



Seplat Petroleum Development Company Plc

Share Dealing Policy

Adopted by the Board on 24 March 2015

1. INTRODUCTION AND PURPOSE

- 1.1. Insider Trading is strictly prohibited by law. As a quoted Company in the Nigerian and London stock exchanges, SEPLAT is required to comply with both Nigerian and U.K. law on the dealing of shares and other securities. Respect of law is one of SEPLAT's key values, and the Company goes beyond compliance toward a value inspired culture.
- 1.2. The purpose of this Share Dealing Policy ("Policy") is to set out the rules governing all Dealings in Seplat Securities by Applicable Persons and their Connected Persons, and the more restrictive set of rules that apply to Restricted Persons and their Connected Persons.

2. APPLICABILITY

- 2.1 This Policy applies to all Applicable Persons and their Connected Persons and their current, future, direct or indirect Dealings in Seplat Securities.

3. RESPONSIBILITY

- 3.1. The Board shall have overall responsibility in ensuring that this Policy: (i) is updated as required to remain in compliance with applicable laws in force, and (ii) is implemented and strictly enforced to demonstrate SEPLAT's visible commitment to compliance with the law.
- 3.2. The General Counsel shall be responsible for the day-to-day implementation and enforcement of this Policy, including the conduct of training, compliance programs, and the interpretation of this Policy.
- 3.3. Each Employee shall be responsible for reading this Policy carefully, understanding and complying fully with this Policy – in letter and in spirit.
- 3.4. All Applicable Persons shall be responsible for ensuring that their Connected Persons act in strict compliance with this Policy.

4. DEFINITIONS

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

- 4.1 "Applicable Persons" mean Directors, and employees, contract staff, consultants and agents of SEPLAT or any of its subsidiaries.
- 4.2 "Board" means the Board of Directors of Seplat Petroleum Development Company Plc.
- 4.3 "Closed Period" means a Prohibited Period during which Employee Insiders and their Connected Persons are prohibited from Dealing in Seplat Securities; such period includes either of the following:

- a) the period of 60 days immediately preceding a preliminary announcement by SEPLAT of its annual results or, if shorter, the period from the end of SEPLAT's financial year (currently 31 December) up to and including the time of announcement; or
- b) the period of 60 days immediately preceding the publication of SEPLAT's Annual Report or, if shorter, the period from the end of SEPLAT's financial year (31 December) up to and including the time of such publication;
- c) the period from the end of SEPLAT's financial half-year (currently 30 June) up to and including the time of publication of SEPLAT's half yearly report; and
- d) the period of 30 days immediately preceding the announcement of SEPLAT's quarterly results or, if shorter, the period from the end of the relevant quarter up to and including the time of the announcement.

4.4 "Connected Persons" mean persons connected to an Applicable Person or a Restricted Person (as the context requires), including without limitation:

- (a) spouse or civil partner;
- (b) children (including step-children) under 18 years of age;
- (c) relative who, at the relevant date, occupied the same household as the Applicable Person or Restricted Person, for at least 12 months;
- (d) agent or nominee, including an investment manager managing funds on behalf of the Applicable Person or Restricted Person;
- (e) a trust of which the Applicable Person (or Restricted Person) or any person connected to him/her (or any member of their family or any associated company) is the trustee or beneficiary (other than a trust for the purposes of an employee share scheme or a pension scheme);
- (f) a person in partnership with the Applicable Person (or Restricted Person) or any person connected to him/her ;
- (g) a legal entity in which the Applicable Person (or Restricted Person) or his/her connected person is a partner, or where a partner is a firm in which the Applicable Person or his/her connected person is a partner;
- (h) a company which the Applicable Person (or Restricted Person) or his/her connected person or either of their family member controls;
- (i) a company in which the Applicable Person (or Restricted Person) or his/her connected person is a director or senior executive who has the power to make management decisions affecting the future development and business prospects of that company; or
- (j) a company in which the Applicable Person (or Restricted Person) or his/her connected person controls, or can exercise, more than 20% of the voting power or are interested in at least 20% (in nominal value) of the issued shares (excluding Treasury Shares).

4.5 "Deal" or "Dealing" means directly or indirectly:

- (a) acquiring or disposing of, or agreeing to acquire or dispose of Seplat Securities;

- (b) entering into a contract (including a contract for difference), for the purpose of securing a profit or avoiding a loss by reference to fluctuations in the price of Seplat Securities;
- (c) granting, accepting, acquiring, disposing, exercising or discharging of any option to acquire or dispose of any Seplat Securities;
- (d) entering into, terminating, assigning or novating any stock lending agreement in respect of Seplat Securities;
- (e) using as security, or otherwise granting a charge, lien or other encumbrance over Seplat Securities;
- (f) entering into or participating in any transaction, including a transfer for no consideration, or exercising any power or discretion, effecting a change of ownership of a beneficial interest in Seplat Securities; or
- (g) exercising any other right or fulfilling any obligation, present or future, conditional or unconditional, to acquire or dispose of any Seplat Securities.

The following dealings are not subject to the provisions of this Policy:

- (a) undertakings or elections to take up entitlements under a rights issue or other offer (including an offer of Seplat Securities in lieu of a cash dividend);
- (b) the take up of entitlements under a rights issue or other offer (including an offer of Seplat Securities in lieu of a cash dividend);
- (c) allowing entitlements to lapse under a rights issue or other offer (including an offer of Seplat Securities in lieu of a cash dividend);
- (d) the sale of sufficient entitlements nil-paid to take up the balance of the entitlements under a rights issue;
- (e) undertakings to accept, or the acceptance of, a takeover offer;
- (f) dealings under which the beneficial interest in the relevant Seplat Securities does not change;
- (g) transactions conducted between a Manager and his/her spouse, civil partner, child or step-child (within the meaning of section 96B(2) of the of the Financial Services and Markets Act 2000);
- (h) transfers of shares arising out of the operation of an Employee's share scheme into a savings scheme investing in Seplat Securities following:
 - (i) exercise of an option under an approved SAYE option scheme; or
 - (ii) release of shares from a HM Revenue and Customs approved share incentive plan;
- (i) with the exception of a disposal of Seplat Securities received by a Restricted Person as a participant, dealings in connection with the following Employee's share schemes:

- (i) an HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended on similar terms to all or most employees of the participating companies in that scheme; or
- (ii) a scheme on similar terms to a HM Revenue and Customs approved SAYE option scheme or share incentive plan, under which participation is extended on similar terms to all or most employees of the participating companies in that scheme; or
- (j) the cancellation or surrender of an option under an employee's share scheme;
- (k) transfers of Seplat Securities by an independent trustee of an Employee's share scheme to a beneficiary who is not a Restricted Person;
- (l) transfers of Seplat Securities already held by means of a matched sale and purchase into a saving scheme or into a pension scheme in which the Restricted Person is a participant or beneficiary;
- (m) an investment by a Restricted Person in a scheme or arrangement where the assets of the scheme (other than a scheme investing only in the Seplat Securities) or arrangement are invested at the discretion of a third party;
- (n) a dealing by a Restricted Person in the units of an authorised unit trust or authorised contractual scheme or in shares in an open-ended investment company; and
- (o) bona fide gifts to a Restricted Person by a third party.

4.6 "Designated Officer" means in respect of a Restricted Person, the corresponding person identified in the table below:

Restricted Person	Designated Officer
The Chairman and Connected Persons	The Chief Executive Officer or, if he is not present or available, the senior independent director or any other Director nominated by the Board for that purpose.
Chief Executive Officer and Connected Persons	The Chairman or, if he is not present or available, the senior independent director or any other Director nominated by the Board for that purpose.
Any other Director and his/her Connected Persons	The Chairman or, if he is not present or available, the senior independent director or any other Director nominated by the Board for that purpose.
Any other Restricted Person and his/her Connected Persons	A Manager jointly appointed by the General Counsel and Chief Financial Officer.

4.7 "Director" means a member of the Board.

4.8 "Disclosure and Transparency Rules" the Disclosure and Transparency Rules made by the Financial Conduct Authority under Part VI of the UK Financial Services and Markets Act 2000 (as amended).

- 4.9 “Employee Insiders” means Applicable Persons who have access to Inside Information on a regular or occasional basis, including without limitation:
- (a) all Managers;
 - (b) certain members of the Finance department;
 - (c) certain members of the External Affairs and Communications department;
 - (d) certain members of the Legal department;
 - (e) certain members of the Information Technology department;
 - (f) certain personal, executive, administrative or confidential assistants to the above roles; and
 - (g) any other person designated as an Employee Insider by the General Counsel from time to time.
- 4.10 “General Counsel” means the General Counsel of SEPLAT. Where the General Counsel of SEPLAT is seeking any approval under this Policy, then the CEO shall appoint a Manager to act in the place of the General Counsel for purposes of applying this Policy to the transaction in question.
- 4.11 “Inside Information” means information of any nature (including without limitation any price sensitive information) that:
- (a) is not generally available to the general public;
 - (b) relates, either directly or indirectly, to SEPLAT, its group of companies or to Seplat Securities; and
 - (c) would, if generally available, be likely to have a significant effect on the price of Seplat Securities.
- 4.12 “Insider Trading” means when an Applicable Person and/or his or her Connected Persons: (a) use Inside Information to Deal in Seplat Securities; or (b) give Inside Information to a third party to Deal in Seplat Securities.
- 4.13 “Manager” means, in accordance with section 96B (2) of the UK Financial Services and Markets Act 2000, any person discharging managerial responsibilities in SEPLAT, including without limitation:
- (a) a Director; or
 - (b) a senior executive of SEPLAT who:
 - (i) has access to Inside Information; or
 - (ii) has the power to make managerial decisions affecting the future development and business prospects of SEPLAT.
- 4.14 “Prohibited Period” means any Closed Period or any other period (as declared by the General Counsel) that involves Inside Information.

4.15 “Restricted Person” means any Managers, Employee Insiders, member of SEPLAT’s Audit Committee of the Board, and other person declared by the General Counsel from time to time.

4.1 “Review Panel” means the Share Dealing Review Panel, which shall be responsible for reviewing and authorizing all Restricted Persons to Deal in Seplat Securities. The Review Panel shall, at a minimum, consist of the following representatives (or their nominees):

- (a) General Counsel;
- (b) Relevant Designated Officer; and
- (c) Chief Financial Officer.

Where a member of the Review Panel is seeking approval under this Policy, then the CEO shall nominate a Manager to act in the place of such member for purposes of applying this Policy to the transaction in question.

4.16 “Seplat Securities” means the shares or other securities of SEPLAT.

5. POLICY STATEMENT

5.1. An Applicable Person and his/her Connected Persons shall not Deal in Seplat Securities during a Prohibited Period.

5.2. An Applicable Person and his/her Connected Persons shall not Deal in Seplat Securities in a pattern of frequent sales and purchases that may give the appearance of Inside Trading.

6. PROHIBITION AGAINST INSIDER TRADING

6.1. An Applicable Person in possession of Inside Information shall not Deal in, or encourage another person to Deal in, Seplat Securities, even if the Applicable Person does not benefit from the Deal.

6.2. An Applicable Person shall not disclose Inside Information to any person inside or outside SEPLAT without the prior written consent of the General Counsel.

6.3. An Applicable Person shall not use Inside Information to Deal in the shares or securities of another publicly listed company. Under the law, there are some circumstances and some periods during which a listed shareholder of SEPLAT may not trade in the shares of a company in negotiations with SEPLAT for acquisition. The General Counsel shall announce any such periods to the Company’s shareholders.

6.4. If an Applicable Person is in any doubt as to whether information he/she possesses is Inside Information, then he/she must seek clarification from the General Counsel before Dealing in Seplat Securities.

7. SPECIFIC RESTRICTIONS FOR RESTRICTED PERSONS AND THEIR CONNECTED PERSONS

7.1 Sections 7 – 16 of this Policy outline specific restrictions that are placed on Restricted Persons and their Connected Persons.

7.2 A Restricted Person and his/her Connected Persons shall not Deal in Seplat Securities without first obtaining an authorization to Deal from the Review Panel in accordance with Section 8 below.

7.2 A Restricted Person and his/her Connected Persons shall not Deal in Seplat Securities during a Prohibited Period, unless authorized by the Review Panel in accordance with Section 8 below.

7.3 A Restricted Person must advise all of his/her Connected Persons:

- (a) that he/she is a Restricted Person;
- (b) of restrictions placed on Restricted Persons and their Connected Persons;
- (c) of Closed Periods during which Restricted Persons and their Connected Persons cannot deal in Seplat Securities; and
- (d) that he/she must advise SEPLAT immediately after Dealing in Seplat Securities.

8. AUTHORIZATION FOR RESTRICTED PERSONS AND CONNECTED PERSONS TO DEAL

8.1 A Restricted Person shall first notify the Review Panel and receive an authorization to Deal before the Restricted Person or his/her Connected Persons Deal in any Seplat Securities.

8.2 Notice to the Review Panel shall be given to the General Counsel in the form of an Application to Deal.

8.3 Upon receiving a completed Application to Deal, the General Counsel shall convene a meeting of the Review Panel to consider the application and reach a decision. In reaching a decision, the Review Panel may summon or seek clarifications from any person or request additional documentation.

8.4 The General Counsel shall promptly (but no later than five (5) business days from receiving the Application to Deal) notify the Restricted Person of the decision of the Review Panel.

8.5 Where the Review Panel approves an Application to Deal, the General Counsel shall inform the Restricted Person of such approval using the form of an Authorization to Deal.

8.6 Where the Review Panel denies an Application to Deal, the General Counsel shall send a separate notice of denial to the Restricted Person.

8.7 A Restricted Person who is given an authorization to Deal in accordance with this Section 8 must:

- (a) Deal as soon as possible (but in any event within two (2) business days after receiving the authorization to Deal); and
- (b) notify the General Counsel of the occurrence of such Dealing within four (4) business days of the day on which the transaction occurred. Notice to the General Counsel shall be in the form of a Confirmation/Notification of Dealing.

9. CIRCUMSTANCES FOR DENIAL OF AUTHORIZATION FOR RESTRICTED PERSON TO DEAL

9.1 The Review Panel shall not authorize a Restricted Person and his/her Connected Persons to Deal in any Seplat Securities:

- (a) during a Prohibited Period, except to the extent permitted under Sections 10, 12, 13, 14 and 15 below;

- (b) on considerations of a short term nature. For the avoidance of doubt, an investment with a maturity of one (1) year or less shall be considered to be of a short term nature; or
- (c) at any time when the Review Panel has reason to believe that the proposed Dealing is or could be in breach of this Policy.

10. DEALING BY RESTRICTED PERSONS DURING SEVERE FINANCIAL DIFFICULTY OR EXCEPTIONAL CIRCUMSTANCES

10.1 The Review Panel authorize a Restricted Person and his/her Connected Persons to sell, but not to purchase, Seplat Securities during a Prohibited Period, if the Review Panel finds that:

- (a) the Restricted Person and his/her Connected Persons are not in possession of Inside Information; and
- (b) the Restricted Person and/or his/her Connected Person is in severe financial difficulty or there are other exceptional circumstances.

(i) For the avoidance of doubt, “severe financial difficulty” for purposes of this Section 10.1(b) includes without limitation if the Restricted Person or his/her Connected Person has a pressing financial commitment that cannot be satisfied other than by selling the relevant Seplat Securities. A liability of such a person to pay tax would not normally constitute severe financial difficulty unless the person has no other means of satisfying the liability.

(ii) For the avoidance of doubt “exceptional circumstances” for purposes of this Section 10.1(b) includes without limitation if the Restricted Person or his/her Connected Person is required by a competent court order, law or government agency to transfer or sell any Seplat Securities.

10.2 In accordance with the UK Model Code on Share Dealing, the General Counsel shall ensure that the Financial Conduct Authority is consulted at an early stage regarding any application by a Restricted Person to Deal in “exceptional circumstances”.

11. AWARD OF SECURITIES AND OPTIONS DURING A PROHIBITED PERIOD

11.1 The Board may grant options to Applicable Persons, who are not Restricted Persons, to Deal in Seplat Securities during a Prohibited Period under an employees' share scheme, if: (a) such grant could not reasonably be made at another time, and (b) failure to make the grant would likely indicate that SEPLAT is in a Prohibited Period.

11.2 The Board may award Seplat Securities, grant options and/or grant rights (or other interests) to Restricted Persons to acquire Seplat Securities during a Prohibited Period if:

- (a) the award or grant is made under the terms of an employees' share scheme and the scheme was not introduced or amended during the relevant Prohibited Period; and
- (b) either:
 - (i) the terms of such employees' share scheme set out the timing of the award or grant and such terms have either previously been approved by shareholders or summarised or described in a document sent to shareholders, or

- (ii) the timing of the award or grant is in accordance with the timing of previous awards or grants under the scheme; and
- (c) the terms of the employees' share scheme set out the amount or value of the award or grant or the basis on which the amount or value of the award or grant is calculated and do not allow the exercise of discretion; and
- (d) the failure to make the award or grant would likely indicate that SEPLAT is in a Prohibited Period.

12. EXERCISE OF OPTIONS DURING A PROHIBITED PERIOD

12.1 The Review Panel may authorize a Restricted Person to exercise an option or right under an employees' share scheme or to convert a convertible security, if the Review Panel finds that:

- (a) SEPLAT has been in an exceptionally long Prohibited Period or has had a number of consecutive Prohibited Periods; and
- (b) the final date for exercising the option or right, or converting the security falls during a Prohibited Period and the Restricted Person could not reasonably have been expected to exercise the option or right or to convert the security at a time when he/she was free to Deal.

12.2 Where the Review Panel permits an exercise or conversion under Section 12.1 above, the Review Panel shall not authorize the sale of Seplat Securities acquired pursuant to such exercise or conversion, including the sale of sufficient Seplat Securities to fund the costs of the exercise or conversion and/or any tax liability arising from the exercise or conversion, unless a binding undertaking to do so was entered into when SEPLAT was not in a Prohibited Period.

13. DEALING BY RESTRICTED PERSON UNDER A SCHEME

13.1 A Restricted Person may enter into a scheme under which:

- (a) only Seplat Securities are purchased pursuant to a regular standing order or a direct debit, or by regular deduction from the Restricted Person's salary; or
- (b) Seplat Securities are acquired by way of a standing election to re-invest dividends or other distributions received, or are acquired as part payment of the Restricted Person's remuneration without violating this Policy,

if the Restricted Person complies with the following provisions:

- (i) the Restricted Person does not enter into the scheme during a Prohibited Period, unless the scheme involves the part payment of remuneration in the form of Seplat Securities and is entered into upon commencement of the person's employment or in the case of a non-executive Director, his appointment to the Board;
- (ii) the Restricted Person does not carry out the purchase of Seplat Securities under the scheme during a Prohibited Period, unless the Restricted Person entered into the scheme at a time when SEPLAT was not in a Prohibited Period and that person is irrevocably bound under the terms of

the scheme to carry out a purchase of Seplat Securities (which may include the first purchase under the scheme) at a fixed point in time which falls in a Prohibited Period;

- (iii) the Restricted Person does not cancel or vary the terms of his participation in the scheme, or carry out sales of Seplat Securities within the scheme during a Prohibited Period; and
- (iv) before entering into the scheme, cancelling the scheme, varying the terms of his participation in the scheme, or carrying out sales of Seplat Securities within the scheme, the Restricted Person obtains an authorization to Deal in accordance with Section 8 above.

14. DEALING UNDER A TRUST WITH RESTRICTED PERSON AS TRUSTEE

14.1 Where a Restricted Person is acting as trustee to a trust, then that trust shall be permitted to Deal in Seplat Securities during a Prohibited Period, if the Review Panel finds that:

- (a) the Restricted Person is not a beneficiary of the trust; and
- (b) the decision to Deal was taken by the other trustees or by investment managers on behalf of the trustees, all of whom acted independently of the Restricted Person.

For the avoidance of doubt, the Review Panel may assume that the other trustees or investment managers acting on behalf of the trustees have acted independently of the Restricted Person where the decision to Deal:

- (i) was taken without consulting or involving the Restricted Person; or
- (ii) was delegated to a committee of which the Restricted Person was not, at all relevant times, a member.

15. DEALING BY RESTRICTED PERSON UNDER A TRADING PLAN

15.1 A Restricted Person must obtain an authorization to Deal, in accordance with Section 8 above, before entering into a trading plan with respect to Seplat Securities, amending the trading plan, cancelling the trading plan, or Dealing in Seplat Securities pursuant to the trading plan.

15.2 A Restricted Person shall not enter into or amend a trading plan during a Prohibited Period.

15.3 The Review Panel shall not authorize a Restricted Person to enter into or amend a trading plan during a Prohibited Period.

15.4 The Review Panel may authorize a Restricted Person to cancel a trading plan during a Prohibited Period, if the Review Panel finds that there are exceptional circumstances within the meaning of Section 10.1(b)(ii) above.

16. STATUTORY DISCLOSURE REQUIREMENTS

16.1 In compliance with the rules of the Securities and Exchange Commission, Nigeria (“SEC”), a Restricted Person must notify SEC not later than forty-eight (48) hours after the sale and purchase of their shares.

16.2 In compliance with the Disclosure and Transparency Rules, Managers and their Connected Persons must notify SEPLAT in writing of the occurrence of all transactions conducted on their own account in any Seplat Securities, or derivatives or any other financial instruments relating to those securities within four (4) business days of the day on which the transaction occurred. Notice under this Section 17.2 shall be given to the General Counsel using the Confirmation or Notification of Dealing form.

17. NOTICE OF SUBSTANTIAL SHAREHOLDERS

17.1 The General Counsel shall inform the Board on a quarterly basis of information on the beneficial ownership of Seplat Securities of five percent (5%) and above.

18. DOCUMENTATION AND RECORD KEEPING

Seplat Insider List

18.1 The General Counsel shall create and maintain a SEPLAT Insider List to record, at a minimum:

- (a) any Inside Information;
- (b) the names of Employee Insiders and Restricted Persons; and
- (c) acts of non-compliance by each Employee Insider and Restricted Person.

18.2 The SEPLAT Insider List may be divided into separate sub-lists for persons holding Inside Information in relation to a particular transaction, project or circumstance.

18.3 The General Counsel shall notify all persons who are included as Employee Insiders and Restricted Persons in the SEPLAT Insider List.

Decisions of the Review Panel

18.4 The General Counsel shall maintain a record of all documentation submitted to and generated by the Review Panel in consideration of any request made under this Policy.

18.5 The General Counsel shall maintain a record of all decisions and other actions taken by the Review Panel with respect to requests made under this Policy.

18.6 The General Counsel shall report all authorizations given under this Policy to the Board at the next Board meeting.

19. VIOLATION

19.1 SEPLAT shall enforce a zero-tolerance policy for any violation, and failure to report any violation, of this Policy, including and up to termination of directorship or employment.

19.2 Failure to comply with this Policy is a serious misconduct, which may lead to disciplinary action, civil action and/or criminal prosecution.

19.3 All Applicable Persons shall be accountable to the Company for any violation of this Policy by any of their Connected Persons.

20. AMENDMENTS

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