



Anti-Corruption Policy

Contents

1.0	Message from the President and Managing Director.....	2
2.0	What is the Anti-Corruption Policy?	3
3.0	Scope	3
4.0	Reference documents	3
5.0	Definitions.....	4
6.0	Types of Payment	5
6.1	Bribery	5
6.2	Trading in Influence.....	6
6.3	Facilitation Payments	6
6.4	Health and Safety Payments.....	6
7.0	Cooperation with Business Partners	7
7.1	Checklist for possible business partners	7
8.0	Business Hospitality	7
8.1	Business hospitality towards a Public Official	8
8.2	Checklist for business hospitality	8
9.0	M&A and Farm-In Transactions	9
10.0	How to record Transactions	9
11.0	Recruiting New Staff	9
12.0	Donations, Scholarships, Sponsorships and Community Investments.....	9
12.1	Checklist for Community Investments.....	10
13.0	What are the Consequences if the Policy is Violated?	10
14.0	Where to go for help?.....	10

1.0 Message from the Managing Director

I am proud to present our Anti-Corruption Policy.

It sets high standards for us, both as a company and as individuals. DNO has, and will always maintain, a policy of zero tolerance towards corruption and other illegal or unethical business practices. This requires commitment and support throughout our company – from the top to the bottom.

This policy aims to prevent anyone working for DNO, or acting on DNO's behalf, from engaging in corruption.

Our policy offers guidance on:

- What defines corruption
- What type of situations and activities require increased scrutiny
- When you should ask for advice from DNO Legal and Compliance

No business advantage will ever justify the use of illegal means in DNO. This is what zero tolerance for corruption is all about.

Building confidence in our employees' ability to choose the legal and ethical path in complex business situations is a cornerstone in the process of securing good business ethics, and a key element of this Policy.

Breach of the Policy and applicable laws can result in serious consequences for the company and the persons involved, and we require that you as a member of the DNO team comply with it in all respects.

Thank you for taking time to study the Policy!

Chris Spencer

Managing Director

2.0 What is the Anti-Corruption Policy?

This *Anti-Corruption Policy* sets out the anti-corruption principles and rules that apply to DNO ASA and all our subsidiaries (DNO).

Since we have our headquarters in Norway, we must all abide by Norwegian anti-corruption laws, as well as local laws in the countries where we have our operations. However, the laws of other countries may in certain situations be applicable. This policy is based on internationally recognized standards for defining corruption and the duty to prevent it.

In DNO we will conduct our business with integrity and in compliance with all applicable laws and regulations. We will maintain a policy of zero tolerance for corruption in both the public and private sectors.

3.0 Scope

This Policy applies to all DNO staff:

- Directors
- Officers
- Employees
- Contract employees
- Consultants
- Agents

Each staff member is personally responsible for understanding and complying with this Policy and our supplementary anti-corruption procedures.

This Policy applies to all DNO companies and businesses as well as all joint ventures or subsidiaries in which DNO has control through majority interest or otherwise.

In companies where we have a minority interest (or do not have control), DNO will request our partners to implement an anti-corruption policy consistent with this Policy. In all cases, however, DNO staff must follow this Policy.

All business partners of DNO will be asked to comply with this Policy and all applicable anti-corruption laws and regulations.

4.0 Reference documents

- Code of Conduct
- Business Partner Procedure
- Business Hospitality Procedure
- Procedure for Donations, Sponsorships, Scholarships and Community Investments
- Whistleblowing Procedure

5.0 Definitions

Corruption means both bribery and trading in influence.

Bribery is offering, promising, giving, receiving or authorising Anything of Value in connection with a position, assignment or office or in order to influence how someone carries out a public, commercial or legal duty. In other words, everything that can be seen as rewarding someone for improperly using their influence or gaining an improper business advantage.

Anything of Value includes:

- Cash
- Loans
- Gifts
- Tuition
- Jobs
- Entertainment
- Travel
- Services
- Scholarships
- Memberships in clubs or organizations
- Intangible benefits, like hiring a friend/relative or donating to a charity for improper reasons

Improper Advantage will be determined by:

- Economic value for the recipient
- Roles and responsibilities of the persons involved
- If it represents a violation of law or internal guidelines for anyone involved
- If the intent is to influence someone in an improper way
- If Anything of Value is given right before a decision is made or during a tender
- If Anything of Value is offered without the knowledge of management of the person getting the advantage

Public Officials include anyone employed by or acting on behalf of (full or part time basis):

- A national, regional or local government
- Government owned or controlled company or other entity
- Public international organizations (such as UN, EU, World Bank or other international organizations)
- Political parties, political party officials and candidates for public office

- Anyone else acting in an official capacity for or on behalf of a government agency or entity, including persons holding a legislative, administrative or judicial post and members of the military and police

Due diligence: To evaluate a possible business partner, due diligence is an important part of the process.

Evaluation criteria include:

- Legality
- Reputation
- Experience
- Integrity
- Technical and commercial capability
- Track record of performance
- Potential risks or liabilities

M&A means mergers and acquisitions.

Merger is the legal consolidation of two companies into one entity, and an **acquisition** is when a company purchases the shares or the assets of other companies.

Farm-in is an arrangement whereby one oil operator “buys in” or acquires an interest in a lease or concession owned by another operator.

6.0 Types of Payment

6.1 Bribery

DNO staff must not – directly or indirectly – offer, promise, authorize or give Anything of Value to anyone in the public or private sector with the intention to:

- Influence someone to obtain or retain business or an advantage in violation of applicable law.
- Cause or reward improper performance of official, business, or professional obligations.

Furthermore, DNO staff must not – directly or indirectly:

- Give or offer an Improper Advantage in connection with a person’s position, office or assignment in either the public sector or the private sector.
- Request, agree to receive or accept Anything of Value as an incentive or reward for acting improperly, in violation of their duty of loyalty to DNO.
- Request, agree to receive or accept an Improper Advantage in relation to their position, office or assignment.

6.2 Trading in Influence

Anti-Corruption laws prohibit trading in influence. Trading in influence is when an Improper Advantage is provided to someone in order to influence the performance of a third party's duties. When engaging lobbyists or agents, DNO staff must ensure transparency, proper due diligence and reasonable fees.

DNO staff must not give or offer anyone an Improper Advantage as compensation for influencing the conduct of any Public Official or other third party.

6.3 Facilitation Payments

Facilitation payments are also called "grease payments" and describe payments that are made to speed up decisions and approvals the company or its staff is entitled to. Facilitation payments are typically made to a Public Official in order to secure or expedite routine, non-discretionary, government actions to which DNO is legally entitled.

Matters that may involve facilitation payments:

- Issuing routine permits
- Granting visas and work permits
- Releasing goods held in customs
- Connecting utilities

DNO prohibits the making of such facilitation payments and they must not be offered, promised, paid or authorized by anyone on behalf of DNO.

If you receive a request for a facilitation payment you should notify DNO Legal and Compliance as soon as possible. That will enable DNO to take appropriate action to prevent future facilitation payment requests.

6.4 Health and Safety Payments

Health and safety payments are payments made under duress or extortion. Threat of physical harm or unlawful detention of a person can be causes to make such payments to a *Public Official* or other third party.

If you as a member of DNO staff are in a situation where payment under duress is demanded, you should as soon as possible after the incident, send a written report to your line manager, with:

- The reason for the payment, if a payment actually is made
- The person demanding the payment
- Amount demanded and paid
- Date and place of the demand/payment
- Other relevant facts

Your line manager and/or General Manager will be responsible for sending the report to DNO Legal and Compliance.

Health and Safety payments are not considered a bribe if the threat is believed to be imminent, serious and credible.

7.0 Cooperation with Business Partners

Business partners include:

- Vendors
- Suppliers
- Customers
- Joint venture partners
- Agents
- Brokers
- Representatives
- Consultants
- Contractors
- Distributors
- Lobbyists
- Other service providers

We will influence our business partners to adhere to the same ethical and legal principles as DNO. This applies whenever they are providing services to DNO or acting on our behalf.

7.1 Checklist for possible business partners

- When entering into a contract with a new business partner, appropriate due diligence (more info in our Business Partner Procedure) should be made, both before contract signing and periodically after that.
- Business partners must be engaged for legitimate business purposes and on commercially reasonable terms. This includes the fees or other compensation paid to them. Compensation must be proportionate with the services performed, commercially justifiable, and supported by a clear and reasonable business case.
- A written contract containing anti-corruption provisions approved by DNO Legal and Compliance should be signed before a business partner performs any services for or receives any compensation from DNO in accordance with the Business Partner Procedure.

It is important that risk-based due diligence, including consideration of corruption risks, is routinely carried out. The level and complexity of the due diligence should be proportional to the perceived risk, for example whether the business partner is likely to interact with a *Public Official* in connection with DNO's business. The activities of business partners should be monitored in an appropriate, risk-based manner. The services or activities that the business partner is providing and the corruption risk profile of the country of operations should be part of the evaluation.

8.0 Business Hospitality

Business hospitality expenditures can be an important part of doing business.

Purposes of hospitality expenditures in business can be:

- Improving DNO's reputation
- Presenting our capabilities and expertise
- Establishing cordial business relations
- Business hospitality (including gifts, meals, entertainment, transportation, lodging and per diems) is permitted by this policy if it is reasonable and proportionate, for legitimate purposes and satisfies the criteria and approval requirements set out in DNO's *Business Hospitality Procedure*

Reasonable, proportionate and bona fide hospitality and promotional expenditures are recognized as an established and important part of doing legitimate business.

8.1 Business hospitality towards a Public Official

Public Officials include anyone employed by or acting on behalf of (full or part time basis):

- A national, regional or local government
- Government owned or controlled company or other entity
- Public international organizations (such as UN, EU, World Bank or other international organizations)
- Political parties, political party officials and candidates for public office
- Anyone else acting in an official capacity for or on behalf of a government agency or entity, including persons holding a legislative, administrative or judicial post and members of the military and police

Special care must be taken when providing business hospitality to *Public Officials*. In particular, you must obtain advance approval from *DNO Legal and Compliance* in case of hospitality for *Public Officials* when required by the *Business Hospitality Procedure*.

8.2 Checklist for business hospitality

If you offer or receive inappropriate, frequent or lavish business hospitality, it can result in actual or perceived corruption and improper influence. Some business hospitality can even be seen as bribes in certain circumstances.

Therefore, before offering or accepting any business hospitality, you should consider carefully whether the business hospitality is appropriate and follows our requirements.

Note that:

- Cash or cash equivalent gifts (e.g. gift cards or loans) are not permissible unless approved in advance by the General Counsel or Chief Compliance Officer.
- Business hospitality above monetary or frequency limits must be approved in writing before they are offered or accepted as specified in the *Business Hospitality Procedure*.
- The business hospitality should not be given or received during a tender or bidding process to anyone involved in the tender or bidding process, except for such modest working meals that are within DNO's self-approval limits defined in the *Business Hospitality Procedure* or otherwise as approved by Legal/Compliance department.

Be aware that:

Business hospitality might be too lavish or extravagant if it is disproportionate or excessive when compared to normal business practices. Also, if the hospitality constitutes a personal enrichment for the

recipient and/or could be perceived to improperly influence the behaviour of the recipient or create an expectation of something in return.

As a general rule of thumb, business hospitality given to third parties should be infrequent, modest and consistent with standard industry practice in the country in question, and consistent with similar benefits and expenditures provided to DNO staff under our internal policies.

9.0 M&A and Farm-In Transactions

DNO Legal and Compliance must review all proposed M&A and farm-in transactions for anti-corruption purposes. This includes joint ventures, investments and asset acquisitions. This review should happen as soon as possible, and always before the transaction documents are signed.

DNO Legal and Compliance will advise you on appropriate due diligence and contract provisions.

10.0 How to record Transactions

All payments by and transactions involving DNO must be recorded accurately and in reasonable detail in DNO's books and records.

Adequate financial controls also must be implemented to ensure that disposition of DNO's funds or other assets can only be made in accordance with management instructions.

11.0 Recruiting New Staff

To avoid possible disproportionate benefit to *Public Officials*, DNO Legal and Compliance needs to approve the recruitment or hiring of:

- Any *Public Official* that has any oversight or responsibilities or influence with respect to DNO's business, operations or finances, or
- A close relative of such a *Public Official* or is a business associate of such a *Public Official*

Recruiting or hiring a member of DNO staff should be based on qualifications, competence and objective business criteria. This applies to hiring staff at all levels in the organisation, including contractors and subcontractors.

12.0 Donations, Scholarships, Sponsorships and Community Investments

Making donations, providing education benefits and investing in the communities we operate in are an important part of our corporate responsibility.

However, we must ensure that such grants are given only to individuals or organizations that will use the funds appropriately and as we intended.

12.1 Checklist for Community Investments

- Is the investment made to a person or an organization that can be trusted to use the funds properly and in the manner DNO intended?
- Is the investment made transparently, based on objective criteria, and not likely to benefit a *Public Official* unfairly or disproportionately?
- Is the investment described accurately and in reasonable detail in the books and records of DNO?
- Has due diligence been completed? Has the investment been reviewed in advance by *DNO Legal and Compliance* in accordance with our *Procedure for Donations, Sponsorships, Scholarships and Community Investments*?

Political contributions to political parties, political party officials and candidates for public office by or on behalf of DNO are prohibited.

13.0 What are the Consequences if the Policy is Violated?

Severe civil and criminal penalties can be imposed on DNO as well as any member of DNO staff involved in violating any of the anti-corruption laws to which DNO and DNO staff are subject. Violation of the applicable anti-corruption laws or this Policy by DNO staff can lead to disciplinary action by DNO, including termination of employment.

Corruption, including bribery, trading in influence and facilitation payments, is strictly prohibited by DNO. DNO staff and anyone acting for or on behalf of DNO must never offer, solicit, authorize, promise, give or accept a bribe, kickback, or any other *Improper Advantage*.

14.0 Where to go for help?

Do you have any questions about this Policy, anti-corruption laws or the related DNO procedures?

Please don't hesitate to confer with your supervisor or DNO Legal and Compliance. We know that various dilemmas can occur in different work situations, and we encourage all of our staff to seek guidance when in doubt.

As a supplement, anti-corruption procedures and training will be provided to give further guidance on what steps to take to ensure compliance with this Policy.