



## Seplat Petroleum Development Company Plc

### Conflict of Interest Policy

Effective date 28<sup>th</sup> January 2020

#### 1. INTRODUCTION AND PURPOSE

- 1.1 SEPLAT is committed to the highest standards of business ethics, honesty, fairness and transparency. Upholding this commitment means that our business decisions cannot be influenced by our private interests or the interests of our **Immediate Family Members** and **Close Associates**. The existence or perception of a **Conflict** can harm the reputation of SEPLAT, undermine the trust that the public has in SEPLAT, and affect the ability of SEPLAT to raise funds in the capital market. Our good reputation is one of our greatest assets and must be protected with the highest level of business ethics.
- 1.2 The relationship between a company and its directors is strictly regulated by law and is carefully monitored by regulators. In fact, regulators require a company to disclose (typically via the annual report) the existence and details of any conflict of interest involving a director.
- 1.3 The position of the law is that directors owe a fiduciary duty of care, utmost good faith, honesty and loyalty to the company. This means that directors should act in the best interests of the company in order to preserve the company's assets and further its business. The action taken by a director will therefore be assessed along with that of a reasonable, prudent and ordinarily skillful director who is acting in the same or similar circumstances.
- 1.4 Conflicts of interest have the potential to negatively influence a director's fiduciary duty to the company. The law therefore requires directors to avoid or carefully manage any conflict between their personal interests and the interests of the company. The criticality of complying with laws, rules and regulations governing directors' conflicts of interest has been demonstrated in reputational, financial and other damages to the non-complying companies and the erring director.
- 1.5 The purpose of this Conflict of Interest Policy ("**Policy**") is to (i) set the parameters within which SEPLAT will deal with **Conflicts of Interest** for Employees and Directors, (ii) to incorporate the legal requirements pertaining to directors' conflicts of interest in order to prevent inadvertent violation of law, (iii) to help the **Employees, Board** and individual **Directors** understand the circumstances that may lead to a **Conflict of Interest**.
- 1.6 **Conflicts of Interest** not specifically addressed in this Policy must be dealt with according to the principles and intent of this Policy.

#### 2. APPLICABILITY

- 2.1 This Policy applies to all **Employees, Directors**.

#### 3. RESPONSIBILITY

- 3.1 The **Board** shall have overall responsibility for ensuring that this Policy: (i) is updated as required to reflect current law, issues and best practices pertaining to **Conflicts of Interest**, and (ii) is strictly implemented and enforced.

- 3.2. The **CEO**, with the assistance of the CS/CGCO shall be responsible for summoning the Review Panel for the purpose of evaluating the Conflict of Interest Declarations for Employees.
- 3.3. The **Review Panel** shall be responsible for the investigation, review, decision-making, and initiation of disciplinary action pursuant to this Policy. In the case of Directors, the decision of the **Review Panel** shall be ratified by the **Board** (in the absence of a **Conflicted Director**).
- 3.4. In the case of Employees, the **CS/CGCO** shall be responsible for the day-to-day implementation and enforcement of this Policy, including the conduct of training and the interpretation of this Policy and in the case of Directors, **Chairman** shall also be responsible for the day-to-day implementation of this Policy, including the conduct of training and the interpretation of the Policy.
- 3.5. Managers shall be responsible for ensuring that **Employees** under their supervision comply with this Policy and the decision of the **Review Panel**.
- 3.6. **Employees and Directors** are responsible for reading this Policy carefully, understanding and complying fully with this Policy – in letter and in spirit.
- 3.7. The Board should annually ascertain and confirm the continued independence of each Independent Director of the Company.

#### 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 **“Actual Conflict”** mean a *direct* conflict between an **Employee’s** duty or a Director’s fiduciary duty to SEPLAT and his/her private interests.
- 4.3 **“CEO”** means the Chief Executive Officer of Seplat Petroleum Development Company Plc.
- 4.4 **“Chairman”** means the Chairman of the **Board**. In any case where the Chairman of the **Board** is a **Conflicted Director**, the Senior Independent Non-Executive Director (“SINED”) shall exercise the responsibilities of the Chairman under this Policy for purposes of resolving the **Conflict** in question provided the SINED is also not conflicted. Where both the Chairman and the Senior Independent Non-Executive Director are conflicted, the Review Panel shall nominate a non-conflicted Independent Non-Executive Director who shall exercise the responsibilities of the Chairman under this policy for purposes of resolving the Conflict(s) in question.
- 4.5 **“Close Associate”** means (i) any person with whom a **Director** or an **Employee** has a close relationship, including without limitation: a spouse, child, sibling, parent or relative; and (ii) any corporate entity in which a **Director** has control or joint control, significant influence, or is a member of key management.
- 4.6 **“Conflict of Interest”** or **“Conflict”** means when an **Employee** has a private interest or relationship that interferes (or could reasonably be perceived to interfere) with the interests of SEPLAT or their duties/fiduciary duties to SEPLAT. The private interests of an **Employee** also include those of his/her **Immediate Family Member** and **Close Associate**. A **Conflict** can be **Actual**, **Perceived** or **Potential**.
- 4.6 **“Conflicted Employee(s)”** mean(s) an **Employee(s)** for whom a **Conflict of Interest** may exist. **“Conflicted Director”** means a **Director** for whom a **Conflict of Interest** may exist
- 4.7 Company Secretary/Chief Governance and Compliance Officer (CS/CGCO) means the Company Secretary and Compliance Officer of SEPLAT. Where the CS/CGCO is a **Conflicted Employee**, then the Head of the Business Integrity Department (or any other General Manager nominated by the CEO) shall act in the place of the CS/CGCO for purposes of applying this Policy to the situation in which the CS/CGCO is conflicted.

- 4.8 **“Director”** means a member of the **Board**. For purposes of simplicity in applying this Policy only, reference to **Directors** in this Policy will include the shareholder representatives who are members of the Audit Committee of SEPLAT.
- 4.9 **“Employee(s)”** 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.
- 4.10 **“Immediate Family Member”** means the spouse, child, stepchild, parent, grandparent, sibling, niece, nephew, any of the foregoing affiliated by marriage, and any person sharing the household of an **Employee or Director**.
- 4.11 **“Perceived Conflict”** means the *appearance or perception* that a Director or an **Employee’s** private interests (or the interest of a Close Associate) may improperly influence his/her duty/fiduciary duty to SEPLAT, whether or not this is in fact the case.
- 4.11 **“Potential Conflict”** means a Director’s or an **Employee’s** private interests (or the interest of a Close Associate) *could* conflict with his/her duty/fiduciary duty to SEPLAT.
- 4.12 **“Review Panel”** means the Conflicts of Interest Review Panel, which shall, at a minimum, consist of the following representatives (or their nominees) in the case of a Director or an Employee, as contained in the table below:

<b>Review Panel for Employees*</b>	<b>Review Panel for Directors**</b>
1. The <b>CEO</b>	1. The <b>Chairman</b>
2. <b>CS/CGCO</b>	2. The <b>SINED</b>
3. Head of the Business Integrity Department; and	3. Independent Non-Executive Director(s); and
4. General Manager, Human Resources Department	4. <b>CS/CGCO</b>

\*Where a member of the Review Panel is the Conflicted person seeking approval under this Policy, then the CEO shall nominate a suitable replacement for purposes of resolving the Conflict in question. The decision of the Review Panel regarding any Conflict of Interest investigation shall be by unanimous vote.

\*\*Where a member of the **Review Panel** is a **Conflicted Director** seeking approval under this Policy, then the **Chairman** (or the Senior Independent Non-Executive Director, as appropriate) shall nominate a suitable replacement for purposes of resolving the **Conflict** in question. Where both the Chairman and the Senior Independent Non-Executive Director are conflicted, the Review Panel shall nominate a non-conflicted Independent Non-Executive Director as replacement for purposes of resolving the Conflict(s) in question

## 5. RELATED POLICIES

- 5.1 This Policy should be read together with SEPLAT’s Anti-Bribery and Corruption Policy, Gifts and Hospitality Guidelines, Share Dealing Policy, Insider Trading Policy, Related Party Transactions Policy and Related Party Transactions Guidelines.

## 6. FORMS TO BE COMPLETED AND SUBMITTED IN RESPECT OF THIS POLICY

- 6.1 The following forms shall be completed **in the case of an Employee**:
- 6.1.1 **Annual Affirmation of Independence Form**, attached to this Policy as Appendix 3. To be completed and submitted by every **Employee** not later than the 31st of January in each year or immediately

upon joining the company in the case of new employees. . Every **Employee** will be bound to his/her signature of the *Annual Affirmation of Independence Form*. Therefore, where a **Conflict** arises for an **Employee** during the year, he/she must immediately complete and submit a *Conflict of Interest Declaration Form*.

- 6.1.2 **Conflict of Interest Declaration Form**, attached to this Policy as Appendix 4. To be completed and submitted by a **Conflicted Employee** and signed his/her Line Manager or next senior officer, immediately the **Conflicted Employee** becomes aware of a **Conflict of Interest**.
- 6.1.3 **Affirmation of Compliance Form**, attached to this Policy as Appendix 5. To be completed and submitted by a **Conflicted Employee** and his/her Line Manager or next senior officer, immediately upon conclusion of the transaction/activity involving the **Conflict**.
- 6.2 The following forms shall be completed **in the case of a Director**:
  - 6.2.1 **Conflict of Interest Declaration Form**, attached as Appendix 7, should be completed and submitted by every Director upon appointment, or no later than the 31st of January in each year, or such other time requested by the Chairman.
  - 6.2.2 **Conflict of Interest Disclosure Form**, attached as Appendix 8, should be promptly completed and submitted by a Director at any time during the year when an Actual, Perceived, or Potential Conflict arises.
  - 6.2.3 Every Director shall be bound by his/her signature on the Conflict of Interest Declaration and Disclosure Forms for the duration of the applicable year.
  - 6.2.4 **Affirmation of Compliance Form**, attached as Appendix 9, should be completed and submitted by a Conflicted Director as soon as he/she becomes aware that the transaction/activity involving the Conflict has concluded. This form will enable the Company to maintain an auditable record of the Conflicted Director's compliance with this Policy and relevant laws and regulations.
- 6.3 All forms required by this Policy should be submitted to the **CS/CGCO** for consideration by the applicable **Review Panel**, in accordance with the timelines set out in this Policy or as directed by the **CEO** (in the case of Employees) and the **Chairman** (in the case of Directors).

## 7. POLICY STATEMENT

### **Employees**

- 7.1 Every **Employee** owes a duty to SEPLAT to advance the Company's best interest. Decisions made on behalf of SEPLAT must not be influenced by personal or private considerations.
- 7.2 All **Employees** are required to avoid **Conflict of Interest** situations while performing their duties to SEPLAT.
- 7.3 Where a **Conflict** cannot be avoided, all **Employees** must manage the **Conflict** in strict accordance with this Policy.
- 7.4 Where an **Employee** believes that an **Actual, Perceived** or **Potential Conflict** exists for himself or for another **Employee**, he /she must immediately disclose the **Conflict** in accordance with Section 8 of this Policy.

### **Directors**

- 7.5 The requirements under Section 7.7 have been developed in accordance with applicable laws, rules and regulations with a view to avoid the perception of impropriety, to protect the actions taken by **Directors**, and to demonstrate SEPLAT's compliance with the law.
- 7.6 The first course of action should be to avoid **Conflicts of Interest**. However, any **Conflict** that cannot be avoided will be carefully managed in accordance with Section 8.

7.7 The requirements pertaining to Conflict of Interest for Directors are as follows:

	<b>Subject Matter</b>	<b>Requirement</b>
(a)	<b>Director's Objective</b>	Act at all times in what you reasonably believe is in the best interest of SEPLAT as a whole in order to preserve the Company's assets, further its business, and promote the purposes for which SEPLAT was formed.
(b)	<b>Outside business</b>	Avoid conducting direct or indirect business with SEPLAT's contractors, suppliers or competitors, except within the scope of their position in SEPLAT
(c)	<b>Working with competitors</b>	Avoid conducting business (outside your ordinary responsibilities) with a company that is in competition with SEPLAT.
(d)	<b>Inside information</b>	Do not use any information pertaining to SEPLAT for your personal gain or advantage. For example, buying or selling securities in a business that SEPLAT intends to acquire, sell, form or terminate business relations with. Please see SEPLAT's <i>Share Dealing Policy</i> and other relevant policies for more details.
(e)	<b>Exploitation</b>	Do not directly or indirectly use your position in SEPLAT or the assets of SEPLAT in a way that may promote your personal interests. For example, using your position to obtain a secret profit for yourself.
(f)	<b>Financial interests</b>	Avoid any direct or indirect financial interest in (or any financial relationship with) any competitor, supplier or contractor of SEPLAT (except for insignificant stock interests in publicly listed companies).
(g)	<b>Investments</b>	Avoid investing in or holding interests in an outside business opportunity in which SEPLAT has expressed an interest, except for having an insignificant stock interest in publicly listed companies.
(h)	<b>Personal gain</b>	Do not accept personal discounts or other benefits from competitors, suppliers or contractors of SEPLAT.
(i)	<b>Honoraria</b>	Do not accept personal honoraria for services performed that are closely related to your work for SEPLAT. All remuneration for directorial services are paid in accordance with SEPLAT's Remuneration Policy, as approved by its shareholders.
(j)	<b>Determination of remuneration</b>	Do not participate in the determination of your remuneration.
(k)	<b>Contractual interests</b>	Disclose the existence and details of any interests that you have in contracts or proposed contracts that involve SEPLAT.
(l)	<b>Exercise of directorial powers</b>	Exercise your powers for the purpose for which they were created, and not for a collateral or improper purpose.
(m)	<b>Multiple directorships</b>	Avoid concurrent service on too many boards of directors that may interfere with your commitments and responsibilities to SEPLAT. For example, multiple directorships that affect your ability to regularly attend SEPLAT Board and Board Committee meetings.

		<p>Directorships on two or more companies that is a <b>Potential Conflict</b> is prohibited by the SEC Code of Corporate Governance for Public Companies.</p> <p>Disclose any prospective appointment on other boards of directors.</p> <p>While holding multiple directorships, do not use the property, opportunity or information obtained from the board of directors of one company to benefit the company.</p>
(o)	<b>Directorships in competing companies</b>	Avoid membership on the board of directors of companies in the same industry as SEPLAT.
(p)	<b>Related directors</b>	Not more than 2 members of the same family should sit on the <b>Board</b> at the same time.
(q)	<b>Doing business with SEPLAT</b>	Comply with the requirements of SEPLAT's <i>Related Party Transactions Policy and Guidelines</i> in all dealings with the Company.
(r)	<b>Bribes, gifts, hospitality or commission</b>	Do not accept any bribe, gift, hospitality, commission or other commercial/financial advantage from third parties dealing with SEPLAT. Please see SEPLAT's <i>Anti-Bribery and Corruption Policy, Gifts and Hospitality Guidelines</i> , and other relevant policies.
(s)	<b>Disclosure and compliance</b>	Disclose and obtain approval in relation to any form <b>Conflict of Interest</b> in accordance with Section 8 below.
(t)	<b>Awareness of a Conflicted Director</b>	If aware of an <b>Actual, Perceived or Potential Conflict</b> on the part of a fellow <b>Director</b> , promptly raise the issue for clarification with either the <b>Conflicted Director</b> or with the <b>Chairman</b> .

7.8 **Special Requirements on Independent Directors.** Independent **Directors** are held to a higher standard of conduct than Executive and Non-Executive **Directors**. Consequently, Independent **Directors** should comply with Section 7.7 above and the requirements below.

	<b>Subject Matter</b>	<b>Requirement</b>
(a)	<b>Role on the Board</b>	Role should be a non-executive director.
(b)	<b>SEPLAT shareholding</b>	Do not directly or indirectly hold shares in SEPLAT that exceed 0.01% of the Company's paid-up capital.
(c)	<b>Controlling shareholder</b>	Should not be a representative of a shareholder that has the ability to control or significantly influence management.
(d)	<b>Former employee/executive</b>	Should not have been employed by, or served as an executive of, SEPLAT or the SEPLAT Group for the preceding 5 financial years.
(e)	<b>Familial relations</b>	Should not be an immediate family member of any person who is (or was) employed as an executive of SEPLAT or of the SEPLAT Group in the past 3 financial years. Should not be a close family member of any of SEPLAT or of the SEPLAT Group's advisers, Directors, senior employees, consultants, auditors, creditors, suppliers, customers or substantial shareholders.
(f)	<b>Professional advisor</b>	Should not be or had been in the past 5 financial years, a professional advisor to SEPLAT or the SEPLAT Group, except in the capacity of a director.
(g)	<b>Significant supplier</b>	Should not be or had been in the past 5 financial years a significant supplier or contractor of SEPLAT or the SEPLAT Group.
(h)	<b>Business with SEPLAT</b>	Should not have or have had in the past 5 financial years, a significant contractual relationship with SEPLAT or the SEPLAT Group either

		<p>directly, or as a partner, shareholder, Director or senior employee of a body that has, or has had, such a relationship with SEPLAT Group.</p> <p>Should be free from any business or other relationship that could materially interfere with his/her capacity to act in an independent manner.</p>
(i)	<b>Consultant</b>	<p>Should not be a partner or executive of SEPLAT's statutory audit firm, internal audit firm, legal or other consulting firm that has material<sup>1</sup> association with SEPLAT.</p> <p>Should not have been a partner or executive of the above firms in the 3 financial years preceding his/her appointment.</p> <p>Should not be nor have served at directorate level or above at the Company's regulator within the last three years.</p>
(j)	<b>Relationship with SEPLAT or its management</b>	Should be free from any relationship with SEPLAT or its management that may prejudice (or appear to prejudice) his/her ability to make independent judgments.
(k)	<b>Remuneration</b>	Does not receive, and has not received additional remuneration from the Company apart from a Director's fee and allowances; does not participate in the Company's share option or a performance-related pay scheme, and is not a member of the Company's pension scheme.
(l)	<b>Tenure</b>	Has not served on the Board for more than nine years from the date of his first election.

7.9. The foregoing requirements pertaining to Independent Director's conflict of interest are not exhaustive but should be considered as examples of some of those relationships or circumstances which may impair or appear to impair an Independent Director's independent judgment.

## 8. PROCEDURE FOR DISCLOSURE, REVIEW AND APPROVAL OF CONFLICTS

### 8.1 Employees

- 8.1.1 Before participating in any transaction/activity involving an **Actual, Perceived or Potential Conflict**, a **Conflicted Employee** must complete the *Conflict of Interest Declaration Form* and immediately discuss the **Conflict** with his/her Line Manager (or the next senior officer, in the event that his/her Line Manager shares the same **Conflict**).
- 8.1.2 Any ongoing **Conflict of Interest** must be disclosed for approval in accordance with this Section 8, and the **Conflicted Employee** must immediately remove himself/herself from any form of participation in the transaction/activity until approval has been granted by the **Review Panel**.
- 8.1.3 The Line Manager (or next senior officer) of the **Conflicted Employee** must sign the *Conflict of Interest Declaration Form* to note that a discussion was held with the **Conflicted Employee**, the outcome of such discussion, and recommendations for avoidance/management of the **Conflict**.

<sup>1</sup> The firm position of the SEC is that an INED is expected to be "independent", unbiased and uncompromised throughout his/her stay on the Board. Consequently, any contractual relationship between an INED and SEPLAT should be so insignificant, immaterial, negligible and infinitesimal that any reasonable man presented with the facts would be in no doubt as to the continued integrity and "independence" of the INED.

- 8.1.4 Following signature by the Line Manager (or next senior officer), the **Conflicted Employee** must immediately submit the *Conflict of Interest Declaration Form* to the **CS/CGCO** for approval.
- 8.1.5 Upon receipt of a *Conflict of Interest Declaration Form* by the **CS/CGCO**, who shall immediately notify the CEO, the CEO shall as soon as practicable (but not less than seven (7) days thereafter) summon a meeting of the **Review Panel** to review and decide on the disclosed **Conflict**.
- 8.1.6 The **Review Panel** shall have power to initiate an investigation into any **Conflict of Interest** situation that is not disclosed by the **Conflicted Employee**.
- 8.1.7 The **Review Panel** shall have the power to summon the **Conflicted Employee** and any other **Employee** needed to make a decision in respect of the **Conflict of Interest**.
- 8.1.8 The **Review Panel** shall have the authority to make any decision in respect of the **Conflict** and the participation of the **Conflicted Employee** in the transaction/activity involving the disclosed **Conflict**. Where the **Review Panel** approves the participation of the **Conflicted Employee** in the transaction/activity involving a **Conflict of Interest**, the **Review Panel** shall impose cautionary measures and checks and balances to mitigate the declared **Conflict**.
- 8.1.9 The Leadership Team shall have the power to approve and/ or override any decision of the **Review Panel** in respect of a **Conflict of Interest** and a **Conflicted Employee**.
- 8.1.10 The decision of the **Review Panel** shall be recorded in the appropriate section of the *Conflict of Interest Declaration Form*, and the **CS/CGCO** shall present the **Conflicted Employee** and his/her Line Manager and Head of Department with a copy of such decision.
- 8.1.11 The **Conflicted Employee** and his/her Line Manager or next senior officer shall be responsible for ensuring full compliance with the decision and directives of the **Review Panel**.
- ## 8.2 Directors
- 8.2.1 **Directors** should comply with this Section 8 before beginning or continuing to participate in any transaction/activity involving an **Actual, Perceived or Potential Conflict**.
- 8.2.2 Each **Director** should complete the *Conflict of Interest Declaration form* at the times prescribed in Section 6.1 and submit to the **CS/CGCO**.
- 8.2.3 **Directors** should complete the *Conflict of Interest Disclosure form* if a **Conflict** arises at any time during the applicable year.
- 8.2.4 Upon receipt of a *Conflict of Interest Declaration (or Disclosure) form*, the **CS/CGCO** shall request a meeting of the **Review Panel** in respect of the disclosed **Conflict**. The **Review Panel** shall also have the power to initiate an investigation into any **Conflict of Interest** situation.
- 8.2.5 The **Review Panel** may invite a **Conflicted Director** for discussions on how best to avoid or manage the **Conflict** in the best interest of SEPLAT and in accordance with applicable laws and regulations.
- 8.2.6 The **Review Panel** shall, by a simple majority, determine whether approving the involvement of the **Conflicted Director** in the transaction/activity is in the best interest of SEPLAT. The **Review Panel** shall also consider whether the **Conflict** is more appropriately addressed under SEPLAT's Related Party Transactions Policy and Guidelines.
- 8.2.7 Where the **Review Panel** approves the participation of a **Conflicted Director** in the conflicting transaction/activity, the **Review Panel** shall impose suitable cautionary measures and checks and balances to mitigate the **Conflict**.
- 8.2.8 All decisions of the **Review Panel** shall be reported to and are subject to ratification by the **Board** at its next meeting.
- 8.2.9 The **CS/CGCO** shall inform the **Conflicted Director** of the final decision pertaining to the **Conflict**.
- 8.2.10 The decision of the **Review Panel** and ratification (if any) by the **Board** shall be recorded in the appropriate section of the *Conflict of Interest Declaration (or Disclosure) form*.
- 8.2.11 The minutes of the **Review Panel** and the Board meetings pertaining to the **Conflict of Interest** should briefly outline the:

- (a) name of the **Conflicted Director**;
- (b) nature and relevant details of the **Conflict**; and
- (c) decision reached and cautionary measures imposed.

**9. AFFIRMATION OF COMPLIANCE**

- 9.1 Upon conclusion of the transaction/activity involving a **Conflict of Interest** or as soon as he/she becomes aware that the transaction/activity involving Conflict has been concluded, the **Conflicted Employee or Conflicted Director** shall promptly complete and submit a *Conflict of Interest Affirmation of Compliance Form* to the CS/CGCO, to affirm his/her compliance with the decision and directives of the **Review Panel**.
- 9.2 The *Conflict of Interest Affirmation of Compliance Form* must also be signed by the Line Manager or next senior officer of the **Conflicted Employee** (as the case may be, pursuant to Section 8.1 above). The Line Manager or next senior officer must verify the **Conflicted Employee’s** compliance with the directives of the **Review Panel**, indicate any challenges experienced in implementing such directives, and recommend processes for avoiding/managing similar **Conflicts** in the future.
- 9.3 The **CS/CGCO** shall record details of the completed *Conflict of the Interest Affirmation of Compliance Form* in the Register of Conflicts of Interest.

**10. REGISTER OF CONFLICTS OF INTEREST AND RECORD KEEPING**

- 10.1 The **CS/CGCO** shall be responsible for maintaining a register of **Conflicts of Interest**. The register shall, at a minimum, indicate:
  - (a) Names of **Conflicted Employees/Directors**;
  - (b) Details of the **Conflict of Interest**;
  - (c) Whether the Employee or Director made a disclosure or was reported, and applicable dates;
  - (d) Date the **Review Panel** met in respect of the **Conflict**
  - (e) Decision of the **Review Panel**;
  - (f) Recommended cautionary measures; and
  - (g) Details of the *Conflict of Interest Affirmation of Compliance Form* completed in respect of the **Conflicted Employee or Director**.
- 10.2 The **CS/CGCO** shall be responsible for maintaining a record of all forms completed pursuant to this Policy.

**11. VIOLATION**

- 11.1 Failure to promptly declare or report any **Conflict of Interest** is a violation of this Policy.
- 11.2 SEPLAT is committed to “tone from the top” compliance with the law and will therefore operate a zero-tolerance policy for any violation of this Policy, including and up to termination of employment or directorship.
- 11.3 **Directors** and **Employees** are encouraged to promote this culture of compliance by complying with this Policy and to report immediately any violation of this Policy as stipulated in the below table:

Employees	Directors
their <b>Line Manager</b> or <b>General Manager</b>	the <b>Chairman</b>

a representative of <b>Company Secretariat / Governance Unit</b>	the <b>Senior Independent Non-Executive Director</b> , or
a representative of the <b>Business Integrity Department</b> ; or	the <b>CS/CGCO</b> .
the <b>Whistleblowing Hotline</b> - +234 800 444 1234 or <a href="mailto:SpeakUp@seplatpetroleum.com">SpeakUp@seplatpetroleum.com</a> ). Please be assured that all reports to the Whistleblowing Hotline will be treated in strict confidence.	the <b>Whistleblowing Hotline</b> - +234 800 444 1234 or <a href="mailto:SpeakUp@seplatpetroleum.com">SpeakUp@seplatpetroleum.com</a> ). Please be assured that all reports to the Whistleblowing Hotline will be treated in strict confidence.

## 12. SUPREMACY OF LAW AND CLARIFICATIONS

- 12.1 THE FOREGOING HAS BEEN PREPARED WITH A VIEW TO MAKING YOU AWARE OF, BUT DOES NOT PRECISELY REPRODUCE, THE LEGAL REQUIREMENTS OF THE LAWS, RULES AND REGULATIONS OF THE FEDERAL REPUBLIC OF NIGERIA, THE UNITED KINGDOM OR ANY OTHER RELEVANT JURISDICTION.
- 12.2 NOTHING IN THIS POLICY IS INTENDED TO SUPERSEDE THE LAWS AND REGULATIONS ON CONFLICTS OF INTEREST PERTAINING TO DIRECTORS.
- 12.3 WHILE NO SINGLE RULE COULD POSSIBLY COVER ALL SITUATIONS, A GOOD RULE TO FOLLOW AT ALL TIMES IS TO:

CAREFULLY AVOID ANY SITUATION WHICH MAY BE PERCEIVED AS (OR MAY LEAD TO) A CONFLICT OF INTEREST. WHEN IN DOUBT, PLEASE SEEK ADVICE FROM THE CHAIRMAN OR THE CS/CGCO.

## 13. AMENDMENTS

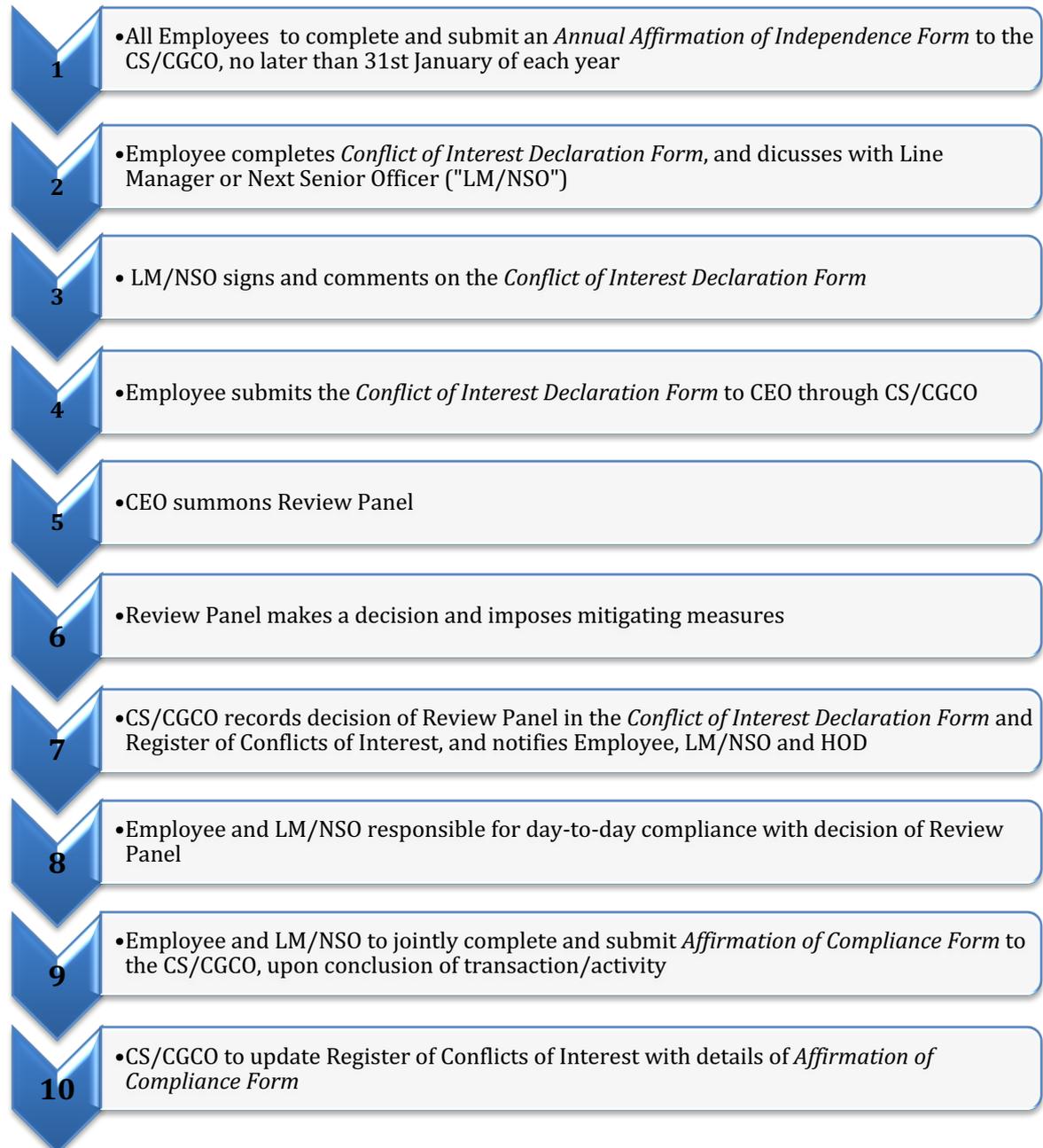
- 13.1 Any exceptions to this Policy must be approved in advance by the **Board**,
- 13.2 This policy will be reviewed by the Board annually and at such other times as circumstances may require. This policy may only be amended, or its requirements varied, in relation to individual circumstances, with the approval of the Board.

**Appendix 1**  
**Areas in which a Conflict of Interest can Arise**

#	AREA OF CONFLICTING INTEREST	EXPLANATION	EXAMPLE
1	<b>Self-Dealing</b>	When an Employee owns or controls private interests (e.g. self-owned or controlled oil and gas servicing company), the Employee will often use his/her position in SEPLAT to advance those private interests. This creates an Actual Conflict.	<p>(1) Employee owns/controls a business for supply of tug boats and the business is contracted by SEPLAT to supply tug boats.</p> <p>(2) Employee uses inside information about SEPLAT's business to make decisions about buying or selling SEPLAT stock. <i>Please refer to Share Dealing Policy.</i></p>
2	<b>Family/Partner Interests</b>	When an Employee has an Immediate Family Member or Close Associate who does business with, or is employed by, SEPLAT. A Conflict may arise if the Employee's job involves dealing directly with such business or person. This could create an actual, perceived or potential conflict.	<p>(1) Immediate Family Member of Senior HR Employee applies for employment with SEPLAT.</p> <p>(2) Close Associate of Finance Employee supplies goods to SEPLAT.</p>
3	<b>Gifts/Favours from Contractors or Outside Parties</b>	When an Employee receives gifts or favours from contractors or outside parties, even when the gift or favour is given without conditions or expectations.	<p>Facilities Employee builds relationship with Contractor. Facilities Employee accepts loan from Contractor, viewing it as a personal favour and not related to SEPLAT's business. Contractor does not ask for favours in exchange. This relationship could create perceived or potential conflict.</p> <p><i>Please refer to Gift and Hospitality Guidelines.</i></p>
4	<b>Outside Employment</b>	When an Employee does work similar to his SEPLAT responsibilities for a competitor or a contractor during or after office hours.	After hours, Gas Employee is paid by Competitor E&P to advise on gas opportunities.
5	<b>Close Personal Relationships</b>	When a supervisor has a close personal relationship with an employee under his/her supervision, it can interfere with the supervisor's independent assessment and judgment of such employee and create morale issues for other employees.	Line Manager has a close personal relationship, especially a romantic one, with Employee under his/her supervision.

## Appendix 2

### Sequence for Disclosure, Review, Approval and Management of Conflicts of Interest for Employees



**Appendix 3**

**ANNUAL AFFIRMATION OF INDEPENDENCE FORM FOR EMPLOYEES**

I hereby affirm that I have carefully read and understood SEPLAT’s Conflicts of Interest Policy for Employees (the “**Policy**”), as amended. I agree to comply with the letter and spirit of the Policy.

I affirm that, to the best of my knowledge, neither I, my Immediate Family Member nor Close Associate have/has any private interests that may influence (or may be seen as influencing) my duties to SEPLAT. I also affirm that neither I, my Immediate Family Member nor Close Associate is/are doing business with SEPLAT.

I undertake to promptly disclose, in accordance with Section 8 of the Policy, any Conflict of Interest situation that arises after I have completed this Form.

I also undertake to promptly report, in accordance with Section 12.3 of Policy, any Conflict of Interest situation in respect of other Employees of which I am or become aware.

I affirm that the information set forth in this Affirmation of Independence Form is true and correct to the best of my knowledge. I agree that falsely completing this Form is a violation of the Policy, for which I may be subject to disciplinary action, up to and including termination of employment.

**Name:** \_\_\_\_\_  
(Please Print)

**Signature:** \_\_\_\_\_  
(Please print your initials, if completing electronically)

**Date:** \_\_\_\_\_

---

Please upload your completed Form on the Intranet under “**Corporate Governance – Conflict of Interest Declarations**”.

You are always bound by your signature/initials on this Form.

If you cannot in good faith sign this *Annual Affirmation of Independence Form*, then you should complete (or update) and submit the *Conflict of Interest Declaration Form* in accordance with Section 8 of the Policy.

---



I further declare that the information I have disclosed in this Conflict of Interest Declaration Form is complete and accurate. I undertake to update the information in this Form and promptly submit to the CS/CGCO in the event of any change in the circumstances disclosed above.

I undertake to cooperate fully with the Conflict of Interest Review Panel in its review and approval of my Conflict of Interest. I further undertake that I will complete and submit to the CS/CGCO an *Affirmation of Compliance Form* upon conclusion of the transaction/activity relating to the Conflict of Interest that I have disclosed in this Form.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

(Please print your initials if completing electronically)

#### **Section 4 – Comments from Line Manager**

*This section is to be completed by the Line Manager or next Senior Officer of the Employee. Please see Sections 8.1.3 & 8.1.4 of the Conflicts of Interest Policy.*

Name of Line Manager:

Position:

Date of Discussion with Employee:

Outcome of Discussion:

Recommendations to Review Panel:

#### **Section 5 – Decision of Review Panel**

*This section is to be completed by the CS/CGCO on behalf of the Review Panel.*

Decision: On \_\_\_\_\_ of \_\_\_\_\_, 20\_\_\_\_, the Review Panel deliberated and decided as follows:

Reason for Decision:

Directives for Mitigation of Conflict of Interest:

Dated: \_\_\_\_\_ of \_\_\_\_\_ 20\_\_\_\_

Signed by: \_\_\_\_\_ Name: \_\_\_\_\_

Upload your completed Form on the Intranet under “**Corporate Governance – Conflict of Interest Declarations**”.

**YOU ARE ALWAYS BOUND BY YOUR SIGNATURE/INITIALS ON THIS FORM. YOU SHOULD THEREFORE UPDATE THIS FORM WITH ANY CHANGES TO YOUR CONFLICT OF INTEREST SITUATION.**

Appendix 5

**AFFIRMATION OF COMPLIANCE FORM FOR EMPLOYEES**

I, \_\_\_\_\_, hereby affirm that I have fully complied with the decision and directives of the Conflict of Interest Review Panel in respect of my Conflict of Interest Declaration Form dated \_\_\_\_\_ of \_\_\_\_\_ 20\_\_\_\_.

The transaction/activity involving my Conflict of Interest concluded on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ [with / without] participation on my part. During the transaction/activity, I took the following actions that were outside the directives of the Review Panel:

---

---

---

---

---

---

---

---

I hereby affirm that the information set forth in this Affirmation of Compliance Form is true and correct. I agree that falsely completing this Form is a violation of the Conflicts of Interest Policy, for which I may be subject to disciplinary action, up to and including termination of employment.

\_\_\_\_\_  
Signature

Date

*(Please print your initials if completing electronically)*

To be completed by Line Manager or Next Senior Officer, pursuant to Sections 9.1 & 9.2 of the Conflicts of Interest Policy.

I, \_\_\_\_\_, hereby affirm that I have fully complied with the decision and directives of the Conflict of Interest Review Panel in respect of the Conflict of Interest Declaration Form completed by \_\_\_\_\_ and dated the \_\_\_\_\_ of \_\_\_\_\_ 20\_\_\_\_.

I also affirm that \_\_\_\_\_ (Name of Employee) [has fully complied/did not comply] with the decision and directives of the Conflict of Interest Review Panel.

In light of my supervision of the management of Conflict of Interest, I wish the Review Panel to consider the following recommendations to improve the management of future Conflict of Interest situations:

---

---

---

---

---

I hereby affirm that the information set forth in this Affirmation of Compliance Form is true and correct. I agree that falsely completing this Form is a violation of the Conflicts of Interest Policy, for which I may be subject to disciplinary action, up to and including termination of employment.

---

**Signature**

*(Please print your initials if completing electronically)*

**Date**

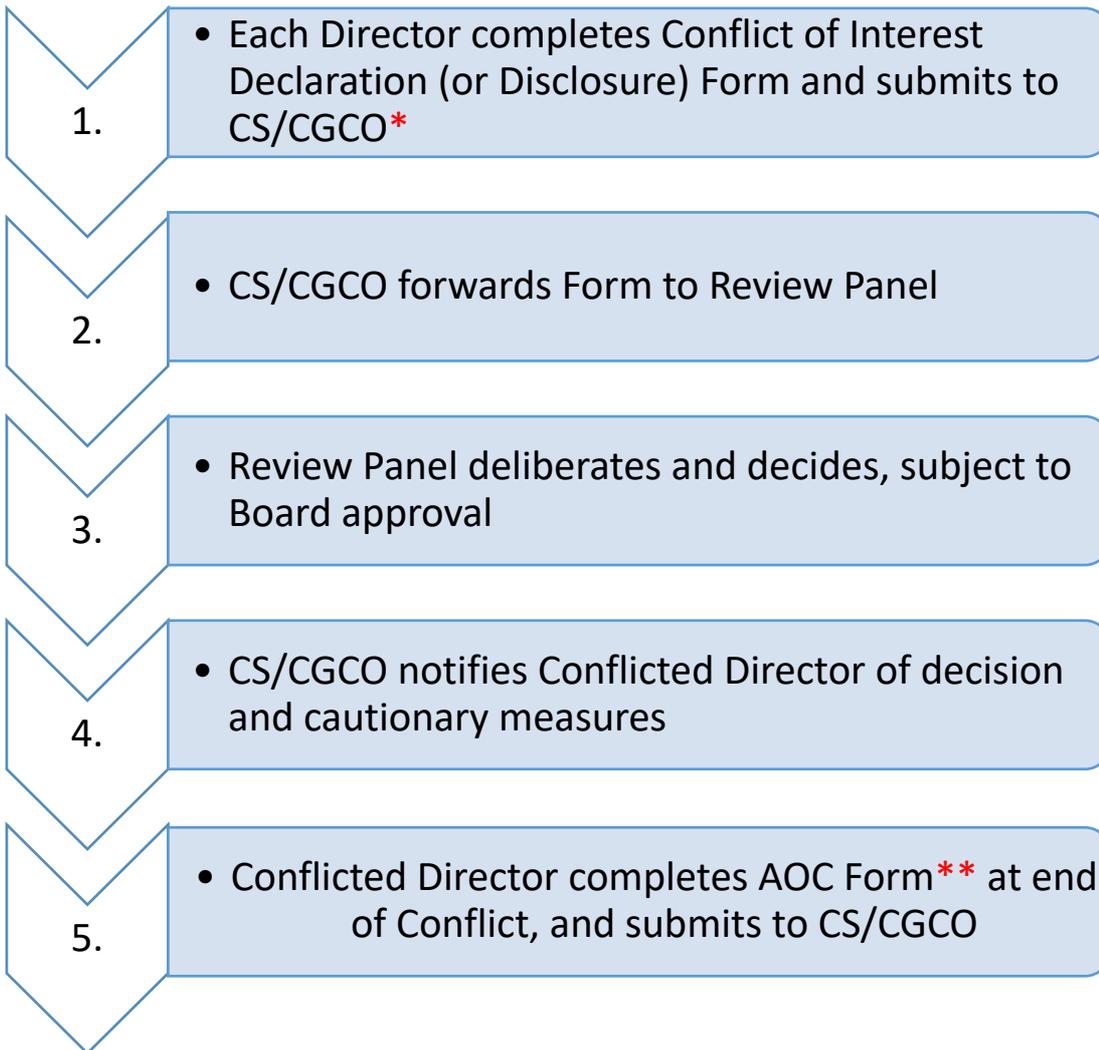
---

Please upload your completed Form on the Intranet under "**Corporate Governance – Conflict of Interest Declarations**".

**YOU ARE ALWAYS BOUND BY YOUR SIGNATURE/INITIALS ON THIS FORM.**

## Appendix 6

### Notification, Review, and Approval Matrix for Conflicts of Interest for Directors



*\*If no Conflict is declared in the Conflict of Interest Declaration Form, then the Form will be filed for record purposes. If a Conflict is declared or a Conflict of Interest Disclosure Form is submitted, then steps 2 – 5 will be followed.*

*\*\*AOC Form – Affirmation of Compliance Form.*

## Appendix 7

### Conflict of Interest Declaration Form for Directors

#### Section 1: Declaration

In compliance with the Policy adopted by SEPLAT Petroleum Development Company Plc on Conflicts of Interest for Directors (the “Policy”), I wish to declare that, for the financial year ending 31<sup>st</sup> December 20\_\_\_\_, I and/or my Close Associates (as defined in the Policy):

- have no Conflict of Interest.** *[Please proceed to complete Section 3 and submit to CS/CGCO]*
- have a Conflict of Interest.** *[Please complete Sections 2 and 3 and submit to CS/CGCO]*

*[Please tick  as appropriate].*

#### Section 2: Disclosure of Interest

Further to my declaration in Section 1, I wish to disclose the areas in which I may have, or may be perceived to have, a conflict with my duties as a Director of SEPLAT:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

#### Section 3: Signature

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

#### Section 4: Decision of the Review Panel and Board of Directors

*This section is to be completed by the CS/CGCO in recording the decision of the Review Panel and ratification or override by the Board of Directors.*

## Appendix 8

### CONFLICT OF INTEREST DISCLOSURE FORM FOR DIRECTORS

#### Section 1: Disclosure

In compliance with the Policy adopted by SEPLAT Petroleum Development Company Plc on Conflicts of Interest for Directors (the “**Policy**”), I wish to disclose that I and/or my Close Associates (as defined in the Policy) have:

- Actual Conflict.**
- Potential Conflict.**
- Perceived Conflict.**

Please tick  as appropriate. Please refer to the Policy for definitions of the above types of Conflict.

#### Section 2: Details

Please state when the Conflict arose, and give a summary of the circumstances surrounding the Conflict.

I confirm that the details of my disclosure are complete and accurate. I agree that I will make further disclosure if there are material changes to my disclosure or if any other Conflict arises.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

#### Section 4: Decision of the Review Panel and Board of Directors

*This section is to be completed by the CS/CGCO in recording the decision of the Review Panel and ratification or override by the Board of Directors.*

## **Appendix 9**

### **Affirmation of Compliance for Directors**

The transaction/activity involving my Conflict of Interest has concluded. I therefore wish to confirm that during the existence of my Conflict of Interest I fully complied with the decision of the Conflict of Interest Review Panel and the Board of Directors in respect of my *Conflict of Interest Declaration Form / Conflict of Interest Disclosure Form* dated \_\_\_\_\_ of \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
**Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**