



Human Resource Policy

Effective September 1, 2014

I. Working Conditions and Management of Worker Relationship

General Human Resources Policy

- a) Niko is committed to adopt and implement human resources policies and procedures to manage its work force and contractors in a manner which is: fair minded; promotes a positive working relationship; is open; consistent with good oil and gas industry practice; and in compliance with prevailing laws with respect to labour and working conditions.

Working Relationship

- b) Niko will provide employees with access to its Human Resource Manual that is clear and understandable, regarding their rights under national labour and employment law and any applicable collective agreements, including their rights related to hours of work, wages, overtime, compensation, and benefits upon beginning the working relationship and when any material changes occur.

Working Conditions & Terms of Employment

- c) Niko will provide its workforce with reasonable working conditions and respect and collective agreements that may be in effect.
- d) Where accommodation services are provided to its workforce, including those provided by contractors, Niko will implement policies on the quality and management of the accommodation and provision of basic services in a manner which: complies with any prevailing codes regarding space, safety, and hygiene; provides equal opportunity; and does not restrict workers freedom of movement or association.

Workers' Organizations

- e) Niko will comply with any laws respecting workers' rights to form and to join workers' organizations of their choosing, and to bargain collectively. Where national law substantially restricts workers' organizations, Niko will not restrict, nor seek to influence or interfere with workers, should they seek alternative mechanisms to express their grievances and protect their rights.

Non-Discrimination & Equal Opportunity

- f) Niko will not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. Niko will base the employment relationship on the principle of equal opportunity and fair treatment, and will not discriminate¹ with respect to any aspects of the employment relationship such as: recruitment and hiring; compensation (including wages and benefits); working conditions and terms of employment; access to training; job assignment; promotion; termination of employment or retirement; and disciplinary practices.

¹ Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job will not be deemed as discrimination, provided they are consistent with national law.

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- g) Niko will take measures to prevent and address harassment, intimidation, and/or exploitation, especially in regard to women.
- h) Niko will comply with all laws respecting non-discrimination in employment, and where appropriate and permissible, adopt a higher standard should there be a discrepancy between Niko standards and those required under law.

Retrenchment

- i) Prior to implementing any collective dismissals, Niko will carry out an analysis of alternatives to retrenchment. If the analysis does not identify viable alternatives to retrenchment, a retrenchment plan will be developed and implemented to reduce the adverse impacts of retrenchment on workers. The retrenchment plan will be based on the principle of non-discrimination and be based on consultation with workers, their organizations, and, where appropriate, the government, and comply with collective bargaining agreements if they exist. Niko will comply with all legal and contractual requirements related to notification of public authorities, and provision of information to, and consultation with workers and their organizations.
- j) Niko will ensure that all workers receive notice of dismissal and severance payments mandated by law and collective agreements in a timely manner. All outstanding back pay and social security benefits and pension contributions and benefits will be paid (i) on or before termination of the working relationship to the workers, (ii) where appropriate, for the benefit of the workers, or (iii) payment will be made in accordance with a timeline agreed through a collective agreement.
- k) Where payments are made for the benefit of workers, workers will be provided with evidence of such payments.

Grievance Mechanism

- l) Niko will provide a grievance mechanism for workers (and their organizations, where they exist) to raise workplace concerns. Niko will inform the workers of the grievance mechanism at the time of recruitment and make it easily accessible to them.
- m) The grievance mechanism will involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism will allow for anonymous complaints to be raised and addressed. The mechanism will not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

II. Protecting the Workforce

Child Labour

- a) Niko will not employ children in any manner that is economically exploitative, or is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development. Niko will identify the presence of all persons under the age of 18. Niko will abide by applicable laws respecting the employment of minors. Children under the age of 18 will not be employed in hazardous work and will be subject to an appropriate risk assessment and regular monitoring of health, working conditions, and hours of work.

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Forced Labour

- b) Niko will not employ forced labour, which consists of any work or service not voluntarily performed that is exacted from an individual under threat of force or penalty.

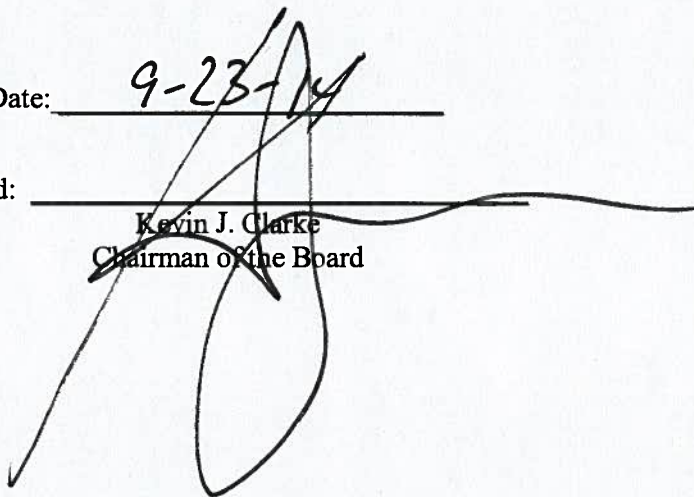
III. Occupational Health & Safety

- a) Niko will provide a safe and healthy work environment, taking into account inherent risks in its particular sector and specific classes of hazards in our work areas, including physical, chemical, biological, and radiological hazards, and specific threats to women.
- b) Niko will take steps to prevent accidents, injury, and disease arising from, associated with, or occurring in the course of work by minimizing, as far as reasonably practicable, the causes of hazards.
- c) Niko apply good international industry practice to address: (i) identification of potential hazards to workers, particularly those that may be life-threatening; (ii) provision of and protective measures, including modification, substitution, or elimination of hazardous conditions or substances; (iii) training of workers; (iv) documentation and reporting of occupational accidents, diseases, and incidents; and (v) emergency prevention, preparedness, and response arrangements.

IV. Workers Engaged by Third Parties

- a) Niko will take reasonable efforts to ascertain that its contractors have an appropriate Environmental and Social Management System that is compliant with Niko's HR Policies.
- b) Niko will incorporate its HR requirements into contractual agreements and or bridging documents with its contractors Niko and manage and monitor the performance of its contractors with respect to HR compliance.
- c) Niko will ensure that contracted workers have access to a grievance mechanism. In cases where the third party is not able to provide a grievance mechanism Niko will extend its own grievance mechanism to serve workers engaged by the third party.

Date: 9-23-14

Signed: 
Kevin J. Clarke
Chairman of the Board