

# GIFTS AND BENEFITS POLICY

## Introduction

The Company acknowledges that it is not uncommon for individuals to give and receive gifts and benefits in a business context as a token of appreciation or gesture of courtesy. Accordingly, from time to time, individuals may be offered gifts or benefits in the course of, or incidental to their employment with the Company. The purpose of this policy is to provide guidance to employees and officers regarding the issue of receiving, being offered and giving gifts or benefits and to ensure that in dealing with any gift, benefit or the offer of gifts or benefits, employees are not influenced in the performance of their duties and that there is no perception of undue influence due to these offers.

The key principles for managing gifts and benefits are **disclosure, transparency and integrity**.

This Policy shall apply to all employees and Officers of Acorn Petroleum Plc, its subsidiaries and affiliate companies.

### 1. What is a gift or benefit?

In this Policy, a gift/benefit shall mean any tangible (of lasting value) or intangible (of no lasting value) item given or received by an employee, including a contractor or consultant, in the course of the person's official duties over and above the person's normal salary and entitlements. This Policy applies to all gifts and benefits, including cash, products and services, business courtesies, gratuities, meals, drinks, discounts, hospitality and entertainment, recreation, tickets, transportation and other "things of value" for which the recipient does not pay the fair value.

### 2. Receipt of Gifts and Benefits - Prohibited

No employee or officer of the company shall:

- a. Solicit, accept or attempt to accept cash or cash equivalents (including cheques, money vouchers, recharge cards, etc) from any person or business organization that does or seeks to do business with Acorn directly or indirectly.
- b. Accept any gift of money or benefit by way of loans, advances and the like (other than conventional loans from lending institutions) for any functions or duties performed or not performed.
- c. Seek or accept any gift or benefit including but not limited to payments, fees, commissions, services, valuable privileges, vacations, etc, from any person or business organization that does or seeks to do business with Acorn directly or indirectly.
- d. Accept any gift or benefit with an open market value of above N25,000.00 (Twenty Five Thousand Naira).

### 3. Receipt of Gifts and Benefits Acceptable Limits

An employee may accept a gift or benefit in the performance of official functions or duties in the following circumstances:

- a. The gift/benefit is unsolicited and is of an inconsequential value such as branded promotional items (calculators, diaries, T-shirts, mugs, etc ) of not more than N5,000 (five thousand Naira) in value .

- b. Gift baskets (hampers) at Christmas and other festive occasion provided the open market value of such gift basket is less than N25,000 (Twenty five thousand Naira) .

#### 4. **Declaration**

- a. All gifts received by an employee in the course of his/her employment from business partners and other third parties are the property of Acorn.
- b. All gifts of whatever value if within the acceptable limits in Clause 3 above shall be declared.
- c. Declaration shall be done by completing a declaration form (a copy of which is available on the Company's website) and forwarded to the Group Legal Office for approval within 24 hours of the receipt of the gift by the receiving employee.
- d. The Gift shall either be returned to the employee, or raffled to a larger group of employees depending on the nature of such gift. The Group Legal Office shall send an email to the beneficiary informing him/her of whatever decision taken with respect to the gift/benefit.
- e. The Group Legal Office shall maintain a Gifts and Benefits Register to record Gifts and Benefits received by all employees of the company. The Register shall record such details as the date a gift/benefit was received/declined, name and address of donor, description of gift/benefit, estimated or actual value and reason for gift/benefit (if disclosed).
- f. The Group Legal Office or such other Department or Officer as shall be so designated shall be responsible for the management of the Gifts and Benefits Register and shall also be responsible for receiving gifts tendered by employees, returning them to such employees or raffling them amongst a larger group of employees as shall be appropriate.

#### 5. **Declining Gifts**

Where a gift/benefit is beyond the acceptable limit as defined in Clause 3 above, the Group Legal Office shall be duly informed of such intended gift, the name of the Offeror and the date it was declined and returned. Where appropriate, the Group Legal Officer shall write a letter to the Offeror, declining the gift/benefit and explaining the Company's Policy on Gifts and Benefits. A copy of this Policy shall accompany such a letter.

#### 6. **Offer of Gifts and Benefits**

An employee may offer a gift/benefit with the prior approval of his/her Line Manager to the employee of another organization or other third party Acorn does business with in the following circumstances:

- a. The unsolicited gift/benefit being offered is of an inconsequential value or nature such as branded pens, T-shirts, diaries, note pads etc the value of which does not exceed N5,000.00 (Five thousand Naira).
- b. The unsolicited gift is a small gift basket given during Christmas or other festive occasion and has an open market value of less than N25,000.00 (Twenty Five Thousand Naira).
- c. An employee shall process the request to offer a gift/benefit to a third party through his/her Line Manager who shall obtain the approval of the Group Legal Office.

- d. All purchases of gifts and benefits by Acorn shall be managed by the Group Head, HR and Services and shall be approved by the CEO.
- e. The Group Legal Office shall maintain a Register of all gifts/benefits offered and delivered to third parties.

7. **Compliance**

All Business, Unit, and Departmental Heads are required to make quarterly declarations indicating that they and their reports are aware and are complying with this Gifts and Benefits Policy. Violation of this Policy shall be duly sanctioned and may lead to dismissal of the erring employee. All business partners and third parties with whom we do business shall be given copies of this Policy.

THIS GIFTS AND BENEFITS POLICY IS DATED THIS 20<sup>TH</sup> DAY OF NOVEMBER, 2009

