

2017

ACACIA ENERGY GROUP  
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CORPORATE SOCIAL RESPONSIBILITY POLICY  
EFFECTIVE MAY 1, 2017



# CORPORATE SOCIAL RESPONSIBILITY POLICY

ACACIA ENERGY GROUP  
SWITZERLAND | MALTA | NETHERLANDS | USA | UK



## Message from the Founder, President & CEO

Acacia Energy Group promotes a culture of Corporate Social Responsibility (CSR) that respects the rights and safety of individuals, as well as the laws, environments and sustainability of all the communities where we operate.

We are focused on addressing concerns around high-priority social issues such as human rights, ethical conduct, and individual security and privacy. We strive to tackle challenging issues head on, make our communications and processes simple, be accountable for fulfilling our commitments, and empower all our employees to do what is right.

By voluntarily accepting responsibility for society, Acacia combines entrepreneurial success with responsible behavior and delivers commodity products that make life easier, safer and greener. This is our approach towards Corporate Social Responsibility.

Our CSR Policy sets out our expectations for employees and helps them making ethical and socially responsible decisions. Respect for human rights plays a very important role in maintaining these foundational principles.

I truly believe that what is good for the world and good for business are more closely connected than ever before. As more and more people and businesses become connected, we have more opportunities than ever to change the world for the better.

Our social responsibility and role as a corporate citizen and steward is a core to all that we do, and it will be a key driver of our long-term success. We see our social responsibility as leaving behind a world worth living in – for our children and grandchildren.

I look forward to continuing this important work in the years to come.

**James W. Head**  
Founder, President & CEO  
Acacia Energy Group

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## INTRODUCTION

Acacia Energy Group has been an early adopter of Corporate Social Responsibility (CSR) initiatives. Our focus has always been to contribute to the sustainable development of the society and environment, and to make our planet a better place for future generations. At Acacia, the Corporate Social Responsibility has always been central part in how we do our business, starting with operating with integrity and honesty in all we do and extending our help to customers, partners and communities in navigating a complex global economy.

We aim to be a good corporate citizen and steward. Our responsible business practices consider not only the communities we serve, but also the market place in which we operate. Through our managers and people, we work hard to limit our effect on the environment, supporting our local communities, promoting equal opportunities, making sure we have safe and efficient working practices, and working with suppliers who have similar values, while making sure our workplace encourages the development of new talent.

The Acacia Energy Group's CSR Policy sets out the framework and rules that need to be adhered to while identifying and implementing CSR projects and activities. The CSR Policy applies to activities undertaken by or on behalf of Acacia Energy Group and its controlled affiliates and subsidiaries around the world. All Acacia employees and contractors are instructed to adopt the Corporate Social Responsibility considerations described in this CSR Policy into their day-to-day work activities.

## VISION

Acacia Energy Group is committed to building a world that is safer and more secure, more comfortable and energy efficient, more innovative and productive. Accordingly, Acacia believes in identifying corporate social responsibility projects that have optimal and sustainable impact on local communities, in the areas where Acacia can leverage its strengths and expertise. Acacia therefore, focuses on five main areas of vital importance: Environmental Protection and Sustainability, Safety and Security, Housing and Shelter, Wildlife Protection, and Humanitarian Relief.

Acacia has joined forces with leading public and non-profit institutions to develop powerful programs to address needs of the communities where it does business. This Corporate Social Responsibility Policy encompasses Acacia's philosophy, sets out its role as a responsible corporate citizen and lays down guidelines for undertaking CSR programs for public good.

## OBJECTIVES

Acacia Energy Group recognizes its voluntary responsibility to be a good corporate citizen for the societies and communities where we operate and do business. We firmly believe that the trust, credibility, and goodwill that we have built in our communities help creating a positive social, working, and business environment.

The objectives of the Acacia's Corporate Social Responsibility Policy are to:

- Ensure an increased commitment at all levels in the company to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders
- To direct the company's CSR programs towards the following causes:
  - Enhancing environment and sustainability
  - Supporting rural development
  - Promoting science and education
  - Providing preventive healthcare, sanitation and drinking water
  - Creating livelihoods for people from disadvantaged parts of society
  - Preserving and promoting wildlife and natural habitat
- To develop required capability and self-reliance of beneficiaries at grass roots, especially of women and youth, in the belief that these are prerequisites for social and economic development
- To engage in affirmative action interventions such as skill building
- To enhance employability and generate livelihoods for people from disadvantaged parts of society
- To pursue CSR programs primarily in areas that fall within the economic vicinity of the Acacia's operations to enable close supervision and ensure maximum development impact
- To generate, through CSR initiatives, a community goodwill for the company and help reinforce a positive and socially responsible image of Acacia as a corporate entity
- Engage Acacia's team members to use their passions in support of their communities
- Use technology to improve the lives of young people
- Provide digital literacy for youth by supporting non-profit organizations with technology, expertise and financial support
- Reduce the environmental impact of our operations
- Drive social and environmental responsibility in the industry and our global supply chain
- Promote technology's role in addressing environmental challenges

## VALUES

Acacia Energy Group is committed to be recognized as a leader in the field of Corporate Social Responsibility. Our vision is to empower people and societies to thrive in this new digitized economy to create exponential social, environmental and business impact.

Acacia defines Corporate Social Responsibility as follows:

- Conducting business in a socially responsible and ethical manner
- Protecting the environment and safety of people
- Supporting human rights
- Engaging, learning from, respecting and supporting the communities where we operate

In alignment with its Corporate Code of Conduct, Acacia ensures that all matters of the Corporate Social Responsibility are considered and supported in all its operations and administrative matters, and are consistent with the Acacia stakeholders' best interests.

Acacia's priorities and values of responsible business are linked to our business ambition to deliver outstanding levels of safety, reliability and customer service, so that we are trusted and valued by the customers we serve every day.

The corporate values we expect our people to display also support the way we deliver responsible business practices:

- We put customers first – we build trust by giving excellent service, listening and taking action on what our customers tell us
- We take pride - we take ownership for our work, going above and beyond to get best results
- We work as a team - we build relationships with colleagues and partners, share best practices and encourage honest and open conversations
- We bring energy - we approach all our work with enthusiasm, always challenging ourselves to do better and by embracing new ideas and solutions

## COMMITMENT

Acacia Energy Group is committed to conducting its business in a manner that is consistent with international principles on human rights and protects the environment, as well as the health and safety of our employees and the public. We strive to comply with all applicable environmental, health and safety laws and regulations and apply reasonable standards where laws and regulations do not exist.

We abide by the principles articulated in the International Labor Organization's Declaration of Fundamental Principles and Rights at Work, including the prohibitions on forced labor, child labor and unfair discrimination in the workplace, as well as the recognition of the rights of freedom of association and collective bargaining. To that end, we promote the work environment of respect and trust and do not discriminate against employees or applicants for employment.

Acacia's employees are expected to observe high standards of business and personal ethics, including honesty, integrity and fair dealing in interactions with all stakeholders. We encourage our business partners to share our commitment to the Corporate Social Responsibility.

We strive to be a positive force in the local communities in which we operate. We respect the cultural values and traditions of those communities, and actively engage with them as appropriate to assess the environmental and human rights impacts of our operations.

## **FOCUS AREAS AND TARGET SECTORS**

Acacia Energy Group combines its CSR strategy and community outreach with both financial support and volunteering to address core community needs in areas where we have unique leverage and expertise.

Our focus is based on five critical areas:

- Environmental protection and sustainability
- Safety and security
- Housing and shelter
- Wildlife Protection
- Humanitarian relief

Additionally, Acacia carries out and implements its CSR activities in other sectors stated hereunder:

- Animal welfare
- Conservation of natural resources
- Critical human needs
- Culture
- Disaster relief
- Drinking water

- Economic empowerment
- Education
- Employee volunteering
- Employment opportunities
- Empowerment of women
- Senior citizens needs
- Gender equality
- Green initiatives
- Healthcare
- Human rights
- Veterans and their dependents
- Medical aid
- Art and culture
- Traditional arts and crafts
- Poverty
- Public libraries
- Rural development
- Sanitation
- Opportunities for women
- Vocational skills
- Women hostels

## ACTIVITIES

The purpose of the CSR Policy is to detail all CSR projects and programs which Acacia Energy Group undertakes, excluding normal business activities.

Acacia's primary focus areas for CSR activities are:

### Philanthropy

Acacia, both directly and through the Acacia Humanitarian Trust, works closely with high-potential non-profit organizations (NPOs) involved in activities that align closely with Acacia's strategic sectors for funding. Acacia proposes to follow the broad guidelines detailed below in relation to its philanthropic and financial support giving activities:

- Identifying partners – conduct proactive research to identify non-profit organizations in line with the strategic objectives of Acacia and Acacia Humanitarian Trust



- Development of partnership – if a potential partnership looks promising, early involvement of relevant senior management to be requested in order to secure business connectivity and engagement from the start
- Proposal development – proposal to be developed that demonstrates a level of employee engagement where feasible, connected with a local market and a clear monitoring and evaluation process
- Submission and approval – approval by the relevant Acacia's regional office and Acacia Humanitarian Trust is required for approval to be granted. Process of funds release to be formulated and grant agreement to be in place, if such project is approved.

## Employee engagement and resourcing

Acacia supports the involvement of its employees in CSR activities. Acacia encourages its employees to participate in the CSR activities of Acacia Humanitarian Trust. Beyond conventional volunteering opportunities offered to Acacia employees, employees also work as consultants on a voluntary basis through Acacia Humanitarian Trust employee engagement program. Finally, through fostering a culture of employee engagement in Acacia's CSR efforts, employees also have the opportunity to commit to various NPOs as a monthly donation through payroll giving in accordance with plans established from time to time.

## Other activities

Acacia Energy Group, both directly and through Acacia Humanitarian Trust, continues to work with various bodies including state governments and other NPOs to undertake the following activities:

- Promoting education, including special education and employment enhancing professional skills
- Eradicating hunger, poverty and starvation, promoting preventive healthcare and sanitation
- Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically disadvantaged groups
- Ensuring environmental sustainability
- Supporting rural development projects, socio-economic development and relief activities
- Governance, ethics and risk, namely, upholding to strong corporate governance standards and adherence to the highest ethical standards, supporting customers in efforts to identify and reduce environmental and social risks and capitalize on opportunities created by the transition to a more sustainable global economy
- Any other areas as identified by Acacia Humanitarian Trust from time to time

## OPERATING FRAMEWORK

The Acacia Energy Group's CSR program operates under supervision of the Acacia Humanitarian Trust and Acacia's senior management. The Acacia Humanitarian Trust recommends to the Acacia's senior management expenditures to be incurred from CSR activities and seeks its approval to achieve financial support targets for the CSR programs and initiatives.

### Execution of CSR projects

Acacia Energy Group identifies CSR projects and program using the grant making guidelines of the Acacia Humanitarian Trust. To the extent possible, funding is given to NPOs or such other entities and organizations that will deliver the programs in accordance with clear metrics defined in a pre-grant agreement.

Further, and in the case of Acacia's employee engagement and resourcing, employees may freely offer to participate in a project that enhances service provision of a non-profit and/or community related organization.

### Implementation of CSR projects

To the extent possible, the Acacia's senior management determines funding for the CSR projects, contingent on the social project programming and deliverables assessed from financial support proposal and project reports. In the case of Acacia's employee engagement and resourcing, volunteering will be tracked using Acacia's global management system that records hours, activity type and other relevant data.

### Monitoring process for CSR projects

To the extent possible, interim and final reports are required in respect to all grants issued to any organization for CSR program or project. Acacia's senior management and Acacia Humanitarian Trust discuss all important matters that impact implementation of the CSR project or program or activity (either new or ongoing), including but not limited to use of funds and monitoring and reporting mechanisms.

Any or all provisions of the CSR Policy are subject to revision and amendment by Acacia's senior management based on the recommendation of Acacia Humanitarian Trust. Acacia's CSR Policy is subject to mandatory annual reviews by Acacia's senior management and Acacia Humanitarian Trust.

## SOURCING AND PROCUREMENT

Acacia Energy Group procures a wide range of goods, work and services to make sure it can meet its business goals. Excellent working relationships with all counterparts are central to operating Acacia's business.

Acacia's procurement guidelines set out how we perform procurement activities and socially responsible buying. This includes guidance on how we treat vendors and suppliers, and how we should act as a responsible buyer.

Acacia has an approved vendor and supplier list where we assess our counterparts for technical competency, Health, Safety and Environmental (HSE) accreditations, insurance coverage, financial standing and, where appropriate, make assertions for anti-bribery and other measures of social, legal and financial responsibility.

Acacia uses framework agreements, contracts and purchase orders to formalize the trading relationships with its suppliers. Where practical, this can mean appointing suppliers to long-term contracts that reflect the investment both organizations are putting into support of mutual long-term success.

Acacia reviews its procurement guidelines every year to make sure they are accurate and relevant. The guidelines set the direction for buying ethically, with integrity, and as a responsible corporate citizen, taking into account compliance to environmental requirements when assessing suppliers.

## OUR PEOPLE

We are committed to the ongoing development of our employees as we know that this is important to make sure they have necessary skills and experience for Acacia's current and future business success.

The effective development of people is a partnership based on

- Individuals taking ownership and responsibility for their own development
- Managers giving the appropriate support and encouragement
- HR designing and managing an adequate processes and procedures

Vital to the success of this policy are regular development discussions and a formal development review each year. These discussions are the main way of identifying development needs and are based on open and frank conversations with realistic expectations and honest feedback.

We have a commitment to keeping employees informed about Acacia Energy Group's business affairs through team briefings and regular staff meetings. Employees can access Acacia's intranet to get general information. We also encourage employees to discuss operational issues with their managers and to suggest ways of improving business performance and efficiency.

### Employees' conduct and associated policies

The Acacia's Corporate Code of Conduct outlines what we expect from our employees in comprehensive detail.

We ask our employees:

- Act with honesty and respect human rights and interests of other people, customers and stakeholders
- Respect the legitimate interests of other people and organizations
- Maintain the highest standards of integrity and honesty
- Make no commitments that we cannot or do not plan to keep

We provide our employees with:

- Clear and fair terms of employment
- Clean, healthy and safe working conditions
- Fair pay and benefits everywhere we operate
- Equal opportunities
- Training and development of professional skills
- Opportunities for career growth
- Harmonious working environment with zero tolerance to bullying or to any form of harassment linked to race, sex, gender, religion, beliefs or other personal preferences

### Equal opportunities

Acacia is committed to equal opportunity and diversity in employment and recognizes that this is essential to business success and growth as a company. We do everything possible to select, recruit, train and promote best candidates based on suitability for the job. We treat all employees and applicants fairly, no matter what their race, gender, marital status, age, nationality, ethnic origin, religious belief, sex or disability, and make sure that no employee suffers harassment or intimidation.

## Disabled employees

It is Acacia's policy to provide employment and to make reasonable adjustments for disabled people wherever is possible. If an existing employee becomes disabled, Acacia will make every possible effort to ensure that employee's employment can continue on a worthwhile basis, and new career opportunities are always available to a disabled employee.

## Health, safety and welfare at work

The health and safety, welfare and well being of employees, suppliers and the public are extremely important to Acacia. Acacia adheres to its Health, Safety and Environment Policy to make sure it's in compliance with all health and safety laws and regulations.

## MODERN SLAVERY ACT

Acacia strongly opposes slavery and human trafficking, and would never knowingly carry out business with suppliers or contractors involved in these practices. We regularly review our operations and global supply chain to evaluate the risks in terms of human trafficking and slavery.

Acacia also instructs all its contractors and suppliers to adhere to the Modern Slavery Act 2015, and it will not continue buying goods or services from any supplier that is found to be involved in human trafficking or using slave labor. We also carry out background checks before entering into new agreements with contractors or suppliers.

We offer training to our procurement staff, which is aware of the risks of human trafficking and slavery, and our obligations under the Modern Slavery Act 2015. Acacia annually issues a statement showing what steps have been taken to reduce or remove these risks from its global supply chain.

## NOTES

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EMPLOYEE NAME:

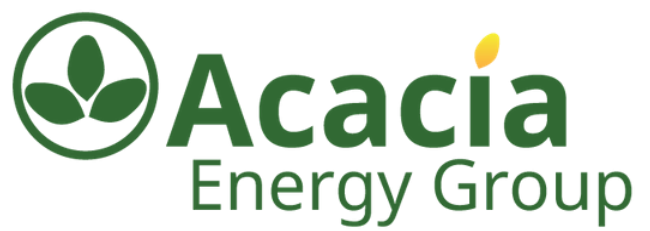
EMPLOYEE SIGNATURE:

DATE:



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