

1 January 2016

Anti-Corruption Policy and Procedures **for** **Parami Energy Group of Companies**

PARAMI ENERGY GROUP OF COMPANIES (“Parami” or the “Company”) recognizes that tackling corruption requires determination and focused commitments. Therefore, The Company has enacted a **zero tolerance policy** towards corruption which applies to all employees, staff, directors, and advisors. Corruption affects the rule of law and fair market practices. This policy is part of a greater strategy to raise and sustain Parami’s operations with a broader commitment to combat corruption.

Introduction

1. This policy is extended to those who act on behalf of the Company such as agents, representatives and intermediaries. This policy and anti-corruption program further applies to our contractors, sub-contractors and suppliers. Parami is in the process of creating systematic compliance training for our employees. Senior management, heads of department and select relevant staff have already completed a compliance training session by Weatherford International and/or TRACE. We are in the process of extending this training to all our employees.
2. This policy is concurrently aligned with the Company’s Code of Conduct policy of which some overlaps will be seen. This policy applies to all employees, officers and directors of the Company and its related subsidiaries or group of companies. It sets out the rules and regulations of Parami’s Anti-Corruption Policy.¹

General Statement of Policy

3. The Company employees and Associated persons, may not, directly or indirectly do any of the following: (i) offer, (ii) promise (iii) agree to pay (iv) authorize payment of (v) pay (iv) give (vii) accept (viii) solicit anything of Value to or from any third party in order to secure or reward an improper benefit of a function or activity.
4. “Anything of Value” means bribes, kickbacks, financial advantages, or any other benefit, whether in cash or in kind, tangible or intangible. Examples would include gifts, entertainment, airline tickets or discounts, travel vouchers, offers of employment or charitable contributions.

¹ From 1 April 2014, Parami requires all employees to be aware of its Anti-Corruption Policy. This policy, along with the company’s code of conduct, would be included and specifically told to new employees during the orientation phase.

Regulations and Procedures

5. **Unauthorized Acceptance of Benefits.** All employees of the Company **will not** accept bribes/monetary benefits/goods and services from employees in and out of the company, including agents, advisors, representatives, intermediaries, subcontractors, suppliers etc. Additional details of anti-corruption practices are stated in Annex 2.
6. **Gifts and Entertainment.** All employees of Parami Energy Group of Companies **must adhere** to the Code of Conduct and of “Anything of Value” (See Para.4 for details). Under the Company’s code of conduct, it is stated that “employees must not give gifts and entertainment that have a market value greater than K50,000 MMK unless approval is obtained from the Compliance Department. Additional guidance on Gifts, Meals, Travel and Entertainment are as follows:
 - Gifts, meals and entertainment should not be extravagant or be out of line with country and company norms
 - Gifts, meals, entertainment and travel should comply with the prohibition and requirements of Myanmar laws on Anti-Corruption (See Annex 2 for details)
 - Gifts, meals, entertainment should be given openly, and Company Employees should never attempt to hide such activities or the circumstances surrounding the activities from anyone
 - Company Employees should not solicit or accept Anything of Value to perform a service or function in exchange for favorable treatment by the company.
7. **Financial Controls.** The Company’s internal finance payment policy facilitates reimbursements for local and overseas travel, including the purchase of goods and services are made available for employees through the Company’s HR department. All company employees should record all financial transactions according to the Company’s financial and internal control policies and procedures.
8. **Reporting System.** The Company has a reporting system that allows for two-way communication to take place on issues regarding corruption. All reports of such a nature will be treated as confidential. Any employee or associated persons who suspects that anyone is engaging in conduct that this policy prohibits or is unsure of the policy and procedures, should contact the Company Compliance Manager at (959) 5153460 or E-mail at mwim@parami.biz. Employees may also contact any of the other 5 volunteer counselors to being the reporting process. Immediate reporting is essential. No action will be taken against those who report on corruption and its related activities.
9. **Monitoring of Anti-Corruption Program.** To ensure that this policy is followed correctly, Compliance and/or internal controls may take place in the form of unannounced audits. Monitoring practices will include monthly site visits, compliance reviews and *ad hoc* interviews with staff to identify potential areas of concern. The assigned Company Compliance Officer is to constantly review the program’s suitability and effectiveness.
10. **Political Contributions.** The Company is proud of its strong commitment to the rural communities in Myanmar. While charitable contributions are encouraged, all contributions, whether in Corporate Social Responsibility (CSR), and/or charity works

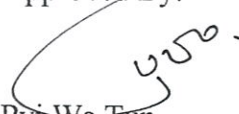
must be made in accordance with high ethical standards and in compliance with all applicable laws. In the course of CSR work, government officials, business partners and vendors may be involved in the charity process. However, all employees must take note that the principle of not receiving Anything of Value still stands. Company Employees should not make political contributions, in cash or in kind, to political candidates, political officials or political parties for the purpose of obtaining any benefit or favour in return.

This policy is endorsed and takes effect as of 1 April 2014. It has since been updated as of 1 January 2016. It is subject to regular review by the Company, and it may be revised periodically to reflect changes in the Company's procedures.

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Approved By:




Pyi Wa Tun
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Annex 1: Company Code of Conduct

Annex 2: Myanmar Laws on Anti-Corruption