

(Approved by the Board 12 December 2013)

COMMUNITY ENGAGEMENT POLICY

Purpose

At New Zealand Oil & Gas we acknowledge that our activities have social, economic and environmental impacts on our stakeholders. Accordingly we value meaningful engagement with those stakeholders to harness their support and maximise the positive impacts for them.

We believe that earning the trust and respect of all of our stakeholders through adherence to our values during that engagement will deliver benefits to those stakeholders, ensure our sustainability and help us to be “New Zealand’s oil and gas company”.

Policy

New Zealand Oil & Gas policy is to have:

- open, transparent and honest engagement with all of our stakeholders;
- community engagement at the heart of our considerations regarding the impacts of our activities;
- appropriate resources available to address or minimise the impacts of our activities on the communities within which we operate and maximise the value we provide to those communities; and
- accountability to our stakeholders for our community engagement actions.

Implementation

To achieve this New Zealand Oil & Gas will:

- Comply with all applicable environmental laws and regulations and good practice industry standards. New Zealand Oil & Gas will apply reasonable standards where laws or good practice industry standards do not exist.
- Support communities to solve issues unique to their community (i.e. we will not apply a standard set of solutions to each community).
- Provide full, clear and understandable information to community representatives.
- Listen to concerns that are raised and seek to discover and deliver a solution.
- Seek to understand issues from the perspective of each community stakeholder, especially where that perspective is unfamiliar to us.
- Support activities which are important to our stakeholders.
- Meet our commitments to our community stakeholders and accurately report our performance against those commitments.

- Provide the resources, training and operating guidelines necessary so that our employees and contractors can embed appropriate community engagement practices in their work activities.

Measures and Accountabilities

Scope and Currency of Policy

The Board will monitor the scope and currency of this policy. The Chief Executive Officer will report to the Board and make recommendations as appropriate.

Community Engagement Commitments and Objectives

The Board will monitor the community engagement commitments of New Zealand Oil & Gas and will establish measurable community engagement objectives. The Board will assess annually the progress in meeting those commitments and achieving the engagement objectives. The Chief Executive Officer will report to the Board and make recommendations as appropriate.

Reporting

The Board will provide, directly to its community stakeholders, reports of New Zealand Oil & Gas' performance in meeting its community engagement commitments to those community stakeholders.

New Zealand Oil & Gas will include in its Annual Report each year:

- the measurable community engagement objectives set by the Board;
- progress against those objectives; and
- other relevant information in relation to its community engagement.

The Audit Committee will appoint such auditors or assurance providers as are appropriate to provide assurance to stakeholders regarding NZOG's performance in meeting those commitments and objectives.

Implementation and Application

The Chief Executive Officer of New Zealand Oil & Gas is accountable to the New Zealand Oil & Gas Board of Directors for ensuring this policy is implemented.

This policy applies to all employees and engaged in activities under New Zealand Oil & Gas' operational control.

New Zealand Oil & Gas managers are responsible for promoting the policy in non-operated joint ventures.