

ANADARKO GLOBAL ANTI-CORRUPTION COMPLIANCE MANUAL

(the “Anti-Corruption Compliance Manual”)



Anadarko Petroleum Corporation

April 2012

ANTI-CORRUPTION COMPLIANCE MANUAL

**(Amended and Restated as of 10 April 2012;
Effective as of 1 May, 2012)**

TABLE OF CONTENTS

I.	Introduction	1
II.	Anti-Corruption Laws.....	1
A.	FCPA	1
1.	Overview	1
2.	Prohibited Payments	2
3.	Payments to a Third Party	2
4.	The Accounting Standards	3
5.	Sarbanes-Oxley Act of 2002.....	3
6.	Penalties.....	3
7.	Facilitating Payments	4
B.	Bribery Act.....	5
C.	Related Laws and International Conventions	6
D.	Frequently Asked Questions	7
1.	Who is a Foreign Official?	7
2.	What Types of payments are prohibited?	8
3.	Can we do business with individual “Foreign Officials” or Companies co-owned by “Foreign Officials”?	8
4.	Can we do business with Government Entities?	9
5.	What are “Red Flags”?	9
6.	What is the universe of “Third Parties”?	10
7.	What type of an Agreement do we need to use with Agents and consultants? ..	10
8.	What are we required to do to monitor Third Parties?	11
9.	What is money laundering?	12
10.	Can Anadarko make contributions/payments for social development projects?	12
11.	Can Anadarko be liable for the actions of agents, representatives and joint venture companies?.....	13
12.	Can a non-U.S. employee of the Company violate the FCPA?	13
13.	May the Company make a charitable donation to a non-U.S. government entity?	13
14.	We sometimes hear that other companies pay per diems to, and side trips for, Foreign Officials, which we are not allowed to make. Why must we live by a higher standard than others?	14
15.	Can Anadarko engage non-U.S. police or military organizations to provide	

security for Anadarko personnel and/or facilities?	14
16. What must be done before Anadarko leases or buys real estate property in the foreign countries it operates?	15
E. Due Diligence Procedures	15
F. Guidelines.....	15
G. Use of an agent or consultant in connection with International business activities .	16
H. Anti-Corruption Program Chief Compliance Officer.....	16
I. Education and Training	16
J. Confirmation of understanding and compliance	17
K. Reporting Possible Violations	17
L. Internal Audits and Verification of Compliance	18
M. Investigation of possible violations and preservation of Attorney-Client Privilege ...	19
N. Disciplinary Measures.....	19
Conclusion	19
Appendix I: Global Anti-Corruption Compliance Manual.....	21
Appendix II: Anti-Corruption Guidelines I-Charitable Donations, Entertainment Expenses, Political Contributions and Gifts	23

IMPORTANT INFORMATION

Reporting violations or asking questions about the Anti-Corruption Laws or questionable accounting, internal control or auditing matters.

1. If you become aware of any potential or actual violations of the Anti-Corruption Laws (including, but not limited to, the FCPA and the Bribery Act), please contact (via telephone or email) one or more of the following:
 - a. Your supervisor
 - b. Your Anadarko legal counsel – International
 - c. The Senior Vice President and General Counsel
 - d. The Chief Compliance Officer
 - e. Internal Audit
 - f. The Security Department
2. If you wish to remain anonymous, Anadarko offers a 24 hour, 7 days a week, multi-lingual, global business Hotline (the “Anadarko Hotline”). A third party operator is available 24 hours a day to listen to your concerns. Anadarko will not retaliate nor allow others to retaliate against you for reporting in good faith.

→ Call toll free @ 1-877-781-2434

I. Introduction

Anadarko and its affiliates and subsidiaries (collectively “Anadarko” or the “Company”) have significant oil and gas activities in various international locations. As a result, it is important that you be aware of and, as the Company’s policy requires, comply with the applicable anti-corruption laws governing the Company in its business around the world. The purpose of this booklet is to educate employees, representatives and joint venture partners in recognizing, detecting and avoiding potential violations of the anti-corruption laws that apply to the Company and, in particular, to familiarize you with Company policy on compliance with two of these laws, the U.S. Foreign Corrupt Practices Act (the “FCPA”) and U.K. Bribery Act 2010 (the “Bribery Act”) (collectively, the “Anti-Corruption Laws”), by explaining their provisions, and providing guidelines on the Company’s compliance program . This Anti-Corruption Compliance Manual cannot anticipate and answer all questions in the area. It should be used to obtain a basic understanding of the do’s and don’ts of compliance with the Anti-Corruption Laws. However, whenever you have the slightest doubt or any questions, you should consult the International Section of the Legal Department.

Employees and representatives of the Company are required to become familiar with, and to strictly abide by, the terms and requirements of this Anti-Corruption Manual. Any employee who fails to comply with the standards set forth below is subject to disciplinary action, including possible termination. Any failure on the part of a representative to adhere to all of the terms and requirements of this Anti-Corruption Manual will be considered as grounds for termination of the relationship.

Ultimately, Anadarko’s objective (via this teaching tool) is to prevent improper payments under the Anti-Corruption Laws, promote and enhance its reputation and ethical values, and protect itself from potential liability. All of us at Anadarko have an obligation to contribute towards the achievement of these objectives with our strict adherence to the requirements of this Anti-Corruption Compliance Manual.

II. Anti-Corruption Laws

A. FCPA

1. Overview

The FCPA, which was enacted in 1977, consists of both anti-bribery and accounting provisions, violations of which can carry both criminal and civil penalties. It applies to: (i) U.S. issuers; (ii) U.S. “domestic concerns” (*i.e.*, U.S. citizens, nationals, or residents or any entity organized under U.S. law or with its principal place of business in the U.S.); and (iii) foreign companies and persons acting in the U.S. As both an issuer and a domestic concern, Anadarko is subject to the FCPA.

The anti-bribery provisions of the FCPA make it illegal to: (i) directly or indirectly; (ii) offer, pay, authorize the payment of, promise to pay, or give; (iii) money, a gift, or

anything of value; (iv) to a non-U.S. government official, political party, political party official, or candidate for political office; (v) corruptly for the purpose of influencing the non-U.S. government official, political party, political party official, or candidate for political office to do or refrain from doing any official act, securing any improper advantage, or inducing the use of influence with a non-U.S. government or instrumentality to affect or influence any act or decision; (vi) to assist the Company in obtaining or retaining business.

The accounting provisions of the FCPA, also known as the books and records and internal controls provisions, require publicly-traded companies like Anadarko to maintain accurate and adequate books and records, and effective internal accounting controls related to the Company's activities worldwide.

2. Prohibited Payments

This portion of the law applies to payments or gifts made or promised to officials in foreign countries for help in obtaining or retaining business overseas. The FCPA makes it illegal to:

- corruptly
- directly or indirectly
- make, or act in furtherance of, or authorize, an offer, a payment, a promise to pay, or a gift;
- of money or anything of value
- to any foreign official, foreign political party, party official or candidate for political office for the purposes of:
 - influencing the recipient to act (or to refrain from acting) in his or her official capacity,
 - inducing the recipient to use his or her influence with a foreign government (or its instrumentality such as a government oil company), or
 - gaining any improper advantage,
- in order to assist the Company in obtaining or retaining business for or with, or directing business to any person.

3. Payments to a Third Party

The FCPA also prohibits making gifts or payments or offers to a third party while knowing that all or a portion of the money or anything of value will be offered or given or paid to Foreign Officials, political parties, etc., for purposes that would be illegal if done directly by the Company. Such third parties may be agents, local representatives or contractors engaged by the Company, as well as joint venture partners, who have contacts with Foreign Officials. Willful ignorance of the facts by the Company or its employees will equate to "knowing" the facts under the FCPA. You must not deliberately ignore circumstances that should

reasonably alert you to a high probability of FCPA violations. Therefore, certain procedures to qualify and monitor the activities of third parties must be followed to protect the Company. In addition, certain safeguards should be included in any agreement to help prevent illicit payments. The Guidelines section of this Anti-Corruption Compliance Manual sets out in general terms the steps that should be taken when you plan to use an agent or certain other third parties in connection with foreign activities.

4. The Accounting Standards

Anadarko is required by the FCPA and Anadarko policies to maintain proper internal accounting controls and to keep books, records and accounts so as to reflect, accurately, fairly, and in reasonable detail, all transactions and disposition of assets. This means that in all its business, whether domestic or foreign, Anadarko, its subsidiaries and its and their employees must properly record all transactions and disposition of assets. Giving misleading information or the withholding of material fact during an internal or external audit could result in a violation.

The Company's Anti-Corruption Compliance Policy (G-1) set out in Appendix I, specifically lists the requirements that the Company's system of internal accounting controls must satisfy to comply with the FCPA. The policy applies to Anadarko and its subsidiaries. In addition, if Anadarko or one of its subsidiaries owns 50% or less of the voting power in a domestic or foreign joint venture, it is required to make a reasonable good faith attempt to influence the joint venture to devise and maintain a system of internal accounting controls that meets the requirements of the FCPA.

If you have any questions about this portion of the law, you should address them to the Chief Accounting Officer. Should you have any questions with regard to the application of the FCPA to affiliates of Anadarko, you should contact the International Section of the Legal Department.

5. Sarbanes-Oxley Act of 2002

It is important to also recognize that the Sarbanes-Oxley Act of 2002 ("SOX") provides for fines and up to 20 years in prison for certain acts related to record-keeping violations. SOX prohibits the alteration, destruction or concealment of any record with the intent of obstructing or influencing the investigation (ongoing or prospective) or the administration of any matter subject to the jurisdiction of U.S. authorities.

6. Penalties

The FCPA imposes civil and criminal penalties on companies and individuals, and is aggressively enforced by the U.S. Department of Justice ("Justice Department") and Securities and Exchange Commission ("SEC"). These

agencies investigate virtually all allegations that come to their attention through a variety of sources, including through cooperative exchanges of information with regulatory agencies of other governments.

A company can suffer significant consequences even if it is not convicted – mere indictment under the FCPA may trigger sanctions, including loss of export privileges and eligibility for U.S. government insurance and financing. Companies may be, and have been, fined hundreds of millions of dollars for violations of the FCPA. Also, FCPA prosecutions often include charges of other criminal violations and those actions can move forward even if the company is not convicted of the FCPA offense. FCPA violations, moreover, can trigger, or stem from, investigations by foreign governments, risking both penalties under local law and loss of goodwill. Finally, recent cases have involved multi-year appointments of outside “compliance monitors” who are empowered to scrutinize virtually any aspect of a company’s business and who report to the U.S. government on an ongoing basis.

Under the Anti-bribery Section, corporations may be fined up to \$2,000,000 per criminal violation and \$10,000 per civil violation, or alternatively, double the gross gain or loss from the unlawful activity, and individuals may be fined up to \$250,000 per criminal violation and \$10,000 per civil violations, or alternatively, double the gross gain or loss from the unlawful activity, as well as face imprisonment for up to five (5) years. Recent cases have routinely resulted in prison sentences for corporate executives. Under the Accounting Section, the criminal penalties for companies may be \$25,000,000 and for individuals \$5,000,000, with imprisonment of up to twenty (20) years and civil penalties for both can be up to \$500,000. (Fines imposed upon individuals cannot be reimbursed by their employers.) Foreign nationals have also been subject to enforcement actions and prison terms.

7. Facilitating Payments

Facilitating payments are small payments made to Foreign Officials to expedite or secure the performance of a routine governmental action to which the payer is entitled ordinarily and which is commonly performed by the Foreign Official. Under the FCPA and the laws of a handful of other countries, it is permissible to pay facilitating or “grease” payments to a Foreign Official for the purpose of expediting or securing the performance of a routine, non-discretionary governmental action to which the Company is legally entitled.

It must be noted, however, that even when such payments are sanctioned by local authorities and consistent with local custom, it is frequently difficult to determine the legality of discretionary payments to Foreign Officials under the FCPA or local law. In most countries where Anadarko operates (or may operate in the future), such payments are prohibited by law. The Bribery Act also prohibits facilitating payments. Therefore, in order to align Anadarko’s policy with prevailing laws in most jurisdictions, **no employee or agent of Anadarko shall pay a facilitating payment to a Foreign Official in order to expedite or secure a routine governmental action or for any other transaction, except**

under **“extraordinary” circumstances, as illustrated below.** (Emphasis supplied).

Payments may be permitted **only in “extraordinary” circumstances as described below when the health or personal safety or security of an Anadarko employee, members of employee’s family or representative reasonably appears to be in imminent danger** (Emphasis supplied). In such a limited circumstance, the payment need not be made with prior approval, but it must be reported to the International Section of the Legal Department or the General Counsel as soon as the imminent danger has passed.

Such a payment must also be fairly and accurately recorded in the Company’s books and records. Recording of such a payment in any manner that would conceal its true nature would be a violation of the FCPA and the Bribery Act.

The following are some examples of instances of “extraordinary” circumstances:

- Anadarko employee X is stopped on the road by police, military, or paramilitary personnel or militia at a check point or other place and at gunpoint money is demanded in order to continue on the road.
- Anadarko representative Y has just landed at the airport in country A to take up rotating assignment with Anadarko subsidiary. Representative Y is asked by individuals claiming to be security personnel, health inspectors or immigration officers to make a payment in order to avoid being tested (on the spot) for communicable diseases.
- Anadarko employee Z is seriously injured while in country B. An airplane is called to evacuate employee Z to a hospital in the capital. The local police demand a payment from Z’s supervisor before they will allow the airplane to depart for the capital.

A threat to delay or a refusal to process paperwork is not the same as a threat to personal safety. Similarly, a refusal by a Foreign Official to award new business or to continue business with the Company would not be an “extraordinary” circumstance justifying any kind of payment or benefit for the Foreign Official, irrespective of the amount.

B. Bribery Act

In certain circumstances, Anadarko’s activities may also fall under the purview of the Bribery Act. Under the Bribery Act, United Kingdom (“U.K.”) enforcement authorities have jurisdiction over offenses committed in the U.K., as well as outside of the U.K. where the individual or company that committed the offense has sufficient links to the U.K.

Like the FCPA, the Bribery Act creates criminal liability for individuals and

companies that bribe foreign Government Officials either directly or indirectly. It is important to note that the Bribery Act's definition of foreign Government Officials includes U.S. Government Officials. U.K. citizens, U.K. residents, U.K. affiliates, and employees of U.K. affiliates of Anadarko should understand, therefore, that the prohibition on bribes to or for the benefit of foreign Government Officials may include bribes to U.S. Government Officials. In addition, unlike the FCPA, the **Bribery Act does not include an exception for "facilitating payments."** (Emphasis supplied.)

The Bribery Act also contains two additional types of offenses that are not included in the FCPA. First, the Bribery Act prohibits commercial bribery, which includes bribery of employees of private companies. Specifically, under the Bribery Act, it is prohibited to promise or give, directly or indirectly, a financial or other advantage to another person, intending to induce or reward the improper performance of a relevant function or activity. It is also prohibited to request, accept, or receive a financial or other advantage, directly or indirectly, to bring about, or as a reward for, the improper performance of a relevant function or activity.

Thus, under the Bribery Act, both the person who pays the bribe and the person who receives the bribe can be criminally liable. This impacts Anadarko's interactions with both governments and with privately-owned commercial entities.

Second, the Bribery Act makes it an offense for a company to fail to prevent bribery. This offense occurs when a person associated with a company, such as an employee, agent, advisor, contractor, intermediary, or representative, bribes another person intending to obtain or retain business or a business advantage for said company. For example, Anadarko may be held legally responsible for the bribe even if Anadarko and its employees had no knowledge of the bribe. The only defense available to this kind of charge is that Anadarko had in place adequate procedures designed to prevent persons associated with it from engaging in such conduct. As a result, it is imperative that Anadarko (a) conduct appropriate due diligence on third-party representatives such as agents, consultants, and others who interact with foreign Government Officials or commercial counterparties on the Company's behalf; (b) provide anti-corruption training to its employees and certain of its contractors; and (c) conduct audits to test for compliance

The Bribery Act is enforced by the Serious Fraud Office ("SFO") and the Director of Public Prosecutions in the U.K. Violations of the law carry criminal penalties for both companies and individuals. Both companies and individuals may face unlimited fines and individuals can be jailed for up to ten (10) years. U.K. company directors convicted under the Bribery Act may also be subject to disqualification from current and future directorships.

C. Related Laws and International Conventions

Although this Anti-Corruption Compliance Manual focuses on compliance with the FCPA and the Bribery Act, it is necessary to remain equally attentive to compliance with domestic (*i.e.*, local) laws of each of the countries in which the

Company operates or seeks to operate. These laws include anti-bribery laws (e.g., “commercial bribery” laws), anti-terrorism laws, conspiracy laws, mail and wire fraud, tax fraud, anti-money laundering laws (e.g., the U.S. Money Laundering Control Act of 1986), and the laws and regulations that govern the activities of public officials, such as conflicts of interest rules. To ensure that the Company’s financial transactions with foreign entities and individuals, including contracts with foreign companies, governments and charitable entities, do not facilitate money laundering or other illegal activity, the Company will conduct reasonable due diligence into its foreign transactions, including the identity and reputation of the entity or individuals, the identity of principals or equity holders, and the nature of the entity’s business and its links to other entities and individuals.

Additionally, several important international conventions (the “Conventions”) have been signed in recent years, including those under the auspices of the African Union (“AU”), United Nations (“UN”), the Council of Europe, the Organization for Economic Cooperation and Development (“OECD”), and the Organization of American States (“OAS”). The following is a list of the Conventions:

1. OAS Convention Against Corruption (1996)
2. European Union Convention on Corruption (1997)
3. OECD Convention on Combating Bribery of Public Officials in International Business Transactions (1998)
4. AU Convention on Preventing and Combating Corruption (2003)
5. UN Convention Against Corruption (2005).

These conventions obligate signatories to prohibit, as a matter of domestic law, illicit payments to Government Officials in other countries. As a result, the domestic laws in the countries where the Company does business may include their own versions of the Anti-Corruption Laws. In addition, these treaties have established new cooperation mechanisms between U.S. and U.K. enforcement officials and their foreign counterparts, which significantly increase the risk of investigation and prosecution.

D. Frequently Asked Questions

1. Who is a “Foreign Official”?

“Foreign Officials” under the Anti-Corruption Laws are broadly defined. They include all employees of a foreign government department or agency (whether in the executive, legislative or judicial branches of government and whether at the federal (national), state or local level). Government officials can also include part-time workers, unpaid workers, and anyone “acting in an official capacity” (that is, acting under a delegation of authority from the government to carry out government responsibilities). They also include political parties and officials thereof and candidates for political office. And they also include employees of

public international organizations, such as the World Bank, the European Union, and the like.

The term also includes officers and employees of companies under government ownership and control, including national oil companies and state-owned service companies and suppliers. This means that all employees of government-owned companies and instrumentalities are “Foreign Officials,” even if the companies are operated like privately-owned corporations. In many instances, these persons are not treated as Government Officials by their own governments, and they will expect to be treated like any other private business person. An individual does not need to be considered a government official under local law to be considered a government official for the purposes of the Anti-Corruption Laws.

For U.K. citizens, U.K. residents, and U.K.-based affiliates of Anadarko, under the Bribery Act, the term “Foreign Official” may include Government Officials in the U.S.

Company personnel are responsible for gathering the facts needed to determine whether a proposed transaction involves a government official or an entity owned or controlled by a government official.

2. What types of “Payments” are prohibited?

Both the FCPA and the Bribery Act prohibit offering, promising, or giving “anything of value” to a “Foreign Official” to get or keep business or secure some other improper advantage. The Bribery Act also prohibits offering or paying a bribe, or requesting or receiving a bribe, where the bribe is intended to induce or reward the “improper performance” of a person’s “relevant function or activity,” even if it is not made to obtain or retain a business benefit. The Bribery Act applies not only to offers and payments to Foreign Officials, but also to domestic Government Officials (*i.e.*, U.S. Government Officials) and private persons.

These “payments” are not limited to cash payments. Gifts, entertainment, excessive promotional activities, personal favors, the hiring of relatives, and covering or reimbursing expenses of Foreign Officials can be the basis for violation of the Anti-Corruption Laws.

In addition, less obvious items can constitute prohibited payments. For example, in-kind contributions, investment opportunities, subcontracts, positions in joint ventures, favorable contracts, business opportunities, and similar items are all things of value that can lead to a violation of the Anti-Corruption Laws. Also, benefits provided to spouses or dependents, such as the granting of a scholarship to a child or a business relationship with a spouse, can be deemed to benefit the Foreign Official or employee of a commercial counterparty himself or herself.

3. Can we do business with individual “Foreign Officials” or companies co-owned by “Foreign Officials”?

Only under certain limited circumstances. The Anti-Corruption Laws in some

instances restrict the Company's ability to do business directly with individual "Foreign Officials." This can include retaining a Foreign Official as a consultant or doing business with private companies wholly or partly owned by "foreign officials" or in which "foreign officials" hold some economic interest. As discussed above, the definition of "Foreign Official" is very broad. Thus, entering into any direct relationship with a "Foreign Official" immediately raises special anti-corruption issues, and must be reviewed in advance with the Company's General Counsel, the Chief Compliance Office or the Associate General Counsel-International. Company personnel must be careful in entering into this type of business venture because a "sweetheart" deal with an individual "Foreign Official" or a company co-owned by a "Foreign Official" can be deemed a bribe under the Anti-Corruption Laws. Such transactions should be avoided if at all possible.

4. Can we do business with government entities?

Yes. The Anti-Corruption Laws permits the Company to do business with foreign governments, agencies, and government owned or controlled companies. Indeed, the Company's business requires frequent direct dealings with government entities and regulatory officials, as well as national oil companies. Remember that the Anti-Corruption Laws are focused on corrupt payments made to individual Foreign Officials to improperly gain business opportunities or advantages. The Anti-Corruption Laws require heightened vigilance in dealing with government entities, however, so that any "red flags" presented are identified and addressed promptly.

5. What are "Red Flags"?

"Red flags" are warning signs, and the existence of one or more may be sufficient to alert Anadarko to the possibility of improper association or conduct under the Anti-Corruption Laws. Some common examples of red flags include the following:

- close ties between the transaction, company, or individual in question and a government entity or particular government official;
- activities being performed in a country with a reputation for corruption;
- suspicious or unnecessary representatives and intermediaries;
- requests for cash payments by an employee or a third-party representative;
- requests for payments in countries other than where the services are performed or the service provider is based;
- requests for large contingency or "success" fees;
- transactions that do not reflect the actual payee or that go unrecorded;

- expense account reports or invoices that are false or misleading;
- payment descriptions that do not correspond to the appropriate account or are particularly vague (e.g., “service fee to agent”);
- documents that conceal or misrepresent the identity of a party to a transaction or any employee or agent of a party;
- refusal by an agent, local representative, consultant, or joint venture partner to promise in writing to abide by the Anti-Corruption Laws, other applicable law, or Anadarko policy when requested.
- a request for reimbursement of expenses that are poorly documented or not all;
- foreign partner or local representative is suggested or recommended by a Foreign Official; and
- inability to contribute anything to an agreement except influence with government agencies or officials.

This is not an all-inclusive list. If you suspect or become aware of anything that gives you concern or causes you to suspect that a violation of Anadarko’s Anti-Corruption Compliance Policy has occurred or may occur, you should bring it to the attention of the International Section of the Legal Department, the General Counsel or the Chief Compliance Officer.

6. What is the universe of “third parties”?

Generally, “third parties” would include, in addition to agents and consultants, contractors, representatives, finders, joint venture or business partners, and sometimes professionals such as accountants or lawyers, if they represent the Company before governments or in dealings with commercial counterparties.

7. What type of an agreement do we need to use with agents and consultants?

Payments may not be made to a foreign third party without an executed contract between the foreign third party and Anadarko. All contracts with foreign third parties require the prior review of the International Section of the Legal Department and the signature or written approval of a Vice President of Anadarko Petroleum Corporation. The Company has a standard form of agreement for use in connection with the engagement of agents or consultants. The Company requires the use of this form of agreement when engaging agents or consultants. You should consult with the International Section of the Legal Department if you require any assistance in this regard or if you have any questions or concerns with any potential transaction with third parties.

The agreement should provide as a minimum:

- the agent's fee is to be paid on a regular basis for services rendered which are enumerated in the contract and on the invoice. The fee should be reasonable compared to those paid generally in other similar agency contracts.
- reimbursement of only legitimate expenses based on valid documentation.
- payment of fees and reimbursements into local bank accounts in the country where the services are rendered by the agents or consultants and not to third parties or numbered accounts (*i.e.*, no payments to offshore accounts under any circumstances).
- the right to audit payments and records of the agent (the right should be exercised periodically).
- the right of the Company to make the agreement and its terms public.
- require the agent to warrant and represent that he/she has not and will not make improper payments and provide for at least annual renewals of these warranties and representations.
- **require the agent to provide periodic certificates whereby it certifies compliance with the applicable Anti-Corruption Laws and Anadarko's anti-corruption policies.**
- the right of the Company to terminate the agreement with the agent immediately for violations.

8. What are we required to do to monitor Third Parties?

Given the ongoing risks created by the activities of third parties, it is critical that all Company personnel adhere to the following principles. Once the Company has retained a third party, it must monitor the third party's activities and expenses to ensure continued compliance with all applicable laws and Company policy. If a third party makes an improper payment or gift, the Company may be held liable under the Anti-Corruption Laws even if it did not authorize the payment. To guard against such liability, employees must:

- insist on obtaining adequate written supporting documentation or justification before paying invoices and expenses;
- investigate and understand the content of vague or non-descriptive invoice line items;
- question unusual or excessive expenses; and
- refuse to pay a third party and notify the International Section of the Legal Department or the Chief Compliance Officer when the employee suspects that the third party has made or will make illicit or questionable payments or gifts.

The principles above equally apply in those instances where the Company is involved with joint venture partners. In other words, all of us have an obligation to monitor third parties for risky behavior or other "red flags."

9. What is money laundering?

Money laundering is the act of disguising the illegal origin of criminal proceeds (e.g., purchasing real estate with the proceeds of a bribe and then selling the real estate or investing the criminal proceeds of drug deals to acquire an interest in an exploration and exploitation license). Anti-money laundering laws and regulations are aimed at preventing criminals from benefiting from their actions, removing the profit incentive and thereby reduce the occurrence of such criminal activity.

Money launderers use a variety of legitimate financial and other devices to launder their illegal proceeds. The process of money laundering is creative. Patterns for such criminal activity are intentionally in the shadows. Generally, the objective of money laundering is to sever the audit trail between the criminal act and the proceeds of such activity. If the audit trail cannot be broken completely, the secondary objective is to conceal the transaction, change the form of the asset or simply make the audit trail an incomprehensible maze.

In order to prevent money laundering no one acting on behalf of the Company shall, directly or indirectly:

- engage in any financial transaction that involves property, funds or monetary instruments, which directly or indirectly, promotes or results from criminal activity; or
- assist, authorize, engage or participate with anyone in conducting a transaction that involves the receipt, transfer, transportation, retention, use, structuring, diversion or hiding the proceeds of any criminal activity whatsoever, including bribery of a Foreign Official or fraud.

To minimize the attendant risks associated with money laundering and bribery, the Company conducts due diligence on all material transactions, as well as those transactions that raise any red flags as a result of the parties involved, proximity to questionable practices or, more directly, the potential association of the transaction with a Foreign Official.

The Company has established written anti-corruption due diligence procedures (the "Procedures") which are intended to minimize the risks attendant with transactions involving intermediaries and other counter parties with whom the Company interacts, particularly in the international business arena. All employees are expected to adhere to the Procedures. The Procedures are incorporated and made an integral part of this Anti-Corruption Manual as Appendix III.

10. Can Anadarko make contributions/payments for social development projects?

Certain agreements (e.g., PSAs) may require the Company or one of its

subsidiaries to make payments to assist with the development of the host country. These payments may be charitable donations, training obligations or social contribution payments. From time to time, the Company may also wish to make development related contributions outside of a contractual obligation. Whether any social development contributions are made within or outside the framework of a contractual undertaking, **all such contributions must be reviewed for anti-bribery compliance by the International Section of the Legal Department and be ultimately pre-approved by the General Counsel or the Chief Compliance Officer.** (Emphasis supplied.) Neither the existence of a contractual commitment nor the legality of the contribution under local law shields the Company from potential liability under Anti-Corruption Laws in the event of a problem with such a contribution, e.g., the misapplication or misappropriation of the funds contributed to a social development program.

11. Can Anadarko be liable for the actions of agents, representatives and joint venture companies?

Yes, the Company may be liable for bribes made by both U.S. and non-U.S. representatives, or any other third party acting on its behalf if the Company had prior knowledge of or should reasonably have known about the bribes. Similarly, if there should be a finding of circumstantial evidence indicating that the Company ignored conduct that violated the Anti-Corruption Laws, the Company or its employees may be charged with “willful blindness” and be subject to criminal and civil penalties. All employees have an obligation to inquire when circumstances raise concerns with regard to anti-corruption compliance. Thus, we must never take a “head in the sand” approach in dealing with red flags associated with third party representatives. Managers should always ascertain the facts before approving any transaction which may implicate Anti-Corruption Laws.

12. Can a non-U.S. employee of the Company violate the FCPA?

Yes, Since Anadarko is a U.S. company, all of its employees are required to comply with the FCPA, as well as the Bribery Act. The acts of a non-U.S. employee, albeit done outside of U.S. territory, may be imputed to the Company and may create serious potential liability for the employee, his/her supervisor and Anadarko. Moreover, if the improper act results in the failure to properly record the transaction, or in its misclassification or falsification, in the Company’s books and records, Anadarko and the foreign employee may also be subject to liability under the books and records provisions of the FCPA.

13. May the Company make a charitable donation to a non-U.S. government entity?

Employees must seek the advice of the International Section of the Legal Department whenever a charitable donation is contemplated. Any and all charitable donations (irrespective of amount, recipient or beneficiaries) must be documented and be pre-approved by the General Counsel (in a Form A) and

accurately recorded in the books and records of the Company. A charitable donation must never be given, directly or indirectly, to (or for the benefit of) a Foreign Official. Charitable donations should never be given to a charity designated by a Foreign Official, unless the charitable entity is internationally recognized. Medecins sans Frontiers (Doctors without Borders) and the Red Cross are two examples of internationally recognized charitable institutions.

14. We sometimes hear that other companies pay per diems to, and side trips for, Foreign Officials, which we are not allowed to make. Why must we live by a higher standard than others?

Anadarko is committed to complying with the Anti-Corruption Laws and expects its employees and representatives to strictly adhere to its anti-corruption policies and procedures. Our actions will never be dictated by what others are doing. We must always adhere to our Core Values, our Code of Business Conduct and Ethics, our anti-corruption policies and procedures and all applicable laws, including the Anti-Corruption Laws. Doing the right thing is a reflection of our corporate integrity and our ethical values.

It is worth noting that most of our peers and competitors are subject to the FCPA either because they are U.S. companies or their shares or bonds are listed and traded in U.S. securities exchanges, e.g., the New York Stock Exchange. Recent enforcement actions by U.S. authorities against “foreign entities” provide ample evidence that the U.S. government continuously seeks to level the playing field when it comes to the enforcement of the FCPA.

15. Can Anadarko engage non-U.S. police or military organizations to provide security for Anadarko personnel and/or facilities?

As a general rule, Anadarko prohibits such engagements, including the payment for such services. However, there may be instances where Anadarko may have no reasonable option but to engage a non-U.S. police or military organization to provide security services.

In such limited circumstances and with the prior approval of the General Counsel or the Chief Compliance Officer, non-U.S. police or military organizations may be engaged to provide security for Anadarko, provided, however, that:

- (a) Corporate Security determines that there is no other alternative for effective security;
- (b) the International Section of the Legal Department determines that the engagement or payment is required by local law;
- (c) the non-U.S police or military organization is paid directly (rather than to the account of an individual); and

(d) the engagement (or payment) is pursuant to a written agreement.

16. What must be done before Anadarko leases or buys real estate property in the foreign countries where it operates?

Whenever Anadarko proposes to enter into any real estate transaction overseas, the following steps must be taken to minimize the risk of an inadvertent violation of the Anti-Corruption Laws:

- (a) due diligence has been undertaken to verify and document the fair market value of the property;
- (b) due diligence has been undertaken to verify and document whether the lessor or seller is a Foreign Official or is affiliated with any Foreign Official; and
- (c) legal advice has been obtained and documented to ensure that the transaction is permissible under Anadarko's Code of Business Conduct and Ethics, local law and the Anti-Corruption Laws.

E. Due Diligence Procedures

To enhance our anti-corruption program and to minimize the risk of potential liability for the actions of third parties, we have also adopted a set of written due diligence procedures (the "Procedures"), which are attached as Appendix III and form an integral part of this Anti-Corruption Compliance Manual. The Procedures will facilitate the performance of anti-corruption due diligence in a consistent and comprehensive manner throughout the organization. In essence, the Procedures are intended to screen and monitor third party representatives. The International Section of the Legal Department will disseminate and implement the Procedures. Observance of the Procedures is mandatory.

F. Guidelines

The general principles set forth in this Anti-Corruption Compliance Manual are intended to help you address various situations where Anti-Corruption Laws questions arise. As with the material in the rest of this Anti-Corruption Manual, the principles should not be relied on as your only source of information. You should always check with the International Section of the Legal Department and the International Accounting Department if you have any questions or if you require further guidance on how to deal with any specific situation which may pose a risk under the Anti-Corruption Laws.

The Company has published guidelines governing procedures to be followed for various types of payments involving Government Officials and commercial counterparties (the "Anti-Corruption Guidelines"). The Anti-Corruption Guidelines generally require prior approval of any payment or benefit to a Foreign Official.

You should refer to the Anti-Corruption Guidelines before making any payment involving Foreign Officials. In all cases, you should ensure that your supervisor is aware of any payment before it is made.

The Anti-Corruption Guidelines are incorporated and made an integral part of this Anti-Corruption Compliance Manual as Appendix II. The two sets of Anti-Corruption Guidelines are:

- I. Anti-Corruption Compliance Manual (Form A): Charitable Donations, Entertainment Expenses, Political Contributions and Gifts.
- II. . Anti-Corruption Compliance Manual (Form B): Travel, Meals, Lodging or Entertainment Expenditures.

G. Use of an agent or consultant in connection with international business activities

Under certain circumstances, it may be necessary to engage someone to assist the Company in dealing with local officials of the host government or the national oil company. In any such instance, it is imperative that the following principles be adhered to:

- investigate the background and reputation of the potential agent, consultant or representative with embassies, local banks, accounting and law firms, and U.S. Commerce and State Departments. In certain instances, the International Section of the Legal Department may recommend that a more detailed background check be conducted through an independent professional firm, e.g., law firm or investigative agency.
- never engage someone who is employed by the foreign government or a government company.
- if upon completion of the due diligence it is decided to engage the intermediary, a written agreement drafted and approved by the International Section of the Legal Department should be entered into before actually obtaining services from the agent, consultant or representative.

H. Anti-Corruption Program Chief Compliance Officer

The role of the Chief Compliance Officer is to monitor the Company's Anti-Corruption Compliance Program and ensure adherence by the Company and its employees. The Chief Compliance Officer will work closely with the Chief Accounting Officer, Corporate Audit and other functional groups to accomplish and fulfill these objectives.

I. Education and training

The Anti-Corruption Compliance Program includes three primary education and training tools. The first is this Anti-Corruption Compliance Manual and its Appendices. The Anti-Corruption Compliance Manual is distributed and is

available to employees on the Anadarko Intranet web page.

Second, the International Section of the Legal Department makes periodic presentations on the Anti-Corruption Laws to Company personnel involved in or supporting international business activities. The class room presentations are designed to provide the Company's personnel and certain of its contractors with an overview of the Anti-Corruption Laws requirements and provide training through the use of hypothetical and case study situations. All personnel involved in any degree with the Company's international operations are required to participate in the Anti-corruption class room training from time to time and, as a minimum, must take a refresher course every twenty-four (24) months.

Third, an electronic Anti-corruption course is administered through the Company Intranet to employees and certain of its contractors.

J. Confirmation of understanding and compliance

Periodic certification is required affirming that no prohibited payments of the Anti-Corruption Laws or violations of the accounting section of the FCPA are known. This will be required from two different groups. The first group includes all employees of Anadarko and its subsidiaries who are involved, directly or indirectly, in the Company's international activities. Employees will be required to either sign a statement certifying that they do not know of any violations of the Anti-Corruption Laws or list all violations or possible violations of the Anti-Corruption Laws of which they are aware. The second group includes Intermediaries that may pose a high risk.

K. Reporting possible violations

Employees are given the opportunity to report violations and/or potential violations of the Anti-Corruption Laws during the annual certification mentioned above. If, however, an employee becomes aware of a possible violation of the Anti-Corruption Laws at any other time, the employee should report the possible violation to the General Counsel, the Chief Compliance Officer or the Associate General Counsel - International. Anadarko will not disclose a reporting employee's identity without his or her permission unless disclosure is unavoidable during an investigation. The report can also be made anonymously on the Anadarko Hotline.

In no event will the Company take or threaten any action against an employee as a reprisal for making a complaint or disclosing information in good faith. However, if a reporting individual was involved in the violation, the individual may be appropriately disciplined, even if he or she was the one who disclosed the matter to the Company. In these circumstances, the conduct of the reporting individual in promptly reporting information may be considered by the Company as a mitigating factor in any disciplinary decision.

L. Internal Audits and Verification of Compliance

The Company's Corporate Audit Department, in conjunction with the International Section of the Legal Department, will develop an annual risk-based anti-corruption/anti-bribery audit plan, which is communicated to the Audit Committee of the Board of Directors. The Corporate Audit Department will execute the audit plan and perform other compliance tests as may be requested from time to time by management, the Audit Committee of the Board of Directors, and/or the General Counsel. Reports of compliance audit findings will be provided to the Audit Committee of the Board of Directors, the General Counsel, the Chief Accounting Officer, the Chief Compliance Officer and the Associate General Counsel – International.

The internal audits are designed to identify control and procedure improvements to prevent and detect violations of the Anti-Corruption Laws and non-compliance with the Company's policies, practices and procedures, including but not limited to, this Anti-Corruption Compliance Manual. The audit's focus areas will be determined on a risk priority basis by the Corporate Audit Department and the International Section of the Legal Department and will consider factors such as management concerns and including, but not limited to, the following items:

- the Company's policies, practices, and procedures to ensure compliance with the Anti-Corruption Laws;
- recommendations to management and their implementation of continuous monitoring mechanisms;
- review of all relevant international business agreements/contracts;
- due diligence procedures undertaken prior to entering into new international business and agreements with third parties; and
- efforts to ensure that foreign affiliates, subsidiaries, partners and joint ventures comply with Anti-Corruption Laws and Anadarko's anti-corruption policies and procedures.

Internal audits will include interviews of personnel who are responsible for administering, implementing and monitoring Anadarko's Anti-Corruption Compliance Program. The Corporate Audit Department's areas of compliance audit focus may include relevant compliance files, personnel files, due diligence information, and agreements with international agents, consultants, representatives, international mergers and acquisitions, international joint ventures or other international equity investment transactions.

The compliance audits shall also include a review of Anadarko's books and records relative to entertainment, gifts, charitable donations, social development contributions and travel expenditures on behalf of any Foreign Official or other private persons. The Corporate Audit Department will include in its scope a review of accounting records associated with international agents, consultants and representatives (e.g., payment records).

M. Investigation of possible violations and preservation of Attorney-Client Privilege

In addition to regular audits conducted by the Corporate Audit Department, there may be instances where the Company wishes to further or separately investigate certain matters. In such instances, the General Counsel, in conjunction with the Chief Compliance Officer and the Associate general Counsel - International, shall, in his or her discretion or as directed by the Audit Committee of the Board of Directors, cause the Legal Department to perform an analysis of the Company's books, records and accounts and/or undertake any other necessary internal investigation to prevent and detect violations of the Anti-Corruption Laws and to ensure compliance with the Company's policies, practices and procedures. In the conduct of such tasks, the Legal Department may obtain the assistance of any Company employee, and is authorized to retain accounting firms, outside counsel, or other appropriate third parties, as deemed necessary in the discretion of the Legal Department.

As may be appropriate, the General Counsel, the Chief Compliance Officer or the Associate General Counsel – International will consult with other relevant personnel to determine the steps necessary to properly investigate possible violations of the Anti-Corruption Laws. Possible steps could include discussions with the head of the business unit where the possible violation took place, an internal investigation by the Corporate Security Department and/or the Corporate Audit Department and an independent investigation by outside auditors or outside counsel.

Company employees rendering assistance on any investigation shall work under the direction and supervision of the Legal Department and shall report directly to the Legal Department and not through their normal chain of command.

N. Disciplinary Measures

As indicated above, the penalties for violations of the Anti-Corruption Laws can be severe. Depending on the violation and its severity, disciplinary measures can include oral or written reprimands, suspension or termination of employment. Employees should note that the Company cannot indemnify or pay for the legal expenses of any employee who is convicted for violating the Anti-Corruption Laws. In addition, certain violations may cause the Company to report the violation to the appropriate enforcement authorities, including, the U.S. Justice Department and the SEC.

Conclusion

The responsibility for ensuring Anadarko's compliance with the Anti-Corruption Laws and the policies and procedures established pursuant to this Anti-Corruption Compliance Manual belongs to all Company employees. Each employee should be knowledgeable of the facts and be familiar with the business environment in which they are working, and never hesitate to ask questions or raise concerns with regard to any questionable practices or actions to the attention of the appropriate personnel at the Company.

Compliance with this Anti-Corruption Compliance Manual is mandatory. No employee will suffer adverse consequences for refusing to pay bribes, even if his may result in the Company losing business.

APPENDIX I: GLOBAL ANTI-CORRUPTION COMPLIANCE MANUAL

G-1

Date 05/01/2012

Replaces 10/01/06

PROCEDURES MANUAL TITLE: ANTI-CORRUPTION LAWS COMPLIANCE

APPLICATION

All offices of Anadarko Petroleum Corporation and its affiliates and subsidiaries (collectively, the “Company”).

POLICY

Corporate funds, property or anything of value may not be, directly or indirectly offered or given by a director, officer, employee or agent of the Company or any of its subsidiaries to a Foreign Official, foreign political party or official thereof or any candidate for a foreign political office for the purpose of:

1. influencing any act or decision of such foreign person;
2. inducing such foreign person to use his influence; or
3. securing any improper advantage,

in order to assist in obtaining or retaining business for, or directing business to, any person.

Directors, officers, employees, agents, consultants and representatives of the Company or any of its subsidiaries are also prohibited from offering or paying anything of value to any person if it is known or there is a reason to know that all or part of such payment will be used for the above-described prohibited actions. This provision covers situations when intermediaries, such as foreign affiliates, agents, consultants or other representatives are used to channel payoffs to Foreign Officials.

It is further prohibited to pay, offer, authorize, or promise anything of value to a commercial counterparty, directly or indirectly, to induce or reward the improper performance of the commercial counterparty’s function or the breach of a duty owed by the commercial counterparty to his or her employer. It is also prohibited for any Anadarko director, officer, or employee to request, accept, or receive anything of value, directly or indirectly, to bring about, or as a reward for, the improper performance of his or her function related to, or duty owed to, Anadarko.

The term “Foreign Official” means any officer or employee of a foreign government or of any department, agency, or instrumentality thereof, or of a public international

organization, or any person acting in an official capacity for or on behalf of any of the foregoing entities. For U.K. citizens, U.K. residents, and U.K. affiliates of Anadarko, under the Bribery Act, the prohibition on bribes to or for the benefit of a Foreign Official may include bribes to U.S. Government Officials.

The term “commercial counterparty” means any owner, shareholder, employee, director, officer, or representative of a non-governmental entity with which the Company has or may enter into a transaction or business relationship.

ACCOUNTING POLICY

The Company and its subsidiaries will make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. Officers, employees and other persons are prohibited from directly or indirectly falsifying or causing to be falsified any book, record or account.

The Company will maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

1. transactions are executed in accordance with management's authorization;
2. transactions are recorded to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and to maintain accountability for assets;
3. access to assets is permitted only in accordance with management's authorization; and
4. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

In connection with the audit of financial statements by independent accountants, the preparation of any required reports whether by independent or internal accountants, or any other work prepared by an accountant which involves filing of a document with the Securities and Exchange Commission, no director or officer of the Company may, directly or indirectly:

- (a) make or cause to be made materially false or misleading statement; or
- (b) omit to state, or cause another person to omit to state, any material fact necessary to make statements made not misleading.

Robert A. Walker
President and Chief Executive Officer

Robert K. Reeves
Senior Vice President, General Counsel and Chief Administrative Officer

APPENDIX II: ANTI-CORRUPTION GUIDELINES I

CHARITABLE DONATIONS, ENTERTAINMENT EXPENSES, POLITICAL CONTRIBUTIONS AND GIFTS

The purpose of these Anti-Corruption Guidelines is to provide guidance to Anadarko employees so that the activities of the Company are conducted in compliance with all applicable laws and in accordance with the Company's policies. These Guidelines supplement the Company's Anti-Corruption Compliance Manual.

A. General Prohibitions

1. Any gift, charitable donation on behalf of, or entertainment provided to, any Foreign Official (regardless of the amount involved) which are made with the expectation of a quid pro quo of discretionary government action on the part of such Foreign Official, or as a result of such Foreign Official's intervention on behalf of the Company, is prohibited.
2. Any gift, charitable donation or entertainment on behalf of, or provided to, or received by an Anadarko employee from, a commercial counterparty which is made to induce or reward the improper performance of the recipient or the breach of a duty owed by the recipient to his or her employer is prohibited.

In other cases, gifts or charitable donations may be permitted as set out below:

B. Charitable Donations

1. When appropriate, after due diligence has been conducted by the International Section of the Legal Department and written approval has been provided by the General Counsel via a Form A, the Company may make charitable donations. However, no charitable donation may be made or promised on behalf of a Foreign Official or a commercial counterparty (regardless of the amount involved) when the charitable donation is requested by, or made or promised on behalf of, a Foreign Official or commercial counterparty with the expectation of a *quid pro quo* of, or in response to, a discretionary action or intervention on the part of such Foreign Official, or commercial counterparty on behalf of Anadarko.
2. As a general policy, charitable donations should only be made to recognized charitable institutions, e.g., the Red Cross, the Red Crescent and UNICEF. In all other instances where the proposed charitable institution is not well known, appropriate steps must be taken to ensure that the institution is legitimate (*i.e.*, it is not a shell or front for the benefit of Foreign Officials, their relatives or friends).

All charitable donations, irrespective of whether the recipient is an institution or individual, must be approved on Form A.

All charitable contributions must be fairly and accurately recorded in the Company's books and records.

C. Contributions to U.S. Embassies

Social contributions to U.S. embassies, *e.g.*, contribution for 4th of July Celebration, are not subject to the FCPA and, therefore, such contributions should not be reported on Form A. Nonetheless, it is required that any proposed contribution to any U.S. embassy be reasonable, have a justifiable basis and have the prior written approval of the Company's General Counsel or Chief Compliance Officer.

Such contributions must be fairly and accurately recorded in the Company's books and records.

D. Political Contributions

Under no circumstances shall Company funds be used to make political contributions to political parties or candidates in any foreign country where the Company has a presence or operates, even if such contributions are permitted under the written laws of the relevant country.

E. Facilitating/Expediting Payments

Facilitating payments are small payments made to Foreign Officials to expedite or secure the performance of a routine governmental action to which the payer is entitled ordinarily and which is commonly performed by the Foreign Official. Under the FCPA and the laws of a handful of other countries, it is permissible to pay facilitating or "grease" payments to a Foreign Official for the purpose of expediting or securing the performance of a routine, non-discretionary governmental action to which the Company is legally entitled.

It must be noted, however, that even when such payments are sanctioned by local authorities and consistent with local custom, it is frequently difficult to determine the legality of discretionary payments to Foreign Officials under the FCPA or local law. In most countries where Anadarko operates (or may operate in the future), such payments are prohibited by law. The Bribery Act also prohibits facilitating payments. Therefore, in order to align Anadarko's policy with prevailing laws in most jurisdictions, **no employee or agent of Anadarko shall pay a facilitating payment to a Foreign Official in order to expedite or secure a routine governmental action or for any other transaction, except under "extraordinary" circumstances, as illustrated below.** (Emphasis supplied.)

Payments may be permitted only in “extraordinary” circumstances as described below when the health or personal safety or security of an Anadarko employee or representative reasonably appears to be in imminent danger (Emphasis supplied). In such a limited circumstance, the payment need not be made with prior approval, but it must be reported to the International Section of the Legal Department or the General Counsel as soon as the imminent danger has passed.

The following are some examples of instances of “extraordinary” circumstances:

- Anadarko employee X is stopped on the road by police, military, or paramilitary personnel or militia at a check point or other place and at gunpoint money is demanded in order to continue on the road.
- Anadarko representative Y has just landed at the airport in country A to take up rotating assignment with Anadarko subsidiary. Representative Y is asked by individuals claiming to be security personnel, health inspectors or immigration officers to make a payment in order to avoid being tested (on the spot) for communicable diseases.
- Anadarko employee Z is seriously injured while in country B. An airplane is called to evacuate employee Z to a hospital in the capital. The local police demand a payment from Z’s supervisor.

A threat to delay or a refusal to process paperwork is not the same as a threat to personal safety. Similarly, a refusal by a Foreign Official to award new business or to continue business with a particular party would not be an “extraordinary” circumstance justifying any kind of payment or benefit for the Foreign Official, irrespective of the amount.

Any facilitating payment must be fairly and accurately recorded in the Company’s books and records. Recording of such a payment in any manner that would conceal its true nature would be a violation of the FCPA and the Bribery Act.

F. Gifts

All gifts and promotional items provided by Anadarko to *any* recipient must meet the following criteria:

- (i) a gift should comply with any local laws or business policies that apply to the Foreign Official or any other recipient;
- (ii) a gift should not be extravagant or lavish;
- (iii) employees should avoid a pattern of providing repetitive gifts to the same Foreign Official or commercial counterparty as it may begin to take on the appearance of bribery;

- (iv) the gift should be customary under the circumstances;
- (v) the gift should be given in a manner that avoids any appearance of impropriety (*i.e.*, transparency is an absolute and employees should not allow anyone to conceal facts); and
- (vi) where multiple gifts are given simultaneously (e.g., gifts to employees of national oil company in host country), a Form A must be completed notwithstanding the fact that each individual gift is less than U.S.\$ 100 or its equivalent in local currency.
- (vii) the expense of the gift must be fairly and accurately recorded in the Company's books and records.**

The following gifts, travel and entertainment practices are strictly prohibited:

- (i) a gift of cash or a cash equivalent (*e.g.*, gift certificate/voucher, gift card, stock or bond);
- (ii) any gift, travel or entertainment that would knowingly violate the code of conduct of the recipient's company or organization (*e.g.*, the code of conduct of a commercial counterparty); and
- (iii) any gift, travel or entertainment that you pay for personally to avoid seeking approval for or to avoid reporting to the Company.

Gifts to any Foreign Official should be reviewed in advance with the International Section of the Legal Department, except under the following circumstances:

- (a) Gifts of items at nominal value (*i.e.*, U.S. \$100.00 or less or its equivalent in another currency, cumulative over a one year period) bearing the Company's logo or otherwise generally distributed by the Company to its business associate, customers and vendors as a token of goodwill; or
- (b) Other gifts or tangible objects which are commensurate with legitimate and generally accepted local customs for private business persons and do not exceed a nominal amount per person (*i.e.*, U.S. \$100.00 or less or its equivalent in another currency, cumulative over a one year period) or which are given to reciprocate for a gift given by the Foreign Official and are of reasonably equivalent value to the reciprocal gift; and

- (c) In either case, the gift is permitted under the laws of the country of such Foreign Official and the **expenses associated with such gift are properly recorded and approved in accordance with the Company's applicable expense policies and procedures.**

G. Entertainment Expenses

Entertainment expenses (including meals) regardless of recipient must be:

1. made in accordance with local laws;
2. reasonable, and provided in connection with a bona fide and legitimate business purpose in a setting conducive to the discussion of business;
3. transparent and not carry business obligations or present potential embarrassment; and
4. properly and transparently recorded and approved in accordance with the Company's applicable expense account policies and procedures.

Entertainment expenses for any Foreign Official may be incurred without prior approval by the Legal Department only under the following conditions:

5. such entertainment or meals occur in connection with substantive business meetings, occur in the same general location as such meetings, and are attended by appropriate Company representatives;
6. the entertainment is reasonable;
7. the entertainment and meal expenses are legitimate and commensurate with generally accepted local customs for private business persons;
8. the entertainment is permitted under the laws of the country of such Foreign Official; and
9. **the expenses are properly recorded and approved in accordance with the Company's applicable expense account policies and procedures.**

A pre-approval request form (Form A) is attached to these Guidelines. Form A is to be used in all instances for proposed charitable donations, proposed gifts and entertainment expenses that do not fall within the exception above.

If you have any questions with regard to these Guidelines or should you need Legal Department approval of any expenditures not covered in these guidelines, please contact the International Section of the Legal Department. **Any doubt as to whether legal clearance is necessary should be resolved in favor of contacting the Legal Department. The Company employee requesting approval or clarification shall be responsible for coordinating with Legal Counsel working on the relevant project to obtain any information as to applicable local law.**