ETHICS

General business principles

Summary of the Code of Conduct
/ INTRODUCTION

Our reputation as well as our continued success depend upon our commitment to drive our business with the highest integrity and in accordance with the law. This document presents the general business principles of Addax Petroleum and provides a common standard for all the company’s employees and contractors as a guide in the performance of duties and in dealings with agents, customers, suppliers, and others. Addax Petroleum wishes to reinforce its relations with partners based on principles of integrity and professionalism and on its long-term investment policy. Our continued development is due to our initiative and creativity. Our employees are the guarantors of continued collective success. Addax Petroleum’s plan is to promote a working environment based on mutual respect and good communications with those with whom we do business, as well as the communities in which we operate. The applicability of these principles is reinforced by procedures which are established to make sure that all employees and contractors understand and apply the principles and act in accordance with them. Addax Petroleum’s Executive Management is responsible for communicating and implementing these principles and department managers are responsible for the enforcement of these principles and must ensure that every employee understands and applies them.

On behalf of the Board of Addax Petroleum Corporation.

Yi Zhang, Chief Executive Officer
/ OBJECTIVES

Addax Petroleum faces the challenges of profitability and associated risks through rigorous management and a physical presence in its principal markets. Addax Petroleum believes that its demonstrated operational and technical expertise, combined with its excellent reputation and strong community relationships throughout Africa and the Middle East, make it well positioned to continue to grow its reserves and production.

/ RESPONSIBILITIES

Managers are required to set an example and be in every respect a model for their employees, meeting their responsibilities, and behaving ethically in the pursuit of our business objectives.

Fundamental commitments to our stakeholders

Clients: We provide quality goods and services, delivered promptly and cost-effectively.

Colleagues: We treat all colleagues with fairness, dignity and respect. We provide them with opportunities to develop professionally, and to work in a healthy team environment.

Contractors: We provide clear objectives and assist them with professional support.

Regulators: We comply with all rules and regulations and provide statutory filings on a timely and accurate basis.

Joint Venture Partners: We respect our obligations in a manner that reflects the values of each of our business units.
Suppliers: We accept fair competition among prospective suppliers and the sense of responsibility required of a good customer. We expect our suppliers to adhere to our Code of Conduct or to adopt their own set of comparable standards.

Shareholders: We are committed to the highest standards of professional management.

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Doing Business

Dealing correctly with customers, suppliers and government agencies is important. Therefore, a strict ethical approach must be adopted by all employees and contractors. Addax Petroleum encourages transparent business relationships and mutual respect between employees and business partners. Proposed actions and practices which depart from procedures set out in our Corporate Policies must be formally notified to (and subject to prior approval of) Addax Petroleum’s Executive Management.
GOVERNMENT RELATIONS AND POLITICAL ACTIVITIES

Corporate:
Addax Petroleum complies with all local laws governing political activities.
In communications with government officials, Addax Petroleum (and its representatives) shall ensure familiarity and compliance with local and international laws and transparency in all dealings.

Personal:
Individuals may participate in the political process at a personal level under the following conditions:
// they participate in their free time and at their own expense;
// they do not use corporate resources, such as e-mail, telephone, photocopy services, etc.;
// they do not give the impression they are speaking on behalf of Addax Petroleum.

CONFIDENTIALITY

Confidential information is a valuable asset. Addax Petroleum requires its employees and representatives to observe high standards of confidentiality. Employees are not entitled to disclose confidential information to third parties unless such third parties have a legitimate need to know and have signed a confidentiality agreement.
HEALTH, SAFETY AND ENVIRONMENT

Creating a safe and healthy work place for employees, contractors and the public and practising responsible stewardship of the environment in its activities are key priorities for Addax Petroleum.

We strive to be a good corporate citizen by giving back to the community, by caring about the health and safety of our employees, by protecting the environment of our host communities and by conducting business with integrity and accountability. Such activities are acknowledged to be a critical part of building a dynamic and profitable company.

COMMUNITY RELATIONS

Addax Petroleum focuses on developing strong local relationships and on aligning priorities with those of host governments.

This approach has given us an excellent reputation for community relations.

We give back to our host communities through community relations programmes that deliver financial support for a range of educational, training and infrastructure projects providing real and immediate benefits for communities.