board’s urgent approval of a Charitable Contribution, the GM-External Affairs & Communications may request the Chairman of the CSR Committee or the Board (as appropriate) to convene a special meeting to consider the request for contribution.
- 7.14. When approving a Charitable Contribution, the GM-External Affairs & Communications, Chief Executive Officer, CSR Committee or the Board (as appropriate) shall stipulate the financial amount to be given by the Company.
- 7.15. The Board shall ensure that all Charitable Contributions are publicly disclosed in the Company’s annual reports.
- 8. RECORD KEEPING**
- 8.1 The GM-External Affairs & Communications shall maintain a record of all Charitable Contributions made by the Company.
- 8.2 A copy of all documents pertaining to a Charitable Contribution must be retained and payments must be recorded as a “Charitable Contribution” in the appropriate books and records of the Company.
- 9. EXCEPTIONS TO THIS POLICY**
- 9.1 Any exception to this Policy must be approved in advance by the Board.
- 10. VIOLATION**
- 10.1 SEPLAT shall enforce a zero-tolerance policy for any violation of this Policy, including and up to termination of directorship or employment or contract.
- 10.2 Failure to report any suspected violation of this Policy is also a violation of this Policy.
- 10.3 Suspected violation of this Policy should be reported through the appropriate channel set out below:
- ✚ the Chairman of the Board or the Senior Independent Non-Executive Director (in the case of Directors),
  - ✚ the General Counsel,
  - ✚ the General Manager, External Affairs & Communications,
  - ✚ the Head of the Business Integrity Department, or

✚ the Whistleblowing Hotline via +234 800 444 1234 or [SpeakUp@seplatpetroleum.com](mailto:SpeakUp@seplatpetroleum.com)).  
Please be assured that all reports to the Whistleblowing Hotline will be treated in strict confidence.

## **11. AMENDMENTS**

11.1 This Policy may be amended from time to time by the Board.