



## Code of Business Conduct

Orcadian Energy PLC

Approved \_\_\_\_\_

A handwritten signature in blue ink, appearing to read "SAB", written over a horizontal line.

Stephen A Brown, CEO

Dated 12<sup>th</sup> July 2021

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## **1. Introduction**

Orcadian Energy PLC (“Orcadian” or the “Company”) demands and maintains the highest standards in the conduct of its business activities and hereby sets out its guiding principles in its Code of Business Conduct (the “Code”).

It is the responsibility of every employee (whether staff or contract) and consultant to ensure the principles of this Code are achieved. Each of us must remain vigilant to breaches of the letter and the principle of the Code and report any breaches, actual or foreseeable, to management as appropriate. **Failure to apply the principles in this Code or to properly report breaches of the Code could lead to disciplinary action up to and including dismissal. Such failure may also lead to accusations of a criminal offence having been committed by the individual concerned and/or by the Company.**

It is the responsibility of Management to put in place the procedures and controls to effect the principles of this Code of Conduct and to support and protect all employees in this area. It is, however, the responsibility of all employees, consultants and Management to apply this Code of Conduct on a continuing basis.

This Code does not set out all the laws, rules and standards applying to Orcadian’s work but sets out the overlying principles. Orcadian policies and procedures will further support and detail these principles.

**It is critical to the value of this Code that there should be no gap between what the Company says in the Code and what its staff, consultants and contractors do on the Company’s behalf.**

Employees who engage third parties such as contractors, agents or consultants to work on behalf of Orcadian must seek to ensure that these parties are made aware of the Code and should seek their co-operation in adhering to the Code – including where possible, a contractual requirement to act consistently with the Code when working on the Company’s behalf.

## **2. Legal Compliance**

Orcadian operates in a number of jurisdictions and is subject to the laws of those jurisdictions. Orcadian is committed to compliance with those laws, regulations and standards that apply to our business activities.

We are all responsible for understanding the laws applying to our business activities in the areas that we work. Management should be consulted if there are any uncertainties as to the laws applying.

### **3. Employees**

#### **3.1. Commitment to employees**

We will respect the rights of all our employees.

We are committed to creating a challenging environment of empowerment and development for all our employees, generating a common sense of purpose and pride in working for Orcadian.

We seek to create an environment to realise the potential of all our employees – individually and collectively - and to appropriately recognise and reward all contributions to Orcadian’s success.

Orcadian provides a working environment in which employees are recruited and promoted fairly on the basis of their ability for the job. Orcadian will positively encourage and embrace all aspects of diversity.

We will provide our employees with the training required to enable them to properly carry out their responsibilities and to develop their careers.

We are committed to providing a safe and healthy working environment in which all incidents of personal injury and industry-related diseases are regarded as preventable.

#### **3.2. Conflict of Interest**

All employees have a primary responsibility to Orcadian and must not be involved, concerned or interested in (whether directly or indirectly) any activity or transaction which gives rise to, or be seen to give rise to, a conflict between their own personal interest and that of Orcadian.

A conflict of interest may arise in a number of ways and the following paragraphs identify certain such situations. The list is not exhaustive and, in case of doubt, the advice of management must be sought.

- a) Orcadian purchases equipment, materials, and services for all aspects of its business. Subject to (g) below, no Director or employee may knowingly hold a financial interest, directly or indirectly, in any supplier to Orcadian.
- b) Subject to (g) below, no Director or employee may participate in or be concerned or interested in any outside activity which competes, directly or indirectly, with Orcadian.
- c) No Director or employee may engage in any outside business or activity which may interfere with his, or her, duties and responsibilities to Orcadian.
- d) No Director or employee may sell, lease or buy services or equipment from or to Orcadian except in the normal course of their duties.
- e) No Director or employee may conduct business on his, or her, own account on Orcadian premises nor use Orcadian facilities for that purpose.

- f) No Director or employee shall do any act or be involved in any situation that potentially could conflict with the principles outlined herein.
- g) An investment in the securities of a company listed on a national stock exchange, where the Director or employee or a connected person's interest in that company does not exceed 1 per cent of the securities concerned, will not contravene (a) or (b) above.
- h) Any dealings between employees and outside organisations in which they have a direct, indirect or family connection must be fully disclosed to Management.

However, the existence of a conflict of interest in and of itself is not necessarily harmful to the interest of Orcadian, what matters is transparency and openness where a conflict of interest might exist. In the appropriate circumstances, specific exceptions may be made on application in writing by an employee, through the Company Secretary, to the CEO; or in the case of a director the Board shall consider and approve any business arrangements which might constitute a conflict of interest and whether those arrangements should be disclosed in the annual accounts. Such exceptions shall be wholly discretionary.

### **3.3. Family Connections and Employment of Relatives**

There is no objection to the employment of disclosed close relatives of employees but inappropriate job relationships should be avoided.

No partner of an employee will be employed by Orcadian without the approval of the Board.

### **3.4. Drugs and alcohol**

No employee should undertake work when his/her performance could be impaired by alcohol or other drugs, legal or illegal, prescribed or otherwise.

No employee should possess, use or transfer illegal drugs or other substances on company premises.

### **3.5. Gambling**

All forms of gambling or betting on the Company's premises are forbidden.

#### **4. The communities in which we work**

We will operate as a responsible member of the communities of which we are a part, exercising care and sensitivity towards the environment. We will show respect for human dignity and internationally recognised human rights wherever we operate.

We will strive to ensure that those countries and communities where we do business benefit from our presence and will aim to minimise any adverse effects our activities may have on the environment.

#### **5. Business partners and governments**

##### **5.1. Relations and Dealings with Government Officials, Suppliers, Co-venturers, Consultants, Agents, Intermediaries and Other Third Parties**

Orcadian's relations and dealings with government officials, suppliers, co-venturers, consultants, agents, intermediaries and other third parties (including prospective suppliers, co-venturers, consultants, etc.) should at all times be such that Orcadian's interests and reputation would not be damaged if details of the relationship or dealings were to become public knowledge.

Orcadian will, as necessary, perform due diligence on the business conduct of potential suppliers, co-venturers, consultants, agents and other parties with whom the Company intends to enter into contractual arrangements – including through acquisition activity – and monitor such conduct as appropriate.

It is the individual responsibility of each Orcadian director and employee to exercise good judgment so as to act in a manner that will reflect favourably upon the Orcadian and the individual. Directors and employees having questions on how to proceed or on interpretation should consult with the Orcadian Management Team.

Examples of key questions that should be considered by staff in respect of any action or line of business conduct are:

- Does the action contravene host-country law or convention?
- Does the action contravene any laws of England or the EU?
- Does the action contravene Orcadian's Code of Business Conduct or any other of the Company's policies or procedures
- Could the action be damaging to Orcadian if it were known publicly in the locality, the host-country, the UK, or the wider business community?

If the proposed action appears to fail any one of these tests, it must not be progressed without upward reference to the Management Team.

## **5.2. General Comments on Bribery and Corruption**

The Company will not under any circumstance partake in the giving, offering, soliciting or accepting of bribes. This includes the offering of so-called 'facilitation payments'. The Company will not break the law of the host-country or other relevant jurisdiction and as such will conduct their business with the highest level of transparency and honesty possible.

Any staff found to be involved in actual or attempted corruption or bribery or staff failing to prevent actual or attempted corruption or bribery will be disciplined to the fullest extent and, where necessary to protect the company's financial and reputational position, the individual or individuals may be reported to the relevant authorities.

Contractors found to be involved in instances of bribery or corruption in relation to Orcadian's operations will be dealt with in accordance with the provisions of their contract.

## **5.3. Commercial and Political Inducement Payments**

Staff and contractors must not give, offer, solicit or receive bribes or other payments or gifts (of whatever kind) which are intended to influence a business decision or compromise independent judgement; nor must any employee give (or offer) money or gifts in order to obtain or further business for the Company, nor receive money or gifts for having given Company business to an outside agency

Facilitation payments are entirely prohibited and introductory fees paid to intermediaries or inspection fees which may be disguised facilitation payments must also be avoided.

Payments to Government or local officials require particular care and scrutiny. It should be expected that such payments could be construed as intending to influence a government or local official. Therefore such payments can only be made with clear written authority of a Director and where fully supported and explained. For example, such payments, including per diems and travel expenses, can be required under the provisions of a contract with the Government or otherwise be necessary in the conduct of business, rather than an attempt to influence officials. To ensure such payments cannot be misconstrued they must ordinarily be specifically requested by a Government or local authority body, properly documented and approved by the Chief Executive, who will keep a record of such payments. Payments may only be made in cash with the prior written authorisation of the CFO and the receiving party must provide a signed receipt to maintain a robust and auditable record of the transaction.

## **5.4. Unsolicited Gifts**

From time to time employees (and/or their families) may be presented with gifts from other business organizations. Where any such gift is offered, or is possibly offered, in the expectation of, or to solicit, favourable consideration of any nature, the gift must be refused and the fact of its having been offered reported immediately to management. Failure to do so will result in disciplinary action.

Employees must not accept (on their own or their family's behalf) money, loans, services, goods, favours or any form of recompense from any supplier, contractor, subcontractor, customer or competitor (or potential supplier, contractor, subcontractor, etc.). Gifts of a minor nature including company-branded gifts may be accepted providing no possible ulterior motive can be attached to their presentation. Management should be consulted in any case of doubt.

In any case any gifts received from one person in excess of a nominal value of £20 shall be recorded in the Orcadian Gifts and Hospitality Register.

### **5.5. Hospitality and entertainment**

Hospitality and entertainment may be received or given provided it is not intended and could not be misconstrued as an attempt to influence the recipients, and could not be considered to be lavish in nature by an informed observer.

Any hospitality and entertaining received or given must be approved by the staff member's superior, and ideally prior to the event. Any hospitality above the equivalent of £150 must additionally be approved in writing by a director and entered on the Orcadian Gifts and Hospitality Register.

### **5.6. Political Contributions**

No fund or assets of the Company may be contributed directly or indirectly to any political party or organization or to any individual who either holds public office or is a candidate for public office except where such a contribution is permitted by applicable law and has been authorized in writing by the Chairman and, if appropriate, the shareholders. All authorized political contributions shall be declared in the Annual Report.

### **5.7. Agreements with Agents, Consultants, suppliers or Contractors**

Third parties will be contracted by Orcadian following open, transparent selection processes, based upon merit and in accordance with Company procurement policies and procedures. As part of the selection process, due diligence will be performed on the business conduct of potential contractual parties.

Only approved Company personnel should communicate with potential suppliers prior to contract awards and they must closely follow Orcadian policies and procedures in respect to such communications.

All staff and contractors should be vigilant in ensuring that a proper, fair and fully defensible procurement process is followed and properly documented.

Agreements with agents, consultants and contractors will state clearly the services to be performed for the Company, the amount to be paid and all other relevant terms and conditions. Payments must bear a reasonable relationship to the value of the services rendered. All payments and transactions must be supported by documentary evidence.

### **5.8. Director and Employee Contributions to Outside Organisations**

Employees may contribute lectures and articles to technical institutions and journals as long as they do not contravene the Confidentiality provisions (6.2) below. Subject to these conditions and provided that the work is undertaken in their own time, an



employee may retain any payments for outside activities which may be connected with their position in the Company, or made possible by the knowledge and experience acquired in the Company's service. Where such work is authorised to be undertaken partly in the Company's time, it is left to management discretion whether or not the employee should retain any payments received.

## **6. Company assets and financial integrity**

### **6.1. Rules Governing Dealing in the Securities**

To be drafted by the CFO and included prior to listing.

### **6.2. Confidentiality**

All Orcadian staff and contractors are required to observe the confidentiality of Company business information as set out under the terms of their respective contracts.

### **6.3. Public Communications**

In all circumstances, it is required that anyone who intends to make any public communication in respect of, or on behalf of Orcadian, must obtain the prior approval of the Chief Executive.

### **6.4. Proper Recording of Funds, Assets, Receipts and Disbursements**

All funds, accounts, assets, receipts and disbursements must be properly recorded in Orcadian's books and records in accordance with Orcadian's normal standards and procedures.

In particular:-

- No funds or accounts must be established or maintained for purposes which are not fully and accurately reflected in the books and records of the Company.
- Funds and assets received or disbursed must be fully and accurately reflected in the books and records of Orcadian.
- No false or fictitious entries may be made or misleading reports pertaining to the Company or its operations or its financial affairs shall be issued.

### **6.5. Company Property**

An employee must not take or use Company property or the property of another employee without permission; nor must the employee use Company property for private purposes without management permission.

All employees are responsible for the protection of all company property and for taking reasonable steps to prevent its theft or misuse.

Company electronic equipment or facilities, including internet access and telephones are available for business use. Limited private use is permitted provided it does not interfere with the company's business in any way. Use of Company electronic devices for personal use may be monitored or recorded. Any usage or information stored should not be considered private information and employees are requested to bear this in mind when using Company electronic devices.

## **7. Whistle-Blowing**

Employees or consultants who know, or have genuine suspicions, of:

- Any breaches of this Code of Business Conduct; or
- Any legal or regulatory or other violation in relation to work-related issues,

Should in the first instance inform their immediate superior or Company contact as soon as possible after becoming aware of such suspected breaches. If that would be inappropriate in the circumstances or if, having done so, you are unhappy with the consequential action taken then the concern should be advised to a Director of the Company or, ultimately, the Chairman.

There will be no detriment to an individual as a result of that person raising a genuine concern with respect to application of this Code. Individuals will not be blamed for speaking up nor for failure to speak up earlier and Orcadian will make all proper efforts to protect the confidentiality of individuals who do raise concerns and to keep them informed of developments as appropriate. Any attempt to deter individuals from raising concerns or any subsequent retaliation against individuals who speak up will be treated as a serious disciplinary offence.

However, if it is shown that the individual speaking up has done so maliciously then he or she may face disciplinary action.