



Political contributions, lobbying, and other political activities policy	
Department: Legal	Area: Legal
Type: Policy	Code: 75.050.005 PO

POLITICAL CONTRIBUTIONS, LOBBYING, AND OTHER POLITICAL ACTIVITIES POLICY

PURPOSE

The purpose of this Political Contributions, Lobbying, and Other Political Activities Policy (the “Policy”) is to provide guidance around the Company’s rules and procedures regarding corporate political contributions, lobbying and other political activities.

SCOPE

This Policy applies to all Company Directors and Company Personnel.

DEFINITIONS

COMPANY – SierraCol Energy Limited and any subsidiary or entity in which it directly or indirectly owns or controls a majority voting and/or equity interest.

COMPANY PERSONNEL – This includes Employees, Directors, Officers, and Contingent Contractors (all as defined in the ABC Policy).

COMPLIANCE OFFICER — The Compliance Officer (“CO”) of the Company.

CODE OF BUSINESS CONDUCT — The Company’s Code of Business Conduct as approved by the SierraCol Board of Directors, as amended from time to time.

DIRECTOR — Any member of the Board of Directors.

GOVERNMENT OFFICIAL – The term “Government Official” includes all officers or employees of a government department, agency or instrumentality; permitting agencies; customs officials; candidates for political office; and officials of public international organizations (e.g., the Red Cross). This term includes officers or employees of government-owned or controlled commercial enterprises such as state-owned or controlled universities, airlines, oil companies, health care facilities or other vendors. The term also includes family members and close associates of such individuals.

POLITICAL CONTRIBUTION — Any contribution or transfer of money or other thing of value, or any expenditure of money or other thing of value, including a donation of property, services or use of facilities to any political party, candidate for public office, or to any committee, person, business group or trade association for any political purpose or use. Money paid to attend a political fund-raiser or other political event or for a political fundraising item sold by a political party or committee or candidate also is a



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contribution.

POLICY

1. Introduction

- 1.1. Issues arise in the political process at national, departmental, municipal, and local levels that directly affect the Company. However, the Company seeks to remain politically neutral. The Company does not contribute to political parties or groupings and Political Contributions to political candidates, parties, committees or their representatives made by or on behalf of the Company are prohibited.
- 1.2. Any contact with Governmental Officials may constitute lobbying activities. Such contacts must comply with applicable law and this Policy. All Directors and Company Personnel involved with lobbying, or other political activities must consult with the CO regarding applicable national, federal, state and local laws and regulations and applicable Company policies, prior to engaging in such activities. No Director or Company Personnel shall engage in lobbying or other political activities on behalf of the Company, unless expressly authorized to do so in writing by the Board of Directors and in accordance with this Policy.
- 1.3. The CO must be notified if a Government Official solicits a political or charitable contribution in connection with any government action related to the Company or its subsidiaries.
- 1.4. The Company may not directly or indirectly reimburse or compensate any Director, Company Personnel, agent, or representative for any Political Contribution.

2. Political Contributions

- 2.1. General: The Company does not contribute to political parties or groupings and Political Contributions made by or on behalf of the Company are prohibited. Please refer to Section 4.3 of the Company's ABC Policy for more information.
- 2.2. Personal Activities: Company Personnel are free to contribute personal funds and participate in the political process as individuals, in their free time outside of their work hours.

3. Lobbying

- 3.1. General: Directors and Company Personnel involved in lobbying activities must comply with all applicable laws and Company policies, including without limitation Company's ABC Policy, relating to gifts and entertainment. Directors and Company Personnel involved in lobbying activities must not propose to a Government Official to incur any action, or obtain information or any decision, improperly or dishonestly. Directors and Company Personnel must refrain from offering or accepting the benefit of granting any type of payment, commission, compensation or for an authority or Government Official as a condition or means to access a contact or information from him or to influence any type of decision.

- 3.2. Approval: No Director, Company Personnel, agent, or representative of the Company may, without prior



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written approval of the Board of Directors and CO, contact any national, departmental, municipal or local Government Official or member or an employee of any legislative body or governmental agency or department for the purpose of influencing legislation, policy, agency regulation, or any other official action.

3.3. Reporting: National, federal, state, and certain local jurisdictions may have laws requiring registration and reporting by lobbyists and sometimes their employers which may be triggered if a person communicates with its legislators, agency officials, or their staffs to influence their official decisions, including, but not limited to, decisions regarding contracts or financial arrangements.

4. Other Political Activities

4.1. The Company shall not contribute or advance funds for other political activities, such as advertisements for or against referenda or ballot initiatives, unless in compliance with applicable laws and approved in advance by the Board of Directors and CO.

4.2. Directors and Company Personnel must comply with laws and rules governing gifts (e.g., money, services, loans, travel, lodging, meals, refreshments, or entertainment) given to Government Officials for their personal benefit. For more information on Company's policies on these gifts, see Company's ABC Policy.

5. Personal activities

5.1. The Company encourages Directors and Company Personnel to participate in the political process on their own time. Directors and Company Personnel have a right to make Political Contributions in their own name and from their own personal assets. Directors and Company Personnel will not be reimbursed or compensated by the Company for any Political Contribution.

5.2. Directors and Company Personnel may volunteer their personal services to national, departmental, municipal or local political candidates, groups, or organizations or participate in the political process (such as elective office, campaign officer, governmental commissions, task forces, fund raising activities, and lobby efforts) under the following conditions:

- The Director or Employee is acting individually and not as a representative of the Company.
- Such services must be performed on the Director's or Employee's personal time which may not be charged to the Company. Personal time is that which occurs outside of normal working hours. When the time to be devoted to a volunteer service will interfere with a Director's or Employee's performance, it may be appropriate or necessary to arrange for a leave of absence.
- Prior consultation with the CO is required when the service being volunteered is that of a campaign officer.
- Any use of the Company's name or resources (including facilities and employee services) must be approved in advance by the CO.

6. Donations in Furtherance of Business



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6.1. Company Personnel may not make political or charitable donations, whether in their own name or in the name of the Company, to obtain or retain business or to gain an improper business advantage, or that could reasonably be perceived as intended to obtain or retain an improper business advantage.

7. Implementation

7.1. The Compliance Officer is responsible for the implementation and enforcement of this Policy, including delegation to appropriate department personnel.

8. Violations of this Policy

8.1. If the Company determines that a violation of this Policy has occurred, the Company may impose discipline, as appropriate, which may include training, written or oral warnings, probation, suspension, reassignment or termination.

9. Related Policies

No.	Type	Title
75.050.001-PO	Code	Code of Business Conduct
75.050.002-PO	Policy	Anti-Bribery and Corruption (ABC) Policy