



Sustained Progress

2019 Sustainability Report



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Oando PLC

RC 6474

Sustainability Report 2019

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Our 2019 Sustainability Report



Welcome to our 2019 Sustainability Report, which is the eight in our series of Sustainability Reports. We have maintained the focus on our economic, social and environmental performance based on the strategies developed and implemented, the results or outcomes observed, our achievements and the impacts of our activities within the reporting year (from January 1 - December 31, 2019).

It is another time to intimate you, our stakeholders of our operations in 2019. We congratulate all our stakeholders and investors especially, who have entrusted us with their funds, to do business in a sustainable manner for another successful year - a year in which we have been able to surmount several challenges to produce enviable results in our economic, social, environmental and governance spheres.

In this years' report, as always, we seek to present our corporate journey from January to December 2019, our unique challenges, the concerns of our stakeholders, and measures that were put in place to help resolve those concerns. We will also share with you our initiatives aimed at enhancing our corporate culture, giving back to our communities and seeing to the well-being and development of our staff.

A focal point of this report is to provide a proper perspective for the delicate act of balancing different stakeholder interests and expectations against the numerous operational challenges that arose in the period under review.

Our Reporting Framework

We have employed the Global Reporting Initiative (GRI) guidelines, as with our previous reports. This year we have aligned our report "in accordance" with the Core option. In addition to the essential disclosures, the company also offer additional information about its activities and the integration of sustainability principles into its operations. We also align our commitments and reporting with the ten principles of the United Nations Global Compact (UNGC).

MISSION

To be the leading integrated energy solutions provider

VISION

To be the premier company driven by excellence

VALUES

Teamwork, Respect, Integrity, Passion and Professionalism (TRIPP)

Chairman’s Statement

HRM Oba Michael A. Gbadebo, CFR
Chairman



The year 2019 was a year of great significance and momentum as it birthed the outbreak of the Coronavirus Pandemic, which was first reported in Wuhan, China in December 2019. Within just a few months, the pandemic has spread at an alarming rate, infecting millions across the world, and bringing global activity to a standstill as countries impose tight restrictions on movement and gatherings in a bid to halt the spread. As the death toll continues to rise, it is expected that most countries will continue to restrict movements throughout the year. The pandemic is projected to affect all aspects of life with experts comparing it to the Spanish flu of 1918, which lasted for over 2 years. Due to the restrictions, companies have been forced to be innovative, enacting Work from Home policies to ensure business continuity.



In the midst of the pandemic, our employees remain our foremost cause of concern. As the infection numbers continued to rise, we activated our robust Business Continuity Plan, requiring all our staff to work from home, a week before the country's official lockdown was imposed. Due to our investment in Information Technology, this has been a seamless process that has resulted in zero to minimal disruptions in our day-to-day operations so far. We will continue to monitor the situation while implementing global best practices with our priority being our staff.

These are difficult times, yet there are some reasons to be hopeful. Coronavirus testing has been ramped up, treatments are improving, and vaccine trials have proceeded at an unprecedented pace, with some now in the final stage of testing.

Corporate Governance

Corporate governance remains at the heart of our business. The governance of our Company, as well as the conduct of our business and engagement with our various stakeholders are guided by globally recognized fundamental principles, standards, and best practices.

Sequel to the Forensic Audit carried out by the Securities and Exchange Commission ("SEC") on the Company, the Company's attention was drawn to a press release published by the SEC on Friday, May 31, 2019, confirming a conclusion to its investigations and alleging serious but unfounded infractions by the Company. We maintain that these alleged infractions and penalties are unsubstantiated, ultra vires, invalid and calculated to prejudice the business of the Company. Furthermore, the Company was not given the opportunity to review and respond to the forensic audit report and as such, was unable to ascertain what findings (if any) were made in relation to the alleged infractions and defend itself accordingly before the SEC.

Subsequently, the Company has taken cogent steps to protect its shareholders, its business and its assets, whilst ensuring that its day-to-day operations are not unduly disrupted. Subsequently, the Company took cogent steps to protect its shareholders, its business and its assets (including instituting legal action), whilst ensuring that its day-to-day operations were not unduly disrupted.

As a law-abiding and socially responsible entity, we have also fully co-operated with both the SEC and other regulators in the spirit of utmost goodwill, transparency, and full disclosure, and will continue do so in the interest of all stakeholders to ensure a speedy and smooth resolution of all outstanding SEC matters.

We are confident that the Company is compliant with all applicable laws and regulations and will keep all our shareholders abreast of the key developments related to the above situation.

On a more positive note, Oando is committed to the achievement of the Sustainable Development Goals (SDGs). Since the year 2015, we have ensured that all our business operations, decisions and activities are in alignment with the SDGs, and till date we continue to contribute to the goals, that relate to our activities, industry and the communities in which we operate.

We understand the importance of boosting job creation as an effective measure to eradicate poverty in Nigeria and in support of SDG 8, Decent Work and Economic Growth. Consequently, we implemented the Oando Graduate Trainee Program in the year 2019, with the goal of bringing the brightest minds on board to develop and assist us in executing our vision, as we believe that our employees are the paramount reason for our success. Furthermore, Oando employed 20 new members of staff in 2019, across Finance, Corporate Communications, Governance, Information Technology and Human Capital Management on a full time basis. The Company's new members of staff consisted of 8 male and 12 female employees, which was a 4% increase when compared to the total number of new hires in 2018 of 14 employees of which were 9 male and 5, female.

Gender Equality, SDG 5 is a goal that we have continuously prioritized over the years, and it gives us great joy to see the addition of a higher ratio of women in our workforce, edging us closer to our diversity targets, while simultaneously addressing the inequality challenges prevalent in the oil and gas labour market and in Nigeria at large. The proportion of females hired in the 2019 was 60% whilst the proportion for male hires was 40%. There was an increase in the proportion of female new hires in comparison to the year 2018 which consisted of 37% women and 63% men. We recognize, however, that hiring women is not enough, and so we remain firmly committed to equipping and propelling more women to leadership roles, in order to promote gender equality and secure our female employees' full and effective participation and representation at all levels of decision-making within the Company. In 2019 there were 24 women in management positions which showed

Chairman’s Statement

some growth when compared to the year 2018 which had 21 women in management positions.

Oando is dedicated to building Sustainable Cities and Communities (SDG 11) in the areas in which we operate. Oando’s upstream division operates in about 360 communities across Rivers, Bayelsa, Imo, Delta and Akwa Ibom States and within the rural communities of the Niger Delta. Despite the socio-geographic peculiarities of the Niger Delta, which include insecurity, political and environmental challenges and unrest, Oando in conjunction with its Joint Venture partners, continues to create educational support opportunities, infrastructural development projects, welfare schemes, alternative income generation businesses, as well as other initiatives and programs aimed at poverty alleviation, with the goal of creating more inclusive and secure communities.

In 2019, Oando in collaboration with its Joint Venture (JV) partner, Energia, organized a ‘Business Workshop for Community Vendors’ which provided the vendors with new opportunities to own, register and engage in competitive business opportunities. More than 50 community vendors participated in the workshop and it is expected that the new skills acquired through these workshops will empower them with the knowledge required to seek better business opportunities.

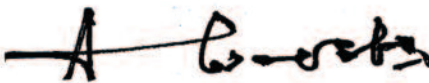
To promote Good Health and Wellbeing (SDG 3) in our host communities, Oando and Energia also organized a comprehensive 3-day health outreach for members of its communities in Ndokwa West LGA of Delta State. The health outreach program consisted of various medical professionals – General Physicians, Optometrists, Pharmacists, Dentists,

Nurses and laboratory scientists who attended to the community members. The outreach had a successful number of 1,150 participants who benefited from the program by undergoing comprehensive health and wellness check-ups.

We recognize that some of our host communities are situated in rural areas without access to clean portable drinking water. To promote Clean Water and Sanitation (SDG 6), and achieve a reduction in water borne diseases in our communities, Oando handed over 10,000 gallons of portable water facilities with treatment plants and generator sand also built a distribution network for the Akri Community of Imo State.

Conclusion

2019 was a year of sustained progress for our company, despite the economic and health challenges we faced. As one of Africa’s leading energy solutions providers, we recognize the need to create sustainable value not only for our shareholders but also for society at large; and this is why we have integrated clearly defined environmental, social and governance factors into our corporate strategy, surpassed expectations, exceeded requirements in giving back to the society and stayed connected to our communities that have allowed us to grow and thrive over the years.



HRM Oba Michael A. Gbadebo, CFR
Chairman

More than 50 community vendors participated in the workshop and it is expected that the new skills acquired through these workshops will empower them with the knowledge required to seek better business opportunities.

50

10,000

To promote Clean Water and Sanitation (SDG 6), and achieve a reduction in water borne diseases in our communities, Oando handed over **10,000 gallons of portable water facilities** with treatment plants and generator sand also built a distribution network for the Akri Community of Imo State.

+ community vendors

Group Chief Executive’s (“GCE”) Statement

Our focus in recent years has been aligning our business portfolio with our long-term growth strategy, which entailed a divestment of our naira earning businesses to focus on our dollar earning portfolio. In 2019, we made further strides towards this objective by concluding the divestment of our residual 25% stake in Axxela to Helios Investment Partners (“Helios”), a leading private equity firm with a focus on investments in Africa for a total purchase price of \$41,500,000, the net proceeds of which were applied towards partially repaying some of our existing debt facilities. In 2019, we also concluded the divestment of our residual interest in OVH Energy, Nigeria’s leading indigenous marketer of petroleum products and services. These divestments provided us with headroom to focus on the steady growth in our upstream and trading businesses.



Jubril Adewale Tinubu
Group Chief Executive Officer



In 2019, we divested our residual interest in our midstream and downstream marketing business, thus streamlining our asset portfolio focus on our dollar-earning upstream and trading businesses, adequately positioned to take advantage of growth opportunities within these sectors.

We are beginning to reap the rewards of this strategy with the significant gas and condensate discovery in our joint venture operations which will play a key role in future income generation for the Company. In the near term, we continued to grow our oil and gas production compared to 2018, ensuring a certain amount of compensation for volatile commodity prices.

The global COVID-19 pandemic, despite surfacing at the tail end of 2019, had major repercussions on financial reporting for the year for many corporates across the globe. The oil industry, in line with global trends, has since recorded over \$65 billion in write-downs this year due to the impact of the pandemic on global oil prices, and consequently, the valuation of oil and gas assets.

Oando Foundation

Oando Foundation (“The Foundation”), through its Adopt-A-School Initiative (AASI), continues to make a difference in the lives of over 200,000 children in 88 school communities across 23 states in Nigeria. In 2019, the Foundation completed its 3-year project partnership with Educate a Child (EAC), Qatar; enrolling over 60,000 out of school children in school, particularly girls and vulnerable children; and equipping them with requisite literacy and numeracy skills that will improve their lives and create a foundation for lifelong learning.

Supporting education infrastructure in adopted schools, the Foundation completed 3 blocks of classrooms and early childcare classes, established 2 digital learning centers, provided motorized boreholes, furniture, teaching and learning aids in adopted schools in Rivers, Plateau, Borno, and Ogun States, respectively.

200,000
children

Oando Foundation (“The Foundation”), through its Adopt-A-School Initiative (AASI), continues to **make a difference in the lives of over 200,000 children** in 88 school communities across 23 states in Nigeria.

Group Chief Executive’s (“GCE”) Statement

The Foundation partnered with the World Bank funded Community and Social Development Project (CSDP) to empower 3 underserved communities in Katsina and Adamawa States where Oando adopted schools are situated: providing social and infrastructure services including drainage construction, renovation of primary health center, construction of classroom blocks and school perimeter fencing. Also partnered with Sumitomo Chemical and the United States Agency for International Aid (USAID) in the “Addressing Education in North-Eastern Nigeria (AENN)” programme, to improve early childcare education and digital learning opportunities for 2000+ students in Mafoni Liberty Primary School, Maiduguri, Borno State.

Through its scholarship programme, the Foundation supports 1,153 best performing students from its adopted schools. The first batch of Oando scholars have completed their secondary education and gained admission into university and by choice are majorly studying engineering and accounting (Aminu Mohammed, a scholar from Katsina, attained the overall best Joint Admissions and Matriculation Board (JAMB) result at state level).

The Foundation continues to champion strategic initiatives for increased private sector investment in the Nigerian basic education sector through the platform of the Private Sector Advisory Group on SDGs (PSAG), whilst actively contributing to and influencing basic education priorities at national and state levels.

Strategic Partnerships to achieve the Global Goals.

We use this opportunity to reaffirm our commitment to upholding the ten principles of the United Nations Global Compact (UNGC) and the Sustainable Development Goals (SDGs). We understand the pivotal role that businesses must play in promoting practices of global governance, anti-corruption and sustainable development. We will continue to partner, engage and maintain strong relationships with international institutions like the United Nations Global

Compact (UNGC), The Convention on Business Integrity (CBI) and Partnering Against Corruption Initiative (“PACI”) of the World Economic Forum.

In 2019, Oando in collaboration with the United Nations Global Compact Network Nigeria, hosted a Breakfast Roundtable Session themed “Financing the SDGs”, in honour of Lise Kingo (Executive Director and CEO of the United Nations Global Compact) and the Emir of Kano, His Highness, Muhammad Sanusi II (one of the 17 global Sustainable Development Goals Advocates appointed by the UN Secretary-General). The purpose of the breakfast roundtable was to discuss and articulate key issues on financing the SDGs in Nigeria; as well as to identify concrete actions for all stakeholders in a bid to mobilize action and deliver on the SDGs of priority to the Nation so that no one is left behind.

Outlook for 2020

The coronavirus pandemic is expected to severely impact the Oil and Gas Industry in 2020 as oil demand significantly reduces. We expect the negative effects on oil prices to be severe which will reduce our revenues. To mitigate this, we have implemented rigorous cost optimization initiatives across all our JV operations, as well as a prudent hedging strategy

which ensures we are not overly exposed to oil price volatility. We also expect the pandemic to lead to higher uncertainty in our business environment, which will impact capital availability for projects. Subsequently, we have commenced active engagement with all our partners towards providing regular updates on our risk mitigation strategies to ensure protection of the capital we require for our operations.

Conclusion

Although we may be going through challenging times globally, we remain dedicated to creating value for our shareholders, whilst providing clean and affordable energy, enabling global economic growth, upholding sound governance principles and positively impacting the lives and communities around us.



Jubril Adewale Tinubu
Group Chief Executive Officer

1,153

3 students

Through its scholarship programme, Oando Foundation supports 1,153 best performing students from its adopted schools.

57
million
barrels

Crude Export
volume till date

43,000
boepd
Production Capacity

About Us

Oando is one of Africa’s largest integrated energy solutions provider with a proud heritage. Primarily listed on the Nigerian Stock Exchange, we were the first African company to have a cross-border inward listing on the Johannesburg Stock Exchange. This has ensured that we set the right tone and standards of corporate governance throughout our operations.

We are a proudly African company with international standards garnered through strategic partnerships and operations across the globe. Our passion, bold spirit and ethos of excellence drives the company to continuously push boundaries in delivering value to our stakeholders, communities and economy as a whole. Through innovative thinking, courageous leadership and pioneering solutions, we are progressively changing the continents landscape.

Our Market Presence

Oando comprises of two companies who are leaders in their respective sectors of the oil, gas and energy industry; Oando Energy Resources and Oando Trading.

Upstream

Oando Energy Resources (OER) is a leading African exploration, production and development company with an extensive asset base comprising of oil and gas reserves at various stages of production and development situated onshore and offshore Nigeria, and the Exclusive Economic Zone (EEZ) of Sao Tome and Principe.

Downstream

Oando Trading: Oando Trading is a leading trader and supplier of petroleum products in Nigeria, its key trading commodities include petrochemicals, crude oil, industrial & liquefied natural gas, and refined oil products. Oando Trading is a key participant in international oil markets, with a significant presence in the West African region, and direct access to major energy markets across Africa via its offices in the United Arab Emirates, South Africa and Nigeria.

Our Global Footprint

Oando has presence in different locations around the world. Our operations are currently focused on upstream activity in West Africa. We are a transformational company with an outstanding workforce that strive towards delivering the highest standards to guarantee a brighter future.



- 1 Nigeria
- 2 Benin Republic
- 3 Togo
- 4 Ghana
- 5 São Tomé & Príncipe
- 6 South Africa
- 7 United Kingdom
- 8 United Arab Emirates

- Primary Listing - NSE
- Secondary Listing - JSE



Our Journey

Our journey as an Energy Company began in 1956 when the business started as a Petroleum marketing Company under the name, ESSO West Africa Incorporated, a subsidiary of Exxon Corporation, USA. In this regard, the Company has passed through various corporate transformations to emerge as it is today, including but not limited to incorporation, nationalization, public listing, partial privatisation in the government controlled Unipetrol, share acquisition, mergers and divestments.

1956	Business operations commenced as a petroleum marketing company in Nigeria under the name ESSO West Africa Incorporated, a subsidiary of Exxon Corporation, USA.
1976	The Government bought ESSO's interests and became sole owners. The Company was renamed Unipetrol Nigeria Limited.
1991	The Company became a Public Limited Company - Unipetrol Nigeria Plc – and 60% of the Company's shareholding was sold to the public under the first phase of privatisation.
1992	The Company was listed on the Nigerian Stock Exchange in February 1992.
1994	Ocean and Oil Services Limited was founded to supply and trade petroleum products within Nigeria and worldwide.
1999	Unipetrol acquired 40% in Gaslink Nigeria Limited (which was increased to 51% in 2001).
2000	Ocean & Oil, a private investment company acquired 30% controlling interest in Unipetrol Plc.
2002	Unipetrol acquired 60% equity in Agip Nigeria Plc.
2003	Unipetrol Nigeria Plc merged with Agip Nigeria Plc and was renamed Oando Plc.
2005	Oando Plc became the first African company to accomplish a cross-border inward listing on the Johannesburg Stock Exchange (JSE).
2007	Oando Energy Services acquired two oil drilling rigs for approximately \$100 million for use in the Niger Delta.

40%
1999 - Unipetrol acquired 40% in Gaslink Nigeria Limited

\$1.5b.
2014 - Oando acquired Conoco Phillips Nigerian business for \$1.5b.

2008	Oando acquired 15% equity in OML 125 and 135, emerging as Nigeria's first indigenous oil company with interests in producing deepwater assets. The Company also acquired an additional oil drilling rig.
2009	Oando acquired two additional oil drilling rigs.
2010	Oando completed a N20 billion rights issue which was 128% subscribed. Oando also launched its first Independent Power Plant for the Lagos State Water Corporation.
2012	OER listed on the Toronto Stock Exchange.
2013	Oando completed a N54.6 billion rights issue exercise which was 101% subscribed.
2014	Oando acquired Conoco Phillips Nigerian business for \$1.5b. Our subsidiary, EHGC, was sold to Seven Energy for \$250m and OER successfully completed a private placement for \$50m.
2015	An agreement was reached to recapitalize 60% of the downstream Helios-Vitol consortium for \$461million. \$250million rights issue successfully achieved.
2016	Oando voluntarily delists from the Toronto Stock Exchange (TSX).
2017	Oando Gas & Power rebrands as Axxella, Oando completes recapitalization of its downstream business
2019	Oando completes full divestment from Axxella

60%
2002 - Unipetrol acquired 60% equity in Agip Nigeria Plc.

Our Core Values

T teamwork

Everyday, our people are driven to work together towards actualising the organisation's common goals and core values.

R espect

We encourage that consideration is shown to all colleagues. By appreciating the worth of others and valuing their contributions, productivity is improved, and a work friendly environment is created.

I ntegrity

Reliability, honesty, and trustworthiness are integral to all business dealings and employees' interpersonal relationships.

P rofessionalism

Proper conduct by all employees is a critical component for our achievement of business excellence.

P assion

At Oando, we perform our tasks with enthusiasm and vigor, with an underlying zeal to always perform at an extraordinary level.



Our Material Issues in 2019



Our material issues in the year under review are shaped by stakeholder concerns, our commitment to the SDGs, matters important to the success of our business and issues of global and national importance, for example: poverty; education; gender equality; climate change adaptation/mitigation; and economic growth.

During the year, periodic review meetings were held at different levels of management; including our monthly performance review meetings; Executive (Exco) meetings; Group office meetings; and Group Leadership Council (GLC) meetings. At these meetings, analysis of the performance of our business against set targets are undertaken.

During these reviews, we consider the factors, events and trends which may have occurred within our industry in that period to impact our performance. These reviews are primarily done to determine conformity with our corporate strategy and brand.

The Board of directors also receive regular reports from the deliberations of these management meetings either directly or from its Board Committees and gives feedback to Management at the board meetings or through the Company Secretary. The feedback process from Management to the Board of Directors and vice versa happens at regular intervals throughout the year to enable us identify or confirm and monitor closely, the issues material to our operations. We are also able to refine aspects of our strategy as we negotiate the myriad of sociopolitical challenges and opportunities in the oil and gas industry.

Our material issues have been identified on the basis of their relevance and significance to our business and categorized under the triple bottom line criteria, showing our Economic, Environmental and Social performance for the year under review. We ensured that our issues of importance were in alignment with the Sustainable Development Goals which are the global priorities for the next 12 years. We have identified our material issues in accordance with specific targets of the SDGs which we contribute to.



Economic

Creating Value

The goal to give value to our investors and shareholders remains constant. Our operations provide value to several groups of stakeholders such as Employees, Investors, Governments & Regulators, Host communities etc. In summary, we work to balance the competing interests of all our stakeholders while meeting our business obligations.

Maximising our Opportunities

The constantly changing business landscape and in particular the oil and gas sector creates numerous risks and opportunities. The ease with which we adapt to the changes and develop innovative ideas enable us identify and maximize the opportunities occasioned by these changes such as the drive for increased local participation in our sector. Adequately harnessing these attributes will enable us increase our productivity and income.

Social

Developing our People

In addition to employing and retaining the right people for the job, investing in the development of our human capital is a key priority. Leveraging opportunities for capacity development backed by employee growth clear career development trajectories will ensure that we have a steady stream of seasoned professionals to continue our legacy of operational excellence for years to come.

Workforce Wellness, Motivation and Empowerment

In addition to programs designed to promote the health, wellbeing, safety and security of our employees both at work in their personal lives, we have also sought to appropriately remunerate, motivate and empower them in order to sustain their passion for work and consequently, their productivity. This is in line with our goal to be the employer of choice.

Environment

Protecting our Environment

Our environmental management philosophy is based on the intent to derive benefit from natural resources in the environment, whilst doing the least harm possible. This is because we are fully aware of the potential risks inherent in our operations coupled with the many challenges such as vandalism, oil theft, sabotage etc that pervade the industry. We have therefore developed systems for the appropriate monitoring of our key indices to prevent the crystallization of environmental risks inherent in our operations.

Water, Gas Flaring and Air Quality

In consideration of the discussions around the issues of climate change, a key aspect of monitoring our impact on the environment centers around our utilization of natural resources and the consequent outputs such as effluents and discharges into water bodies, land and the atmosphere. As a result, we have always ensured that we stay well within the specified regulatory limits for these environmental indicators.

Our Material Issues in 2019

Economic

Leveraging Technology to Improve Efficiency

Technological solutions focused on cost optimization, improved performance and profitability are always being sought, implemented and updated at Oando. These solutions, in addition to enabling us deliver efficiently on our business objectives they also enable us actively address such issues our carbon footprint and other climate-related target improvements.

Social

Building Sustainable Communities

The development of our host communities is a huge priority to our ongoing operations. Host communities are important stakeholders, and indeed partners to our business. In line with our definition of sustainability, we actively collaborate with our host communities to meet both their needs and ours, without destroying the environment and adversely affecting the ability of current and future generations to meet their needs as well.

Advancing our Commitment to Ethical Conduct

Over the years, we have consistently built up our governance framework by setting up adequate structures in the form of policies and processes for the effective dissemination of governance best practice in the way we have chosen to conduct business with our stakeholders. We understand that business ethics is not a destination, rather, it is a continuum that must be advanced till there is total alliance with emerging global governance ideals.

Access to Basic Education

The Oando Foundation supports the Federal Government of Nigeria in the achievement of its Universal Basic Education (UBE) goals which include the eradication of illiteracy, ignorance and poverty amongst other priorities. In addition, the Foundation holds as priority such other development issues as education of the girl child and sanitation in our adopted schools.

Environment

Waste Management

We have consistently ensured that all categories of waste generated in all our operations are appropriately processed in line with the 4 'R's of waste management technique – Reuse, Reduce, Recycle & Recover. Improper management of waste in whatever form results in pollution of the natural environment. The objective of our waste management system is the prevention of pollution.



Risk Management and Control

The Enterprise Risk Management and Control (“ERM”) Function reports to the Group Chief Executive of the Company (GCE) and the Board through the Board Risk, Environmental, Health, Safety Security and Quality (“REHSSQ”) Committee. The ERM Function or Function supports the Board REHSSQ Committee in providing independent risk oversight. It works with operational management in designing and implementing efficient and effective processes to identify, analyse and treat risk. The Function is also involved in facilitating and monitoring the implementation of effective risk management practices and assisting risk owners in defining the target risk exposure and reporting adequate risk-related information throughout the organization for effective decision making.

A major objective of the ERM Function is to maintain organizational risks at acceptable levels and ensure the best balance possible between threats and opportunities – in line with the business appetite for risk and corporate strategy of the Board and Executive Management team. The Function is concerned with ensuring the effective achievement of organizational goals and appropriate management of the organization’s assets, including avoidance of losses as a result of unwanted events.

The ERM Function also contributes to value creation by identifying and reducing risk with mitigating actions relating to future cash flows and business performance. It furthermore helps to improve the Company’s ability to identify opportunities and threats, thus maximizing risk opportunities, earnings potential and ultimately stakeholder value.



Stakeholder Engagement

Stakeholder engagement is key to the successful implementation and effective operation of the ERM Function. The Internal stakeholders which the Function engages are the Board of Directors, the Board REHSSQ Committee, Statutory Audit Committee, Executive management and function heads and Operations and Technical Staff. External stakeholders include Operators of our JV assets, National Petroleum Investment Management Services (NAPIMs), Nigeria National Petroleum Corporation (NNPC) officials during the subcommittee process and the Company’s external auditors. Engaging all identified stakeholders is important to the success of the ERM Function.

S/N	Stakeholder	Basis of Identification	Format/Mode of engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
Internal					
1	Board of Directors	Oando Plc ERM framework, Board Committee Terms of reference	Through the Board REHSSQ Committee reports	Company's Risk Profile Business performance and profitability; Efficiency of business operations	Quarterly reports to the Board; Face to face meetings to deliberate on report content
2	Board REHSSQ Committee	Oando Plc ERM Framework; Board REHSSQ Committee Terms of reference	Board REHSSQ Committee Reports; Face to face meetings and presentations	Business performance and profitability; Company's Risk Profile Liquidity concerns; Regulatory compliance; Efficiency of business operations; Financial reporting	Quarterly reports to the Board REHSSQ Committee; Deliberation on report content
3	Statutory Audit Committee	Oando Plc ERM Framework; Board REHSSQ Committee Terms of reference	Face to face meetings, presentations and reports	Business performance and profitability; Company's Risk Profile Liquidity concerns; Regulatory compliance; Financial reporting	Face to face board meetings to deliberate on risk report content
4	Executive Management	Oando Plc ERM Framework; Annual Enterprise Risk Management Plan	Face to face meetings; Presentations/reports and emails	Business strategy execution; Achievement of Corporate objectives; Efficiency of business operations	Daily engagement on achievement of business objectives and effectiveness of risk mitigation strategies in place
5	Function Heads	Oando Plc ERM Framework; Annual Enterprise Risk Management Plan; Approved Annual business plan	Face to face meetings, reports and emails	Achieving set business objectives and targets in line with the business plan	Daily engagement on achievement of business objectives and effectiveness of risk mitigation strategies in place.
6	Operations and Technical Staff	Oando Plc ERM Framework; Annual Enterprise Risk Management Plan; Approved Annual business plan	Face to face meetings, reports and emails	Achieving set business objectives and targets in line with the business plan	Daily engagement on achievement of business objectives and effectiveness of risk mitigation strategies in place

Risk Management and Control

S/N	Stakeholder	Basis of Identification	Format/Mode of engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
External					
1	Counterparts on JV assets	Joint Operating Agreement	Through the Board REHSSQ Committee reports	Ability to fund operations	Monitoring and participation in JV audit reviews.
2	Nigerian Petroleum Development Company Ltd (NPDC) /NAPIMs/NNPC Officials	Joint Operating Agreement	Face to face meetings, reports and emails	Ability to fund operations Improvement opportunities for efficiency of JV operations	Monitoring and participation in JV audit reviews and monitoring JV Sub-committee resolutions
3	External Audit	Statutory requirement	Face to face meetings, reports and emails	Reliability of financial statements and management representation of material transactions during the year	Annual support during the execution of the statutory audit

Governance

Feedback from stakeholders is reported to the Board through the formal channel of Quarterly risk reporting and daily/weekly/monthly engagement of executive management with members of the Board constituting a part of the executive management team.

The Board REHSSQ Committee is charged with reviewing the effectiveness of the Company's risk management processes. They review these every quarter and give feedback on oversight actions to be taken by the risk management team and executive management.

The risk report and presentations are collated throughout the quarter and finalised ahead of the scheduled quarterly Board REHSSQ Committee and Board meetings. The final reports are sent to the office of the Chief Compliance Officer and Company Secretary (CCO&CS) for inclusion in the board pack and onward transmission to the Board REHSSQ Committee. The reports are examined and deliberated on by the members of the Board ERHSSQ Committee during their meetings and following the conclusion of each meeting, the Chairman of the Board REHSSQ Committee prepares his report (containing recommendations), which is subsequently presented to the Board for action. Any resolution to be taken in connection with the foregoing are also presented to the Board for approval.

In line with our Whistleblowing Policy, Oando has a toll free whistleblowing hotline managed by KPMG on its behalf to ensure the anonymity and protection of the identity of all whistleblowers. The whistleblowing hotline is available to employees, vendors, customers, partners and all other external stakeholders to raise concerns about or report unethical or unlawful behavior, and matters related to the Company's core

values. Issues reported on the hotline are promptly investigated by the Governance and Internal Audit units. Upon completion of the investigation, a formal report is presented to the Statutory Audit Committee and senior management with appropriate recommendations / remedial actions. Feedback is also provided to the whistleblower via the KMPG hotline.

The Company had no incidence of non-compliance with regulations and voluntary codes concerning health and safety in the year 2019.

Oando Plc - Group Risk Profile

A number of risks and uncertainties impact the organisation's ability to deliver on strategic objectives and create long-term shareholder value. These risk factors separately or in combination, could have a material adverse effects on the implementation of the organisation's strategy, business and financial performance, results of operations, cash flows, liquidity, shareholder returns and reputation. The Company competes in commodity-type markets, accordingly, failure to manage costs and operational performance could have material adverse effects on earnings, cash flows and the Company's overall financial condition. In addressing treasury risk (which includes liquidity risk, interest rate risk, foreign exchange risk and credit risk), we usually utilise debt instruments to raise significant amounts of capital. Should access to debt markets become more difficult, the potential impact on liquidity could have a material adverse effect on operations, cash flows and the Company's overall financial condition.

Oil price volatility is a significant risk in the oil and gas industry and prolonged periods of low oil and gas prices, coupled with rising costs, can result in projects being delayed or cancelled leading to impairments in extreme cases.

On the 31st May 2019, the SEC issued a press release on the conclusion and results of the forensic audit commissioned in the second quarter (Q2) of 2018. Management has taken appropriate legal action and the case is still ongoing.

These events resulted in negative publicity and heightened Oando Plc's regulatory compliance and reputational risk factors. The SEC's actions (including the suspension of the Company's 42nd Annual General Meeting) caused additional damage to the Company's ability to raise capital and manage business dealings with financiers and vendors. Consequently major funding schemes were temporarily put on hold, as a result of uncertainties which SEC's actions had created.

During the year, Oando successfully completed the divestment of its 25% interest in its midstream affiliate Axxela to Helios Investment Partners in line with its aim to deleverage on some assets as part of its strategic plan. The aggregate purchase price for the transaction was valued at \$41.5m. The net proceeds were applied to partially repaying its Medium Term Loan.

Against this background, the Company continues to identify and assess those key risks that could impact its medium to long term goals and business sustainability. The top risks are as follows:

S/N	TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR TOP RISKS
1	Regulatory & Reputational Risk	

The group had significant exposures to regulatory and compliance risks in 2019 due to the issuance of the SEC's correspondence and press release on May 31st, 2019 in relation to the results of the forensic audit conducted on the affairs of the Company as well as the SEC's subsequent actions taken against the Company, including suspending the Company's 42nd AGM. This correspondence informed Oando executive management and relevant stakeholders of the completion of the forensic audit and the regulator's sanctions and penalties as a result. Upon evaluation, Oando executive management in collaboration with both internal and external legal counsel concluded that the alleged infractions and penalties were unsubstantiated and the Company had not been not been granted a fair hearing to review and respond to the allegations stemming from the forensic audit. The Company has instituted legal action against the regulator which is currently ongoing. As indicated above, these events resulted in negative publicity and heightened Oando group's reputational and regulatory risk factors. SEC's actions (including the suspension of the 2019 Annual General Meeting) caused additional damage to the company's ability to raise capital and manage business dealings with financiers and vendors. Consequently major funding schemes were temporarily put on hold, as a result of uncertainties which SEC's actions had created. In addition, due to the SEC's suspension of the Company's 42nd AGM, in 2019, the Company was unable to (a) lay the current 2018 Audited Accounts at the Annual General Meeting before the shareholders for approval; (b) give the shareholders the opportunity to re-appoint the external auditors to hold office for the 2019 financial year; and (c) file its annual returns. Consequently, the actions of the SEC in suspending the 42nd Annual General Meeting of the Company meant that in 2019, the Company was not only unable to comply with its legal obligations but also fell foul of good corporate governance practices.

The Group also has significant unpaid tax and regulatory liabilities as at the end of FY 2019.

Mitigating Measures

This risk was managed by developing a proactive stakeholders' communication strategy and by carefully monitoring and reporting on the matter. The Corporate Communications department also had a crisis management plan in place which focused on proactively managing the Company's stakeholders and providing agile responses to negative press releases.

Management promptly responded to subsequent queries from the SEC and actively cooperated with the SEC in this regard. The Company also responded to stakeholder requests and kept them apprised of latest developments.

There is significant engagement with the tax authorities on outstanding taxes. Payment plans on some tax liabilities were negotiated and agreed and payment on these terms has commenced.

Risk Management and Control

S/N	TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR TOP RISKS
2	Liquidity Risk	<p>Liquidity risk still remains a key risk to the Group's operations.. This risk crystallized in some instances and resulted in the inability of the Company to meet some of its financial obligations as they fell due.</p> <p>The Group's ability to achieve its business objectives is dependent on a significant improvement in its liquidity position. as there is no certainty on the sources of funds to repay future interest and principal on loans as they fall due. There are ongoing engagements with the banks and negotiations on possible funding plans.</p> <p>Mitigating Measures The Group continued the restructuring of its balance sheet through board approved divestments, loan restructuring and new capital programs. The steps taken by management are expected to address the issues. The current divestment strategies provides the opportunity to focus on the upstream business and raise the required capital for a healthier balance sheet.</p> <p>OER significantly paid down its RBL 1 debt service obligations. In addition to an Arrears Settlement and Cash calls Funding Agreement was executed with Nigerian AGIP Oil Company Ltd (NAOC) on the OML 60 - 63 joint venture, to aid in settlement of the reconciled debt as at 31 December 2017 and sustainable funding of cash calls on a go forward basis. The agreements are aimed at managing company cash flows, addressing current liquidity exposures and improving overall profitability.</p> <p>The Treasury Manager monitors cash flow on a weekly basis estimating the liquidity needs and ability to meet future obligations. This involves comparisons with forecasts, investigation of differences, and identification of changes in cash flow requirements.</p> <p>In the preparation of project plans and models, the Business planning/economics team and Corporate Finance Manager carries out stress testing on assumptions used in preparing the project model which includes inflation, interest rate and exchange rate simulation and develops scenario based hurdle rates for investment decisions. This ensures that the Company is aware and adequately prepared to handle inflation, interest and exchange rate fluctuations.</p> <p>The Company has a formal contingency funding plan (CFP) that clearly sets out the strategies for addressing liquidity shortfalls in emergency situations. The contingency plan includes contingency overdraft lines with banks and a cushion of unencumbered, high quality liquid assets to be held as a buffer for liquidity stress situations.</p>



S/N	TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR TOP RISKS
3	Macroeconomic Risk	<p>Upstream business Volatility in oil and gas prices is still a high risk. Per the EIA (Energy Information Administration), average dated Brent oil price in 2019 reduced by 9.6% to \$64.37/bbl. from \$71.19/bbl. in 2018. During the year, the Group had in place economic hedges through the use of financial commodity contracts on crude. The economic hedges cushioned/reduced the Group's exposure to fluctuations in crude oil prices and the associated financial risk/effect. The volatile nature of oil prices during the year had a significant impact on the Group's overall liquidity and ability to service debts and other counterparty obligations and its ability to achieve its short to medium term production and profit targets.</p> <p>Mitigating Measures Management's strategy was that of cost optimization and in addition to strategic reduction of operational expenses, several cost optimization initiatives were incorporated into OER's 2019 budget while re-prioritizing work programs in order to optimize capital expenditure (CAPEX) spend and Joint Venture funding. Management also carried out a plan to study the NAOC JV cost structure with a view to further reducing costs.</p> <p>Management maintained the crude price hedge to preserve the value of the Group's investment and continued to review for appropriateness and sufficiency. Management continued to take advantage of this opportunity to pay down loans utilising the hedge differentials.</p> <p>On key operations liquidity i.e. outstanding cash call liabilities on the Exploration & Production subsidiary, during the year, Oando Energy Resources (OER) completed negotiations with the operator (NAOC) on the Arrears Settlement and Cash Calls Funding Agreement. These agreements were executed on the 12th September, 2019 and the terms of these agreements give OER a short term reprieve on its contractual cash outflows on the JV and provide the opportunity to strategically manage future cash flows to address other pressing business needs.</p>
4	Strategic and Business Model Risk	<p>This addresses the risks of current or prospective negative impact on the Group's earnings, profitability, capital base and reputation arising from a selection of inappropriate business strategies.</p> <p>Mitigating Measures The Oando Opportunity Realization Process was consistently used for the screening of potential and ongoing business opportunities. Continuous management reviews of business processes were carried out to identify areas for strategic improvement. Operational reviews also took place for proper project evaluation.</p> <p>Opportunities for business diversification were sought where it appeared that a particular model no longer held the capacity or potential to provide the anticipated value to the Company.</p>

Risk Management and Control

S/N	TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR TOP RISKS
5	Financial Reporting Risk	<p>Given the size and complexity of the Group structure and the limitation of the Group's reporting application, there is a risk that there may be inaccuracy in its reporting.</p> <p>Mitigating Measures</p> <p>1. The company during the year implemented Oracle Cloud Enterprise Resource Planning (ERP) with a planning, budgeting and consolidation module that would help in the financial reporting process. Under this process, the Financial Statements, notes and disclosures prepared by the Finance Manager are reviewed by the Group Financial Controller along with the completed International Financial Reporting Standards (IFRS) disclosure checklist to ensure all areas requiring disclosures have been adequately covered before approval.</p> <p>2. The Group Financial Controller reviews key financial reports to verify that the consolidated balances, after applying elimination entries, are correct (for example: intercompany accounts are zero). Identified errors are discussed with the Finance Managers and corrected as necessary.</p> <p>3. Internal and External Audit review the Financial Statements. The Statutory Audit committee also meets quarterly to review the Interim Financial Statements.</p>

S/N	TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR TOP RISKS
6	Business Continuity & Disaster Recovery Risk	<p>The Company will not be able to recover its data or continue its day-to-day business activities in the event that there is business interruption due to fire, Cyber-attack, etc.</p> <p>Mitigating Measures</p> <p>1. During the year, the Company made a successful transition to cloud ERP services and secured its ISO 27001 – Information Security Certification, all in a bid to adequately address cybersecurity risks.</p> <p>Furthermore, to adequately protect the organization from threats that might impinge on future cash flows and shareholder value, the Company's approach to cybersecurity has kept pace with on-going developments within the cyber security spectrum. In mitigating cyber risk, the organization has been proactive with the security of its Information Technology (IT) infrastructure; undertaking remediation activities for issues noted from vulnerability and penetration testing activities, ensuring that the Company's IT systems are updated with the latest patch releases from security vendors, and also enhancing general improvement in enterprise security awareness, including holding training sessions for staff. A couple of intrusion attempts were noted during the year by cyber hackers, however such attempts were unsuccessful. Oando continues to employ the latest developments in IT security to combat these cyber risks.</p> <p>2. Existence of an updated disaster recovery policy and plan with provisions for annual testing.</p>



Peace, Justice and Strong Institutions (SDG 16)

Internal Audit



Internal Audit

The Internal Audit Unit reports directly to the Statutory Audit Committee of Oando Plc and administratively to the GCE. The unit in performing its duties also engages various levels of management (executive, senior and mid-level) and other employees.

The Internal Audit Unit provides independent assurance that the company’s Risk Management, Governance and Internal Control processes are operating effectively thereby supporting the Board and Management in the successful execution of Oando’s Strategy. The Unit is also saddled with the responsibility of coordinating Joint Venture Audits to hold Operating Partners responsible for sustainability in production of hydrocarbons as well as ensure value is maximized per dollar of Capex and Operating Expenditure (Opex) spend on the assets.

As was stated in last year’s report, an External Quality Assessment exercise was conducted on the Internal Audit Unit during the period in compliance with the requirement of the Institute of Internal Auditors (IIA) Standards and the SEC Code of Corporate Governance for Public Companies in Nigeria. The result of the exercise indicated that the Internal Audit Unit generally conformed to the International Standards for the Professional Practice of Internal Auditing (Standards) and the internal auditors applied the IIA’s Code of Ethics in conducting their activities. Recommendations for improvement noted from the assessment are being remediated in line with best practice. The next External Quality Assessment is scheduled for 2021.

The thrust of Internal Audit reviews for the current period include Information Technology General/Security Reviews on account of the company’s significant reliance on information processing through its ERP and the migration of the ERP to the cloud, Joint Venture Audits as stated above, controls over financial reporting and other non-financial reviews of various aspects of the Company’s operations. The Internal Audit Unit has the following targets set for 2020.

Targets for the Next Reporting Year (2020)

KEY PERFORMANCE INDICATORS (KPI)		TARGET
Percentage coverage of audit plan		80%
Percentage of recommendations implemented		70%
Business unit / Auditee satisfaction survey	80% of respondents are satisfied with the audit	
Significance of audit findings / recommendations	30% of issues raised should address high risks	
Actual vs Budget hours spent on audit engagements		<110%



Stakeholder Engagement

The Internal Audit Unit’s activities require continuous engagement with various levels of management whose processes / operations are subject to review and follow up on recommendations.

The stakeholder engagement for each year is derived from the Internal Audit Charter and Board approved internal audit plan, which determines the reviews to be performed for the period as well as outlines the reporting requirement of the Internal Audit function.

The schedule below highlights the key stakeholders, frequency and mode of communication with these stakeholders, stakeholder concerns and resolution strategies.

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
Internal				
Board of Directors	Internal Audit Charter	Through the Audit Committee’s reports	Business profitability, Compliance with regulation and policy, Financial Reporting, Effectiveness of Operations	Quarterly reports to the Board for deliberation on business updates
Statutory Audit Committee	Internal Audit Charter	Face to face meetings, presentations and reports	Business Enterprise Sustainability, Compliance with regulation and Policy, Financial Reporting, Effectiveness of Operations	Quarterly report of business updates and significant issues
Group Chief Executive Officer	Internal Audit Charter	Face to face meetings, presentations, reports and email	Profitability and Value to Stakeholders	Quarterly update and discussion on business performance
Executive Management	Internal Audit Charter	Face to face meetings, presentations, reports and email	Achieving strategic objectives of the organization	Daily interaction on achievement of business risks and objectives
Function Heads	Approved Internal Audit Plan	Face to face meetings, reports and emails	Delivering on business objectives	Daily interaction on achievement of business risks and objectives
Operations and Technical Staff	Approved Internal Audit Plan	Face to face meetings, emails	Delivering on business objectives	Daily interactions on achievement of business risks and objectives

Peace, Justice and Strong Institutions (SDG 16)

Internal Audit

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
External				
Counterparts on JV assets	Joint Operating Agreement	Face to face meetings, reports, emails	Ability to fund operations	JV Audit reviews and other interactions with operators
External Audit	Statutory Requirement	Face to face meetings, reports, emails	Reliability of financial information Effectiveness of Operations	Annual support for execution of external audits

Governance

The SEC Corporate Code of Governance for Public Companies requires the Internal Audit Unit to report directly to the Statutory Audit Committee, while having a line of communication with the GCE. The unit's reporting to the Statutory Audit Committee contributes significantly to its independent status within the organization. In addition, the Head, Internal Audit has direct access to the Chair of the Statutory Audit Committee as recommended by the SEC Code of Corporate Governance for Public Companies. The Statutory Audit Committee is able to hold separate meetings with the Head, Internal Audit in compliance with the SEC Code of Corporate Governance for Public Companies. Furthermore, the Statutory Audit Committee is also saddled with the responsibility of reviewing the performance of the Internal Audit Function as well the remuneration of the Head, Internal Audit.

The Internal Audit Unit adopts a risk based approach to develop the plan of activities and reviews to be performed in a financial year. The risk based audit plan links the activities of the Internal Audit unit to the Company's overall risk management framework thereby allowing the unit to provide assurance to the Board of Directors that the management processes deployed by Management are effective, in relation to the Company's risk appetite.

A written report is prepared and issued by the Internal Audit Unit at the conclusion of each audit engagement, and such report is distributed as considered appropriate. Aggregated significant issues are reported to the Statutory Audit Committee and the GCE periodically. This is done at least once a quarter or as mandated by the Statutory Audit Committee.

During the period under review, seven (7) critical concerns were communicated to the Statutory Audit Committee. The Statutory Audit Committee and Board of Directors engaged the executive management to ensure the prompt remediation of the issues raised. The table below shows the nature of critical concerns communicated to the Statutory Audit Committee during the period.

NATURE OF CRITICAL CONCERNS	NO. OF CRITICAL CONCERNS
Governance / Strategy	3
Financial Exposure / Misstatement	4
Total	7

All seven (7) issues reported have been appropriately remediated by management with adequate measures put in place to address the outstanding issues.



Peace, Justice and Strong Institutions (SDG 16)

Governance



Governance

Long term business success and sustainability are direct results of the established processes and interactions by which an organization is controlled and directed. At Oando, our governance structures and practices are the indicators that have enabled us monitor our actions, policies, practices and decisions made in the course of executing our operations and the attendant outcomes of the listed factors to ensure the perpetuity of our corporate activities towards business success and economic growth.

Corporate governance best practices also allow us balance the varied interests of our many stakeholders. It encompasses every sphere of management from the development and implementation of our strategic objectives to the internal guides and controls that govern all our activities, through the measurement, management and disclosure of our performance. Its structures and principles provide the framework through which the objectives of the Company are attained, and as a result, we continue to review our operational frameworks based on the emerging principles of corporate governance best practice.



We ensure that our Governance structure is in compliance with the Company's Article of Association, the Companies and Allied Matters Act, Cap C20 and Laws of the federation of Nigeria.



Our Governance Framework

The development of the Oando Group Governance Framework was based on a consideration of the UK Corporate Governance Framework, South Africa's King Report on corporate Governance (King III), the OECD Principles of Corporate Governance and the SEC Code of Corporate Governance for Public Companies in Nigeria. We ensure that our Governance structure is in compliance with the Company's Article of Association, the Companies and Allied Matters Act, Cap C20 and Laws of the federation of Nigeria.

Shareholders

The role of shareholders within the Oando Governance Framework is to appoint the directors and the auditors. The Board of directors ("the board") and management of the Company as a whole, are accountable to the shareholders and must ensure that the shareholders are satisfied and more importantly impressed with the effective governance structure and standards in place.

The Board of Directors

The Board has the ultimate authority, responsibility and accountability for the Company. A range of significant decisions are specifically reserved for the Board in order to ensure that it retains proper and adequate control and direction of the Company. Such decisions are labelled- The Schedule of Matters Reserved for the board, which include but are not limited to the following:

- Strategy and Objectives
- Business plan and budgets
- Changes in capital and corporate structure
- Accounting policies and financial reporting
- Internal controls
- Major contracts
- Capital projects
- Acquisitions and disposals
- Communication with shareholders
- Board membership

The Board also maintains the authority to delegate some of these decision-making functions to the Executive Directors who are responsible for the day-to-day running of the business activities. In accordance with global governance best practice, the offices of Chairman and Group Chief Executive are held by two separate individuals.

Group Leadership Council

The Group Leadership Council (GLC) of Oando is composed of top-level management who provide executive direction on the day-to-day administration of the Company, effectively managing our talents and resources for the achievement of our strategic

objectives. A detailed explanation of composition and responsibilities of our GLC members can be found in our previous 2015 Sustainability Report.

Governance Initiatives and Policies

- Anti-Corruption Policy
- Blacklisting Policy
- Board Appointment Process
- Corporate Code of Business Conduct and Ethics
- Delegation of Authority
- Dividend Policy
- Environmental, Health, Safety and Security Policy
- Gifts and Benefits Policy
- Information Disclosure Policy
- Insider Trading Policy
- Know Your Customer Policy
- Matters Reserved for the Board
- Records Management Policy
- Related Party Policies
- Remuneration Policy
- Staff Handbook
- Whistle Blowing Policy and hotline
- Complaints Management Policy

Ethical Conduct

At Oando we observe the highest standards of integrity; The Company maintains a Corporate Code of Business Conduct and Ethics (the Code), applicable to all Directors, Managers, Employees and those who work for or on behalf of the Company.

To maintain a strong ethical culture within the organization, we ensure that new entrants are trained on the Company's policies and practices through a compliance on-boarding process. All directors and employees are required to participate in an annual recertification exercise which involves a refresher course

Peace, Justice and Strong Institutions (SDG 16)

Governance

on our values, governance policies and anti-corruption principles. Participants are then tested after which certificates of compliance are generated for all who pass the test.

In 2019, we began circulating a periodic newsletter called The “OER Bitesize Compliance Newsletter” which is published and circulated to all employees to educate them on different ethical and compliance issues whilst promoting a culture of ‘doing the right thing even when no one is watching’.

In building an ethical culture, we understand the importance of having different mediums through which issues of concern can be reported and feedback can be given on the actions the Company has taken to deal with such reports. These mechanisms have been made easily accessible to all employees, vendors, business partners and other parties.

A key reporting platform is the whistleblowing hotline independently managed by KPMG Advisory Services to protect the identity of employees and/or any stakeholders who wish to report ethical issues anonymously. Employees are also encouraged to report grievances through other medium such as in person conversations, calls or emails to their line managers or members of the Governance Office.

Business Integrity

Anti-corruption is a major aspect of our Code, Oando is opposed to all forms of corruption. Our anti-corruption program is tailored towards compliance with applicable laws and regulations whilst providing training and actively monitoring progress on key issues such as money laundering, insider training, related party transactions and other key policies.

Our Governance officers are responsible for monitoring and reporting on the extent to which our ethics and anticorruption policies are integrated into our business activities and adhered to by employees and directors, to ensure that we self-correct and make improvements where necessary, so that we may maintain our strong stance on anti-corruption.

We are committed to the global fight against corruption, we actively participate in this fight through our membership and active participation in local and international organisations. We are members of the Partnering against Corruption Initiative (PACI) of the World Economic Forum, The United Nations Global Compact (UNGC) and the Convention on Business Integrity.

Communication and Training on Anticorruption Policies and Procedures

All directors and employees within the Group are required to undertake an annual re-certification exercise, which involves a web-based training and recertification on the Group Code of Business Conduct and Ethics. In 2019, all directors and employees successfully completed the exercise. The annual re-certification process is mandatory for all directors and employees to reaffirm their dedication to the Company’s Code of Corporate Governance and Ethics and refresh their understanding and commitment to the Code.

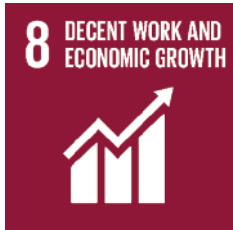
After completing the training, individuals are required to undergo a test to ensure that the information has been effectively assimilated. New employees receive training on Oando’s Code of Corporate Governance and Ethics, within the first month of employment as part of their induction programme.

Where an individual fails the test, they are required to review the training information before retaking the test until they can attain the minimum standard required for the year. To maintain awareness and promote a compliant culture in the Company, townhalls, on-site training sessions, periodic electronic-based information platforms and in-person meetings and discussions with the Chief Compliance Officer and members of the Governance and Compliance Office are arranged and held throughout the year.



Gender Equality, Decent Work and Economic Growth,
Reduced Inequalities (SDGS 5, 8 & 10)

Human Capital Management



Human Capital Management

Organizational profile - People

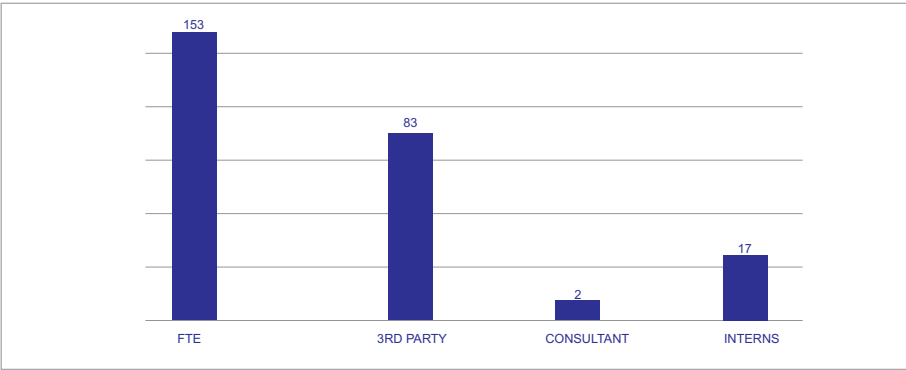
The Human Capital Management (HCM) strategy remains the same, to ensure the organization remains the best place to work and invest in. In 2019, the Group focused on re-engineering and improving its existing processes and procedures, providing invaluable knowledge to its employees, while maintaining an environment which enables all staff to develop the ability to perform at their best potential, which in turn attracts and retains talents and optimally improves operation efficiency and overall effectiveness.

The Organization’s employee profile is displayed below:

Total Employees by Subsidiary

EMPLOYMENT CATEGORY	OER	GROUP	FOUNDATION	OTD	TOTAL
FTE	103	33	6	11	153
3rd Party	45	37	0	1	83
Consultant	2	0	0	0	2
Interns	10	7	0	0	17
Total	160	77	6	12	255

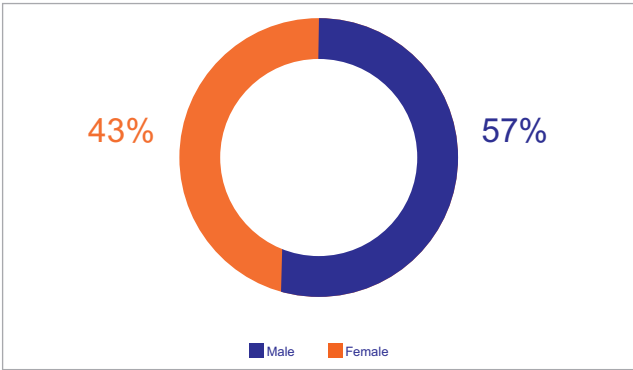
Total No of Employee by Employment Category



The Company continues to dissociate itself from unethical practices and prides itself as an equal opportunity employer by ensuring its selection and hiring processes are based on the applicant’s skills and competence.



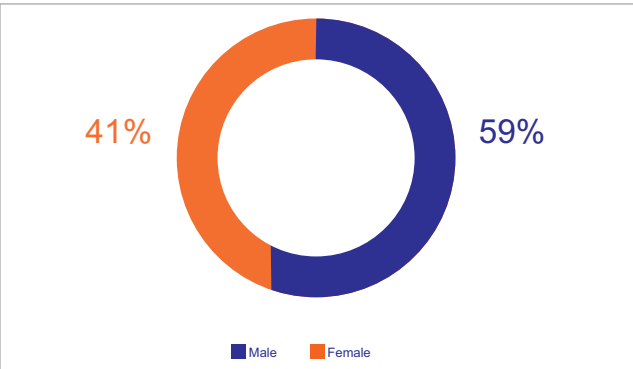
All Employee Type Gender Distribution 2019



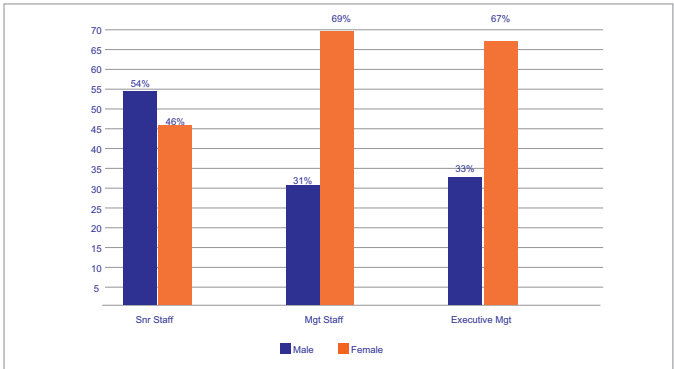
2019 total full time workforce by Management (Mgt.), Senior (Snr.) and Executive Management staff by gender distribution.

FTE	SNR STAFF	MGT STAFF	EXECUTIVE MGT	TOTAL
M	31	53	6	90
F	36	24	3	63
TOTAL	67	77	9	153

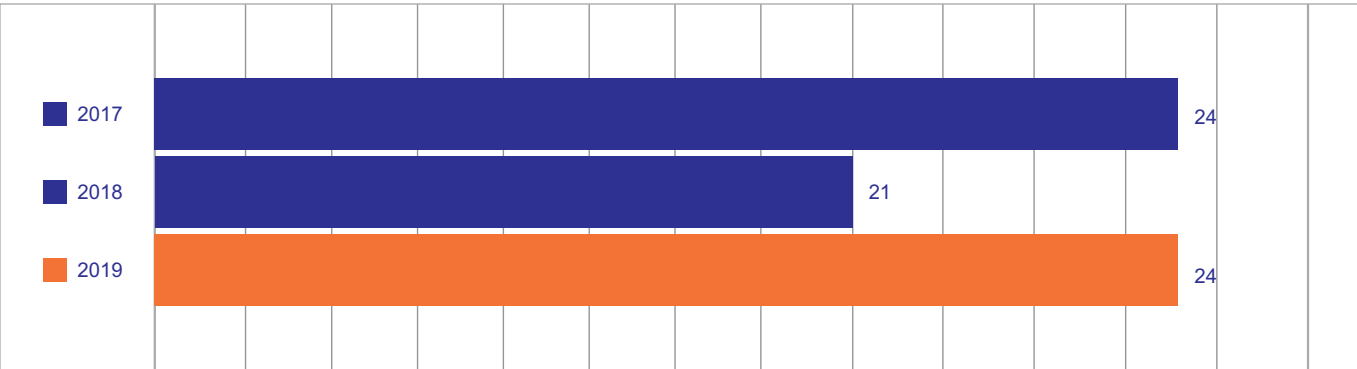
FTE Gender Distribution 2019



2019 FTE Distributin by Gender and Hierarchy



Trend Analysis of Women in Management Positions



Gender Equality, Decent Work and Economic Growth, Reduced Inequalities (SDGS 5, 8 & 10)

Human Capital Management

Total number and rates of new employee hires and employee turnover by age group, gender and region

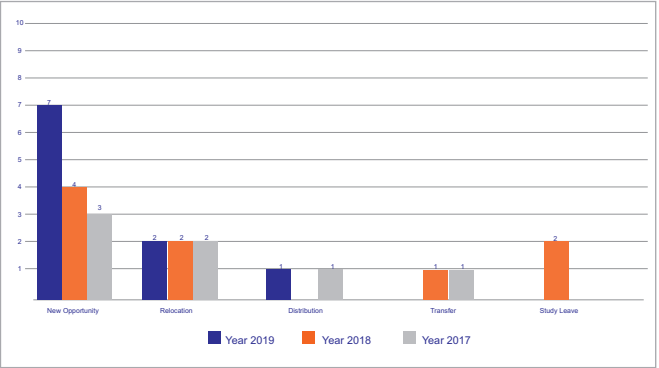
NEW HIRES 2018					TOTAL	RATE
	20-29	30-39	40-49	50+		
Male	1	6	1	0	20	13%
Female	5	6	1	0		
TURNOVER 2018					TOTAL	RATE
	20-29	30-39	40-49	50+		
Male	0	3	3	0	9	5%
Female	0	1	0	0		

In 2019, Oando employed 20 new members of staff, across Finance, Corporate Communications, Governance, Information Technology and Human Capital Management on full time basis. The Company's new members of staff consisted of 8 male and 12 female employees, which was a 4% increase compared to the new 2018 hires, which summed up to a total of 14 employees; 9 male and 5 female.

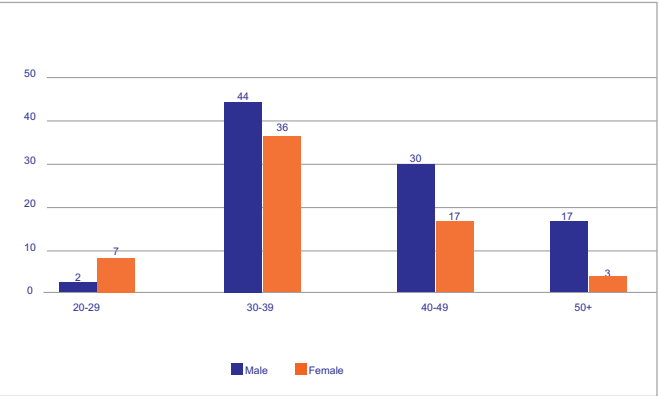
The proportion of females hired in the reporting year was 40% whilst the proportion for male hires was 60%. There was an increase in the proportion of female hires in comparison to the year 2018. The Company's new hires for the year 2018 consisted of 37% women and 63% men.

In 2019, the Company recorded 7 employee exits, which was less than our 2018 record of 9 exits, along with a 100% return to work and retention rate for both male and female employees after parental leave. All exits during the reporting year were due to new opportunities, relocation, study leave, transfer as well as one recorded dissatisfaction. The attrition rate remained the same in 2019.

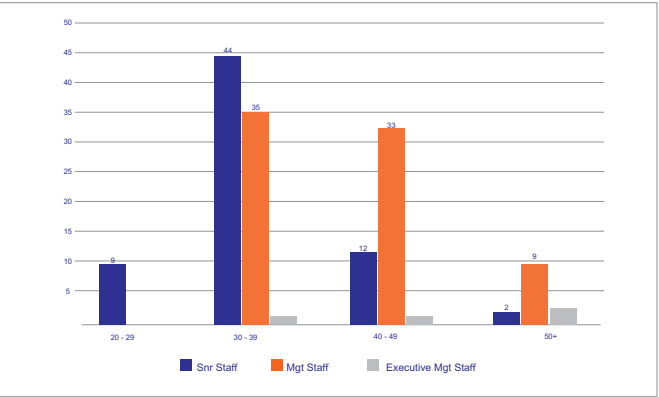
Attrition Rate



2019 FTE Distribution by Age and Gender



2019 FTE Distribution by Age & Hierarchy



Diversity and inclusion are a vital part of Oando's workplace culture. Diversity in the Group's workforce is important for the well-being of its employees, as well as the business. The Group appreciates the differences between its employees and the value that each of these varying attributes and characteristics contribute to its business. Oando's relationships are based on respect and openness. This is reflected in the composition of the organization with a total of 255 employees.

Remuneration, Benefits & Employee Welfare

Oando's competitive pay positioning remains anchoring our fixed pay around the 50th percentile of comparative competitor pay levels, obtained through appropriate and reliable market/industry surveys.

A group-wide job evaluation of 108 roles was carried out to measure current comparable worth of all roles within the organization resulting in 100% elimination of duplicated roles (37% of jobs were identified as duplicated).

Health benefits coverage was reviewed to include access to an international health insurance provider. The team worked with health providers and fused three required medical examinations into one comprehensive check covering (i) annual medical checks, (ii) periodic safety medical checks, and (iii) Group Life insurance medical checks, thereby ensuring a seamless and stress free medical examination.

As part of the organisation's drive for Employee recognition and engagement, the team recommenced the announcement of new joiners, included car grants for senior staff, as well as, increased social subscription limits while ensuring adequate flexibility of all benefits.

We continue to make, provide and improve on the below listed benefits for full time employees, based on defined eligibility criteria such as years of service, hierarchy, position etc. across all company locations:

- Pension
- Group Life Insurance
- Health Insurance
- Annual Leave
- Sick Leave
- Leave of absence
- Parental Leave
- Casual & Compassionate Leave
- Study Leave
- Examination Leave
- Mortgage Support Facility
- Car Benefit
- Car Grant
- Social & Professional Subscription
- Mobile Phone
- End of Year Allowance

Oando participates in the Mandatory Pension scheme as guided by the Pension Reform Act 2014. The Company pays 14.2% of gross pay as its contribution to the Pension Fund Account of each employee, which is 4.2% above the 10% recommendation of the Pension Reform Act 2014, while employees contribute 8% of their gross pay into the same scheme. This serves as our participation in retirement plans and gives its our employees some comfort for life after work.

Oando continues to engage Third Party Outsourcers for temporary/ or part time employees to aid its operations and ensures that the organizations its engages provide their employees with adequate benefits including but not limited to:

- Life Insurance
- Health Care
- Annual Leave
- End of year allowance

Learning and Development

Oando offers its employees a wide range of training and development programs and continuous opportunities for personal growth in order to develop their professional skill set, promote talent systematically and take increasing responsibility for value creation at Oando.

The size of the organization enables it to personalize career development and training opportunities for each employee.

The Company strives to continuously upskill its employees by offering and continually encouraging a blended approach to learning with core emphasis on "On the Job Training". Of the 2019 approved training plan, Seventy Two Percent (72%) of both local and international formal/classroom learning interventions were implemented. The Company leveraged its Subject Matter Experts (SMEs) and delivered five (5) Learning Sessions on Core Business Essential modules via the Oando Academy, which was created to further drive the Company's stance on Learning and Development in-house; 104 enrollments were processed accounting for about 70% of the entire organization.

Gender Equality, Decent Work and Economic Growth, Reduced Inequalities (SDGS 5, 8 & 10)

Human Capital Management

Performance and Talent Management

Oando believes that employees are the true assets of an organization and investing in talent is vital to sustainable business, growth and success. Hence, the Company strives to continuously manage and equip its talents by encouraging feedback, communication, provision of clear job descriptions and career paths and consistent employee engagement.

Oando believes that in carrying out an effective performance management, organizational goals and employee goals should be in alignment. To this end, according to its usual practice, the Company carried out a bi-annual goal setting from top to bottom and conducted performance appraisals or evaluations at the end of each period to ensure overall alignment.

By employing the use of the Talent Management System, employee performance was analyzed based on the predefined Specific, Measurable, Achievable, Realistic and Timely (SMART) objectives.

This is usually a continuous process and Oando constantly encouraged clear communication lines between employees to boost engagement and productivity; which in turn drove employee performance by creating a positive and safe work environment.

In addition to this, Oando continues to stress the importance of safety with attractive working conditions to attract and retain talent.

Other Stakeholders

Oando's systems are continuously designed and driven by the understanding (as declared in previous reports) that every organization has stakeholders whose differing interests may sometimes conflict. Consequently, the organization ensures that it continuously:

- i. Knows who its stakeholders are;
- ii. Identifies the impact of every stakeholder to the business and vice versa;
- iii. Prioritizes its stakeholders based on their respective impact on the business;
- iv. Adequately understands what its key stakeholder concerns & issues are;
- v. Resolves or manages the stakeholder concerns identified;
- vi. Updates stakeholders on resolutions to their concerns; and advance improvements

Maintaining a close dialogue with its principal stakeholder groups is a central part of Oando's sustainability drive. The key stakeholder groups have been identified as those that are most affected by its operations and have a high degree of influence over the Company.

SMART



Specific




Measurable



Achievable



Realistic

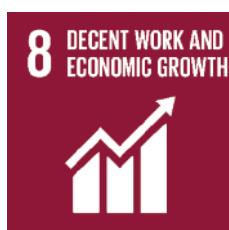


Timely

For 2019, the Company has maintained the identification and classification of its key stakeholders outside of its employees into the following groups:

Stakeholder	Identification	Means of communication	Stakeholder concerns	Approach/addressing concerns
Employees (Full time employee "FTE")	Company staff	Emails, focus groups, in-person meetings, round table discussions, town hall sessions	Health Management Organisations (HMO) – more options, robustness of packages	HMO providers are invited to engage all employees on available offerings, limitations and exclusions, where applicable. The HCM team manages and resolves all concerns that arise in this regard.
			Remuneration and benefits –	Employees are constantly engaged to better understand their contractual terms, benefits available to them and the ways to better enhance the organizations EVP (Employee Value Proposition.
			Performance management- effective measurement of performance; grievances etc.	The Company undertakes a biannual appraisal cycle based on corporate objectives for the year in view, which is managed by the HCM team
Outsourcing Companies	Third party contractors	Emails, in-person meetings, round table discussions.	Aligning with corporate culture, business goals and strategy	HCM includes all outsourced staff in town hall meetings where general matters affecting all employees and other stakeholders are discussed. 3rd Party contractors undergo a level of induction to familiarize them with the Company's objectives, its
Vendors and Business Partners	Training Facilitators	Emails and phone calls	Value add of available learning interventions; payments;	Source credible and relevant facilitators for learning interventions based on business needs.policies and culture
Management and Executives	Group Leadership Council	Emails, focus groups, in-person meetings, round table discussions, town hall	Cascading information. Driving the right culture	Town hall engagements; provide organizational reports and drive implementation of policies
Investors & Shareholders	Investors & shareholders	Emails, phone calls, face to face meetings	Transparency	Ensure consistent and effective communication
Governments and Regulators	Department of Petroleum Resources (DPR), Federal Inland Revenue Service (FIRS), etc.	Emails, phone calls, face to face meetings	Compliance, Payments	Consistent follow ups with the finance team to ensure payments are made at the right time

Information Technology as a Tool for Sustainable Development



Information Technology

Oando continues to make steady progress in its digital transformation journey in response to its rapidly changing economic landscape and peculiar business needs. The organization recognizes and encourages the evolving digital preferences of its diverse workforce, and also the advancement of technology which compels the Company to develop new innovative processes and systems for interacting and conducting business with its vendors, and other stakeholders.

In 2019, Oando progressed its transformation agenda in line with its digital ambition through the implementation of programs that strengthened its information technology infrastructure, aligned its risk management framework to a global standard to improve its business continuity and disaster readiness, whilst implementing additional data privacy controls in compliance with National and Global Data Protection Regulations. Consequently, an enabling environment was created for the Company's people to learn, innovate and thrive, through leveraging modern technology tools and capabilities, and these led to increased productivity and significant efficiency gains.

The strategic actions taken to further the organisation's digital transformation agenda in 2019 included the following:

- Extended its analytics capabilities to capture deeper operational insights ensuring operational excellence and safety precaution.
- Continued its investment in emerging technologies, including the implementation of a cloud ERP suite for improved business agility, advanced planning, forecasting and reporting capabilities.
- Pursued a strategic shift from inflexible infrastructure that was based on a fixed term contracting model to a simple, secure, mobile and easily accessible and metered cloud technology platform.
- Conducted cyber security risk assessments and implemented remedial actions which included additional security controls, threat monitoring and detection capabilities.
- Continued the implementation of cyber security awareness programs to stimulate desired employee behavior thereby reducing the organization's vulnerability to security incidents such as phishing, ransomware and identity theft.
- Adopted and aligned its information security management practices to the ISO 27001 international standard thereby becoming the first indigenous oil and gas company in Nigeria to be certified.

The above strategic initiatives were underpinned by a robust governance committee – the IT Steering Committee, membership of which includes senior business leaders with the mandate, amongst others, to ensure business and IT alignment.



Adopted and aligned its information security management practices to the ISO 27001 international standard thereby becoming the first indigenous oil and gas company in Nigeria to be certified.

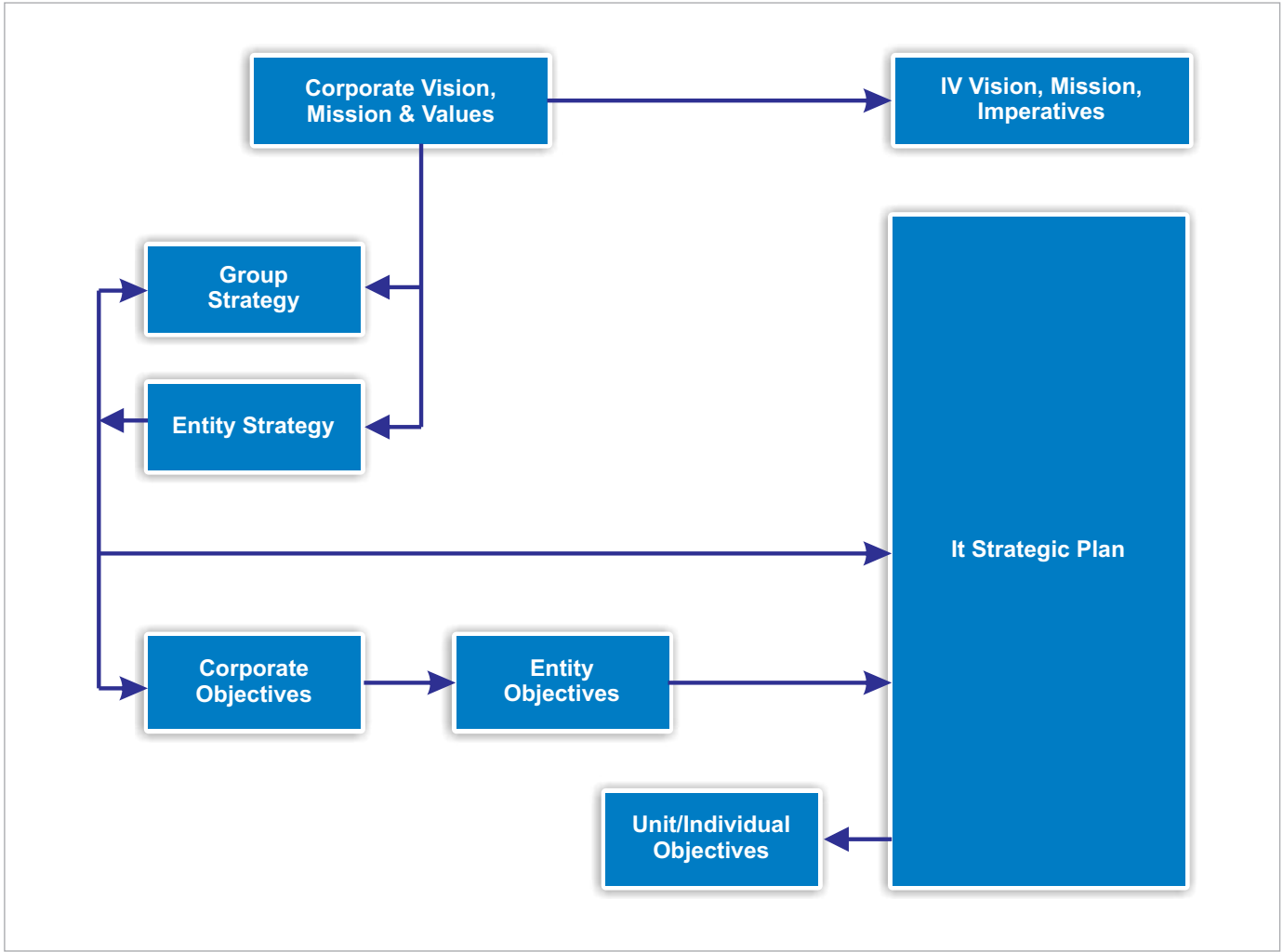
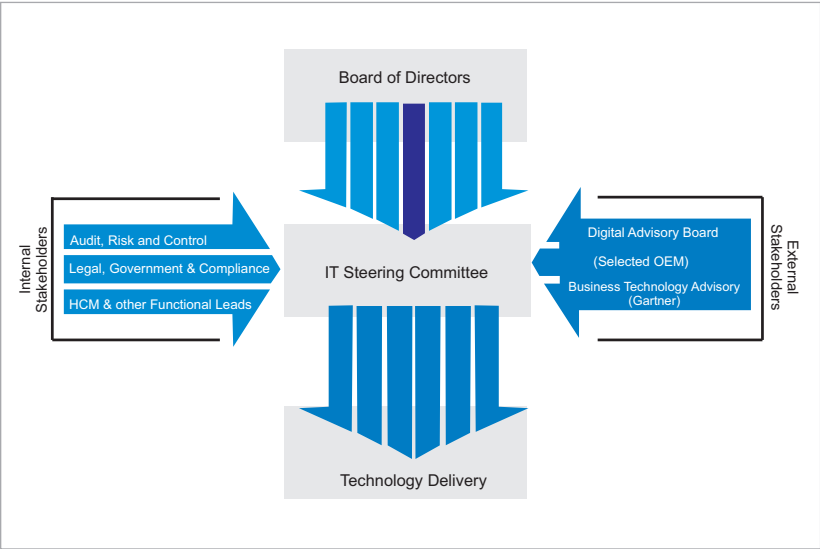
Information Technology As A Tool For Sustainable Development

Governance of Enterprise IT

The governance of Information Technology [IT] within the Company is an integral part of the overall enterprise governance. The IT Steering Committee maintains oversight for the management of IT, it is focused on performance and management of risks associated with IT. The Steering Committee is constituted with an appropriate team of senior business leaders to oversee and ensure technology investments yield the right Return on investment. The IT function leverages an operating model depicted by the diagram below:

The management of IT and its operations is able to deliver on Oando's business requirements by referencing global business continuity, service management and information security standards such as ISO 27001, ISO 22301, ITILv4; and delivery methodologies such as Agile and DevOps practices.

IT Governance Model



I. IT Planning Process

The planning process maintains a direct line-of-sight with the business and is periodically recalibrated to establish, plan, execute and monitor performance. As depicted below, a corporate view of the technology imperatives and performance measures are developed through a direct feed from the strategic business objectives.

II. Policies

The IT Policy Compendium was updated and approved to reflect alignment with ISO 27001 best practice and control requirements in response to the changing data protection regulations globally. The policy manual establishes the IT, Information Management [IM] and Information Security [IS] policies and guidelines required for appropriately identifying information resources and business requirements while ensuring that these are adequately protected. The policy also stipulates IT Service Operation guidelines and requirements to govern IT Service Management. The policy takes into cognizance the industry in which the organization operates and how technology will be utilized to support its broad objectives. Adherence to the policy safeguards the integrity, confidentiality, and availability of Oando's information and the supporting Information Assets.

III. Commitments

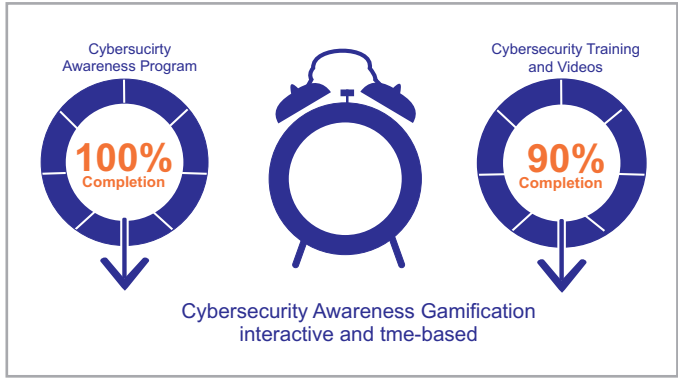
The Information Technology team is committed to ensuring Oando leverages technology deployed securely and appropriately towards achieving its strategic agenda of capital restructure, increased revenue, cost management and operational excellence.

IV. Goals, Targets, Programs and Initiatives

- Cloud ERP: The Company migrated its core business processes to a fit for purpose cloud ERP that eliminated its technology obsolescence risk, improved efficiency of its financial reporting and availed the business with modern planning and forecasting capabilities. This platform also extended Oando's ability to collaborate with its vendors and business partners in a more transparent manner with the end to end automation of the Company's sourcing and supplier management processes.
- Information Security Management System (ISMS) Implementation: The Company upgraded its risk and security management systems to comply with the ISO 27001 standard. This improved its identification, control, and mitigation of security risks, ultimately validating the security practices adopted within the organization. With this implementation, Oando is able to provide its stakeholders with a higher degree of confidence in the quality and stability of data security further validating its commitment to the highest standards of information security management. It also earned the Company a recommendation to be the first indigenous oil and gas company in Africa to be ISO 27001 certified.

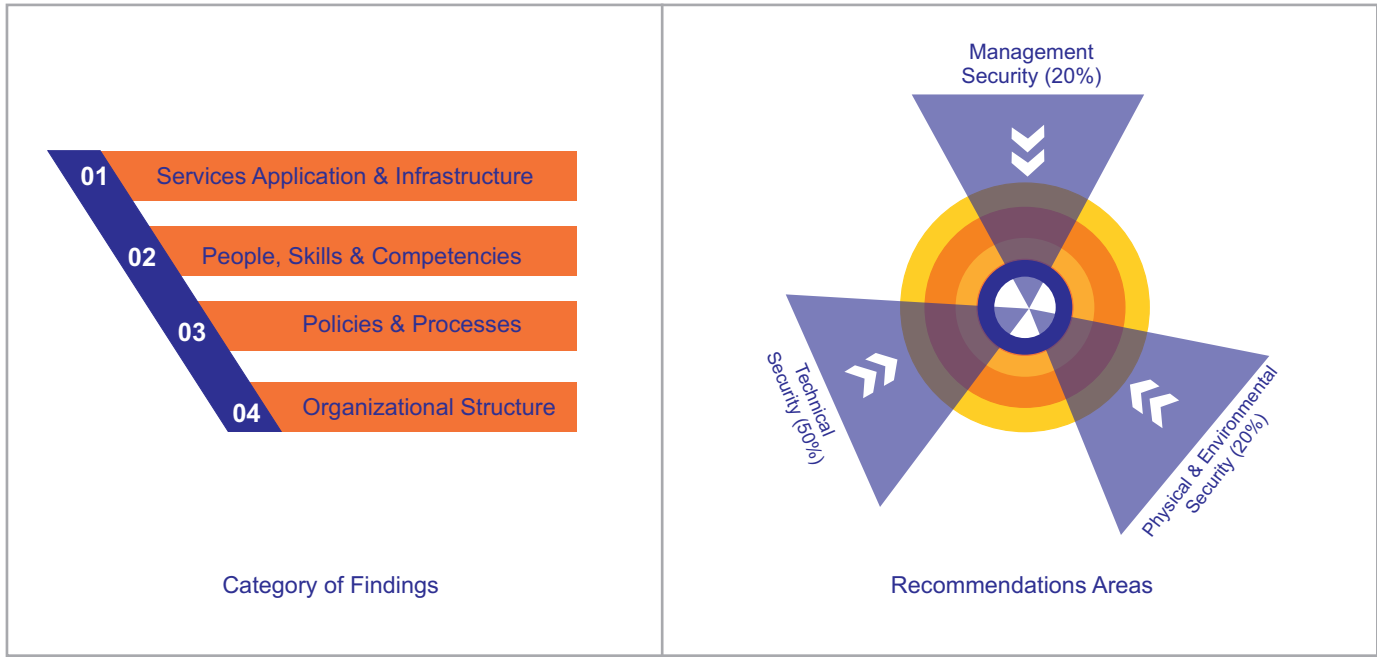
- Data Analytics: The organization completed a need analysis towards the deployment of advanced enterprise analytics with highly interactive dashboards that provides descriptive and predictive insights necessary for faster and more informed business decisions.
- Cyber Security Awareness Programs: In addition to the periodic threat simulations and phishing campaigns which formed an input into Oando's massive organizational awareness and training, the Company introduced the use of gamification to improve cyber literacy and cyber consciousness amongst its workforce. This blended learning approach led to a record 100% participation and 90% completion of the organisation's cyber security training video and quiz.
- Cyber Security Risk & Vulnerability Assessment: The Company engaged PricewaterhouseCoopers ("PwC") to conduct a cyber-security assessment and review of its critical information assets as part of a Cyber Risk Assessment and Strategy Development engagement. The assessment was focused on the identification of vulnerabilities within Oando's infrastructure; the evaluation of the ease of vulnerability exploitation; security evaluation of infrastructure and related policies; internal and external threat assessments; skills assessments; incident response readiness assessments; and a data privacy assessment in accordance with the local and international data protection regulation such as the General Data Protection Regulation (GDPR.)

Cyber security awareness program



Information Technology As A Tool For Sustainable Development

Cyber Security Risk & Vulnerability Assessment



Findings and Recommendations

This assessment and the subsequent findings, which culminated in technical, operational (inclusive of physical and environmental) and management security controls recommendations, helped develop the organization's comprehensive understanding of its current threat posture and provided prioritized, actionable recommendations for improving the overall cyber-security posture of the Company's enterprise.

V. Responsibilities

The Oando IT team is a group of professionals who specialize in various disciplines within the field of Information Technology, providing advice and expertise on IT strategy, infrastructure, design, building, and maintenance within the organization.

VI. Resources

People constitute a vital part of the resources and capabilities required to deliver quality IT services to the business. The roles include;

- Group Chief Corporate Services and Operations Officer
- Head, IT
- Service Delivery Manager
- Business Applications Manager
- Business Information Manager
- IT Security Lead
- Systems Administrators
- Security Administrators
- Business Information Coordinators
- Application Developers
- End-User Support
- Helpdesk Officers

VII. Grievance mechanisms (i.e. Helpdesk)

The organization advanced the improvement of the technical and knowledge capability of its Helpdesk function, which serves as a single point of contact for its users for IT service requests, report service disruptions or degradations, incidents resolution and requests fulfilment. Oando's Service Level Agreement (SLA) with the business noticed an improvement in performance of about 99% timely resolution of all requests.

Evaluation of IT Management Approach

On a bi-annual basis, IT Management approach for information systems is subject to an audit exercise to identify gaps in current procedures and processes, report to executive management and monitor gaps till closure.

This bi-annual audit of IT Management approach leads to:

- Closure of identified gaps and vulnerabilities
- Updated processes and procedures
- Policy amendments
- Updated Risk registers

Information Technology and the Environment

I. Cloud Migration

Oando's cloud strategy has led to a 42% reduction in the energy needs of its on premise technology infrastructure, which is in line with the organization's commitment to the environment.

II. Print Campaign

In the reporting year, the Company continued its drive to reducing its print footprint through show-back and awareness campaign on print with a slogan "Think before You Print". The Company also enabled duplex printing on all its printers to reduce paper usage in the organization, thereby reducing print usage by 44%.

III. Standardized Web Conferencing

The Company was able to reduce travel for business meetings, trainings and project implementation by 30% through the company wide use of web conferencing and collaboration tools.

Pulse Survey On Satisfaction With It Performance

The Company's annual pulse check to understand the overall satisfaction with IT performance as a business enabler was conducted. Using appropriate benchmarks and Key Performance Indicators (KPIs), an overall satisfaction level of 75% was recorded across the Group. The insights from the satisfaction survey reflected positive improvement opportunities across project delivery, risk management and technology performance.

2020 Action Plan

- Strengthen the Company's IT infrastructure with resilience by focusing on agile, innovative and sustainable technology solutions and strategic partnerships across the Group's eco-system.
- Improve user experience with solutions designed to support the Company's mobile workforce
- Continue the organisation's digitalization agenda leveraging disruptive technologies and digital workspaces to enable the Company's workforce to adopt new ways of working.
- Continue the Company's security transformation imperatives leveraging artificial intelligence and analytics to efficiently defend against cyber risks.

2019 IT Pulse Survey Result



Economic Performance

The company’s economic performance is material to the business as it enables the Company meet its obligations to all stakeholders and shareholders in the immediate and on a long term sustainable basis. These obligations includes our cash call obligations to our joint venture partners, Debt service obligations, employee remuneration and benefits and returns to shareholders.

The company’s financial forecasts for the year are prepared in the fourth quarter of each preceding year and updated periodically to properly reflect current realities. Any significant changes in forecasts are highlighted and reported to management. Management takes a decision on how to best mitigate the situation. Key variables prone to changes are commodity price fluctuations which management hedge against, cost management of joint venture expenditures via various governance meetings, financial discipline via debt censure to ensure debt service obligations are met.

These mechanisms include the periodic review of performance with stakeholders on a monthly, quarterly and/or annual basis via the various governance structures that ensure befitting and lasting solutions to challenges encountered are adequately proffered, discussed and implemented. The Board and its Committees meet at least quarterly to review the Company’s performance on various matters and ensure that management are implementing the strategic objectives set by the Board in a manner that considers all applicable risks to the business and leads to the maximum positive impact to the stakeholders of the Company.

Direct Economic Value Generated and Distributed in the Reporting Year, 2019

METRICS (N'Bn)	GROUP
Operating Costs	
Employee Wages and Benefits	10.04
Payments to providers of capital (Equity)	-
Payments to providers of capital (Debt)	50.77
Payment to government (by Country) –Tax	(161.66)
Economic Value Retained	(224.11)

N'Bn	2019	2018	VARIANCE
(Loss)/profit after tax	(147.70)	28.80	-613%
Gross profit	72.10	96.27	-25%
Turnover	565.59	679.47	-17%
Total borrowings	349.11	210.90	66%

OER

- Oando OML 125 & 134 BVI Limited
- Oando Holdco Ltd
- Oando Netherlands Holdings 1 Corporateif 1 U.A
- Oando Netherlands Holding 2 BV
- Oando Netherlands Holding 3 BV
- Oando Netherlands Holding 4 BV
- Oando Netherlands Holding 5 BV
- Oando OML 60-63 Holding BV
- Oando OPL 214 Holding BV
- Oando Investments Holding BV
- Oando OML 131 Holding BV
- Oando Oil Limited
- Oando Deepwater Exploration Nigeria Limited
- Oando OML 131 Limited
- Oando Qua Ibo Limited
- Oando Reservoir & Production Services Ltd
- Oando Petroleum Dev. Company Ltd.
- Oando Akepo Limited
- Oando OML 125 & 134 Limited
- Exile Resources Nigeria Limited
- Exile Resources Zambia Limited
- Exile Resources Luxembourg S.a.r.l Exile Holdings Luxembourg S.a.r.l
- Exile Resources BVI Ltd
- Oando Energy Resources Canada
- Oando Servco Nigeria Limited
- Oando Servco UK Limited
- Oando Equator Exploration JDZ Block 2 Limited
- Oando Equator Exploration Nigeria 321 Ltd.
- Equator Exploration OML 122 Ltd. BVI
- Equator Exploration STP Block 12 Ltd. Equator Exploration STP Block 5 Ltd.
- Equator Exploration Nigeria Ltd.,
- Oando Equator Exploration Nigeria 323 Ltd
- Oando Equator Exploration OML 122 Ltd
- Medal Oil Company Ltd.
- Oando Technical Services Ltd.

Group

- All OER Companies and
- XRS I (Cayman Island)
- XRS II (Cayman Island)
- Oando Terminal & Logistics Ltd.
- Oando Trading Limited (Bermuda)
- Oando Wings Development Ltd. (Nigeria)
- Oando Resources Limited
- Oando Trading Dubai
- Oando E&P Holdings Canada
- Oando Logistics & Services Limited UK

Stakeholder engagement

Stakeholders are identified relative to the significance of impact on the business of the company and based on the reporting guidelines for our environment.

Stakeholders	Basis of Identification	Priority		Mode of Engagement	Frequency	Key stakeholder concerns	Resolution Strategies
JV partners	Joint Venture arrangements on assets	High	Continued engagement with JV partners ensures smooth running of operations	Business meetings (OPCOM, Subcom, Tecom and other round table meetings), e-mails and phone calls	Regular Period	Timely cash call payment	Settlement and Funding agreement signed in 2019 with JV partner on OML 60-63 for payment on cash calls owed and future cash calls
Auditors	Regulatory requirement	High	Audited accounts are necessitated by the Company and Allied Matters Act and the Securities and Exchange Commission	Meetings, one-on-one inquiry sessions, e-mails and telephone calls	Quarterly	Timely access to information	Attending to audit requirements have been prioritized to aid timely completion of audit
Tax authorities Government authorities (DPR, NNPC, NEITI)	Regulatory	High	Tax and Government authorities regulate the operational environment. Engagement with them has a direct impact on Oando's ability to continue to operate	Meetings, e-mails, letters and telephone calls	Regular	Payment of taxes owed Payment of royalties owed	Objection, Negotiation and agreed payment plan with regulators
Banks, lenders and Financial advisers	Debt financing	High	Negotiating favorable terms for debt capital and proper fund	Periodic meetings, e-mails and telephone calls	Regular Adhoc	Principal and interest repayment on facilities	Negotiation with financiers
Internal stakeholders – All departments	Interdependent relationship with all departments	Medium	Engagement with all departments for finance purposes and information resource for reporting	Regular one-on-one engagements and meetings, Learning series	Regular	Timely access to information	Communication on request timeline

Environmental, Health, Safety, Security and Quality at Oando

Sustainable Development Strategy

Oando's 2020 EHSSQ Sustainability Development Strategy evolves around reduction in plastic waste generation, segregation of waste, recycling of plastic waste as well as sensitizing employees on the importance of waste recycling. In 2019, the company partnered with a waste recycling vendor to collect plastic waste which was then further segregated for specific plastic uses as raw material inputs for plastic companies.

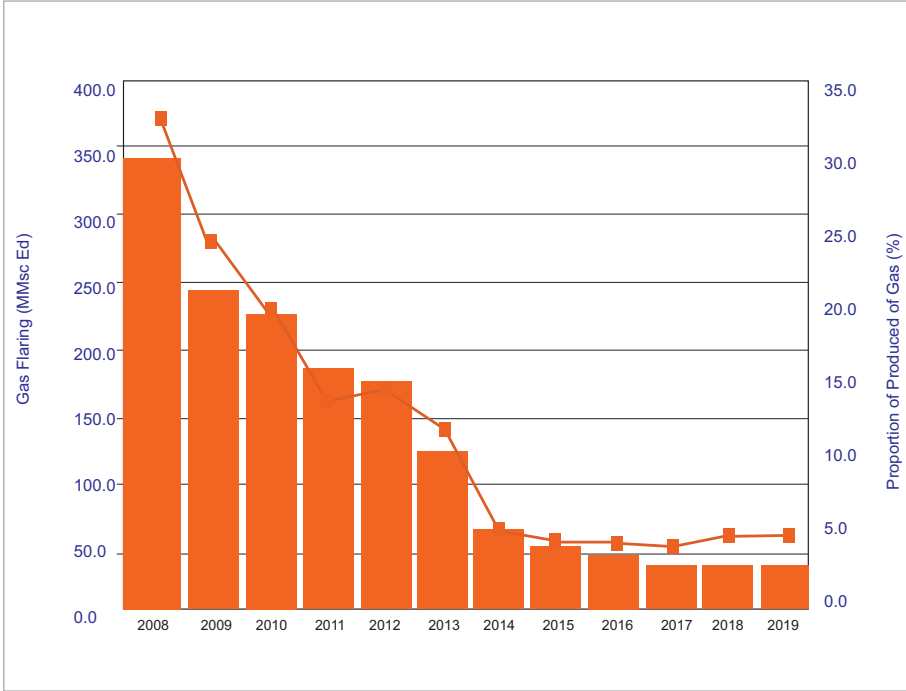
The table below indicates OER's 2020 Sustainability Development strategic goals in collaboration with our Joint venture partners, Nigeria Agip Oil Company (NAOC) and Nigerian Petroleum Development Company (NPDC) in operating OML 60-63.

Table 1: OER's EHSSQ Sustainable Development Goals

S/NO	OER'S 2020 GOAL	DUE DATE
1	Zero Process Flaring	2025
2	Conclude two (2) Environmental Studies	Q2 2021
3	Achieve 40% Waste Segregation	Q2 2021
4	Achieve 20% Waste Recycling	Q4 2021

Graph 1: NAOC JV Gas Flared (2008-2019)

Graph 1: The total quantity of gas flared from NAOC operations has been progressively reduced over the last 10 years from an annual average rate of 370 MMscf/d (equivalent to 31% of the total produced gas) in 2007 to 39.9 MMscf/d (equivalent to 4.6% of the total produced gas) in 2017. In 2019, the average gas flaring rate was 42.4 MMscf/d, an increase of 2 MMscf/d compared to 2018, however the proportion of flared gas to produced gas decreased by 0.02%.



Stakeholder Engagement:

Strategic Engagement is an essential requirement in ensuring compliance with regulatory agencies within the Nigerian supervisory oversight. It is more critical in growing the business & working in synergy with our partners as well as understanding the needs of the communities in which the company operates.

The table below indicates the different stakeholders engaged by the company, the form of engagement, the issues raised by the different stakeholders and how the resolutions were achieved in the year under review.

Table 2: Stakeholder Engagement Index

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
Regulator National Oil Spill Contingency Plan (NOSDRA)	For joint inspection of spill sites	Joint visits	Nil	There were no resolution strategies, as there were no concerns/issues raised in the stakeholder engagement sessions.
Regulator Department of Petroleum Resources (DPR)	For permit approval	Emails /visit to DPR office	Nil	There were no resolution strategies, as there were no concerns/issues raised in the stakeholder engagement sessions.
Regulator National Petroleum Investment Management Services (NAPIMS) / Nigerian Petroleum Development Company (NPDC)	For budget and performance approvals	Emails /face to face meetings	Nil	There were no resolution strategies, as there were no concerns/issues raised in the stakeholder engagement sessions.
Joint Venture Partner (JV Partner) Nigerian Agip Oil Company (NAOC)Company (NPDC)	Possible emissions into the Environment	Bi-weekly face to face meetings/Emails/Site visits/Inspections	1.Oil Spilled into the environment due to sabotage 2. Delayed Oil Spill response due to community blockage 3. Increased gas flaring due to power failure	1. Increased security surveillance 2. Regular community engagement sessions 3. Increased preventive maintenance and weekly audit of running spares
	Third party interference	Emails/Face-to Face meetings/Workshop	Sabotage/Bunkering activities on JV pipelines and vandalization of Wellhead	1. Increased Security Surveillance. 2. Increased community engagement and Social Engineering

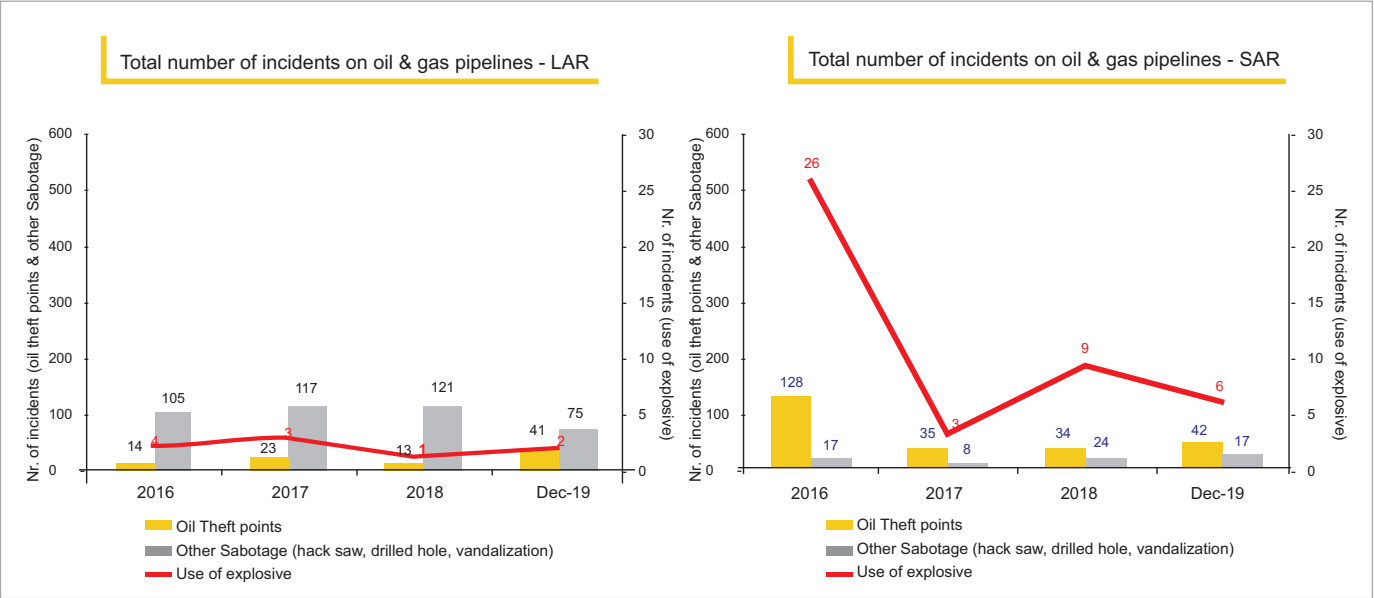
Environmental, Health, Safety, Security and Quality at Oando

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues raised	Resolution Strategies
JV Partner Energia Limited	Possible emissions into the Environment	Monthly Face to Face meetings /Emails/Site Visits/Inspections	Security issues as a result of stolen well head accessories	Comprehensive investigation carried out and action plan implemented
	Security Concerns	Emails/ Workshop	Persistent theft of wellhead accessories	1.Deploy a surveillance team to site 2. Install anti-theft devices on wellhead
JV Partner Network Exploration & Production Limited	Possible emissions into the Environment	Monthly Face/Face/Emails/Site Visits/Inspections	Nil	There were no resolution strategies, as there were no concerns/issues raises in the stakeholder engagement sessions.

The Department of Petroleum Resources (DPR) and Federal Ministry of Environment (FME), Nigeria are mandatory stakeholders because they regulate the Oil and Gas Industry. Our EHSSQ unit interfaces with them in regards to new and existing regulations which have an impact on our activities. Our most important stakeholders are Operators of assets we have working interest in. This is because any non-compliance from the JV activities will negatively impact our reputation with possible financial implications which may include fines and in extreme cases Government's revocation of the blocks. Our EHSSQ unit is fully engaged in our JV operations and

activities that hold weekly, monthly and quarterly. We also embark on site visits and facility inspections of the various assets to ensure the Company's assets are being operated responsibly.

The issue of increased sabotage and bunkering was addressed by engaging Government Security Forces to carry out a sweep of the JV's Right of Way (RoW) to identify and destroy illegal tap points. Community members were engaged to patrol RoW to deter vandals. This has helped to reduce sabotage activities.



Graph 2: This represents the total number of incidents targeted at the Land Area (LAR) and the Swamp Area (SAR). It shows that use of explosives decreased considerably from 2016 to 2019 for both locations. Oil theft increased at the LAR area but reduced in the SAR area during the 2016-2019 period as well.

These incidents are analyzed and the trend studies are presented to the REHSSQ Board Committee on a quarterly basis which

Biodiversity

Biodiversity is a key component of Oando's Environmental, Health and Safety Management System during Environmental Impact Assessment studies carried out for new and existing projects, all the interrelated activities which include ecosystem services (air quality, vegetative, noise, recipient water body), water resource management, sustainable development of local communities, are identified, risk assessed and managed as required by regulation (Environmental Guidelines and Standard for Petroleum Industry in Nigeria, 2018). Environmental Evaluation Studies are also carried out every three (3) years to assess the impact of operations on the ecosystem and also proffer remediation activities to eliminate any negative impact.

Emissions:

Emissions and their impacts are not monitored directly by Oando, but through operators of the company's JV assets via quantity of gas flared, through environmental monitoring programs like Air Quality monitoring. In addition, there are facility-type projects that are on-going that will help to reduce the quantity of gas flared and in the long term eliminate gas

flaring in the future. The JV currently has a target for zero process flaring by 2025.

Oando is currently not operating any asset directly and does not monitor these parameters at the moment hence information regarding the type of gases and quantity of gases emitted cannot be provided. However, Oando will be furthering engagements with its partners to ensure that such information are available in the future and will also be providing steer to ensure that Operators sign up to ISO 14064 (GHG Emissions) standard.

Please see the sustainability reports for ENI Energy Company which is the parent company of our JV Partner, NAOC, in the link below to demonstrate the Joint Venture commitment to the sustainability process within its operations.

https://www.eni.com/docs/en_IT/enicom/sustainability/EniFor-2018-eng.pdf

https://www.eni.com/docs/en_IT/enicom/sustainability/EniFor-2018-Decarbonization.pdf

PARAMETER		DPR/FMEN/ STANDARD (NAOC)	DPR STANDARD (EAGSPIN) (2002)	FEPA STANDARD (NAQS)	IFC STANDARD
Radiation					
Heat Radiation (flare)	W/m2	6310	6310	-	-
Sun Radiation	W/m2	6310	6310	-	-
Air Quality					
Smoke Density (flare)	RN	2	2	-	-
Ambient Temp	deg C	35	-	-	-
Particulate Matter (Total) SPM	hg/m³	250	150-230 (1 hr) 60-90 (24hr)	250 (24hr)	-
Particulate Matter (<10) PM10	hg/m3	-	-	-	20 (1year) 50 (24hr)
Particulate Matter (<2.5) PM2.5	hg/m3	-	-	-	10 (1 year) 25 (24hr)
Nox	hg/m3	76-115 (0.04-0.06 ppm)	150 (24hr)	76-115 (0.04-0.06 ppm 24hr)	40 (1 year) 200 (1hr)
Sox	hg/m3	266 (0.1ppm)	100-150 (24 hr) 40-60 (1 year)	266 (0.1 ppm 24 hr)	20 (24hr)
CO	hg/m3	11640 (10 ppm)	30 (1hr) 10 (24hr)	11640 (10 ppm, 24hr)	-
Ozone (O3)	hg/m3	-	-	-	100 (8hr mean daily max)
VOC	hg/m3	160	-	160 (24 hr)	-

Table 1: Weekly and monthly air quality assessments are undertaken within and in the vicinity of each of the flow-stations, gas plants, and at Brass River Terminal. The monitoring data shows that, the JV met the Nigerian and the International Financial Corporation (IFC) air quality standards on Single Point Mooring (SPM), were close to or below the Sulphur oxide (Sox) limits, met the Nigerian standards on Volatile Organic Compounds VOC, and met Nigerian but exceeded the IFC air quality standards on Nitrogen oxide (NOx) emissions at some sites. Noise monitoring is being undertaken at five locations within and in the vicinity of each station. The average noise values at all sites (48 to 72.0 dBa) were below the allowable noise levels according to the Nigerian FME standard (90 dBa) and at most times below the more stringent IFC standard (70 dBa).

Environmental, Health, Safety, Security and Quality at Oando

Effluent and Waste:

Effluents and Waste are material to the Company due to the nature of our business which is capable of having a negative effect on the environment as well as the socio-economic activities within the environment in which we operate.

Oando, in partnership with its JV partner (NAOC) manages these effluents and waste through appropriate studies, procedures and adequate mitigation.

Consequently, these aspects are measured and monitored using national guidelines and standards to ensure the protection of the environment and compliance with these guidelines/standards. Effectiveness of our management approach is guaranteed by ensuring that specified guidelines/standards are strictly adhered to both in sample gathering and analytical approach.

Results of analysis of these aspects are reported to NAOC’s management team and shared with other partners through monthly reports. Results of analysis are also discussed with regulatory agencies who have oversight functions.

Total water discharge by quality and destination

The Brass Terminal is the receiving terminal for the crude produced by the NAOC JV. Produced water is first treated to the specification required by the standards of the Nigerian Oversight Agency- Department of Petroleum Department (DPR). The treated water is then released into the Brass Canal only after it has met the DPR standard for produced water.

Effluent Discharges at Brass Terminal

PARAMETER	UNIT	DPR STANDARDS	FME STANDARDS	IFC STANDARDS	AVERAGE VALUE (Q1-Q4 2017)	AVERAGE VALUE (Q1-Q3 2018)
PH	-	6.5-8.5	6.5-8.5	06-Sep	7.7	7.8
Temp	oC	30	35	-	28.8	28.7
Salinity (Chlorides)	mg/l	2000	600	600 1200 mg/l maximum	6190	6693
TDS	mg/l	5000	2000	-	14804	13,819
COD	mg/l	125	40	125	12.3	13.02
BODs	mg/l	125	10	25	1.8	1.8
THC	mg/l	20	10	10	12.7	14
TSS	mg/l	20	30	35	9.4	8.6
Turbidity	mg/l	-	-	-	6.1	6.7
Conductivity	mg/l	-	-	-	29,473	27,505
BTEX	mg/l	-	-	-	<0.00	<0.001
PAH	mg/l	-	-	-	0.23	0.57
Lead (pb)	mg/l	-	0.05	Heavy metals 5mg/l	<0.001	<0.001
Iron (Fe)	mg/l	-	-		0.7	0.7
Copper (Cu)	mg/l	-	1.5		0.05	0.05
Chromium (Cr)	mg/l	0.5	<0.1		<0.001	<0.001
Zinc (Zn)	mg/l	5	1		0.51	0.59
Cadmium (Cd)	mg/l	-	<0.1		<0.001	<0.001
Nickel (Ni)	mg/l	-	-		<0.001	<0.001
Arsenic (As)	mg/l	-	0.1		<0.001	<0.001

Table 2: The JV has achieved a significant improvement in the quality of the effluent leaving the Brass Terminal over the last 5 years. Although salinities have increased, presumably reflecting relative changes in field water production rates, the THC and TSS of the effluent have significantly reduced. The produced water discharged into the Brass Canal does not fully comply with local and international standards. The THC of the effluent, which has averaged about 14 mg/l, is slightly above the IFC limit of 10 mg/l, and the TDS, which has averaged 13,819 mg/l in Q1-Q3 2018, is above the local DPR near shore limit of 5,000 mg/l.

In line with our commitment to adhere to all standards and regulations in Nigeria, the Joint Venture will be upgrading its water treatment plant at the Brass Terminal to handle additional produced water as a result of increase in crude production over the next 20 years. By upgrading the Produced Water treatment Plant. The Joint Venture will be fulfilling the requirement of the Non Discharge Zone (NDZ) set by the Nigerian government. The project will handle additional produced water mainly from its Swamp Area (SAR).

The Joint Venture in addition has completed a water injection project in its oil receiving centre (Ebocha Oil Centre). All produced water as a result of the crude is injected into a reservoir that does not damage the formation in any manner in line with the DPR requirements.

Total weight of waste by type and disposal method

Disposal of hazardous and non-hazardous waste is a key component of the JV partner’s waste policy and operations. The table below shows the waste and their segregation by weight and type.

SNO	WASTE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
1	Medical (kg)	176	0	52	80	10	0	191	27	0	156	0	15	707
2	Glass (kg)	2,918	2,793	3,274	3,163	2,512	3,183	5,551	2,592	2,921	3,107	3,103	3,364	38,485
3	Bad battery (kg)	37	2,597	15	0	0	20	0	0	0	0	0	0	2,669
4	Biodegradable (kg)	26,637	25,863	26,524	28,457	27,479	32,631	29,782	29,827	30,880	31,790	31,069	24,059	344,998
5	Paper (kg)	3,171	3,588	3,583	3,787	3,139	9,494	3,686	3,520	3,540	4,244	3,723	6,308	51,783
6	Oil filter (kg)	86	1,952	312	74	320	173	314	204	216	33,888	643	257	38,439
7	Fuel filter (kg)	8	0	15	8	9	6	17	16	15	17	18	29	158
8	Aluminum Cans & Metal (kg)	4,678	4,046	6,432	4,383	38,202	3,847	4,768	3,204	3,923	4,721	106,777	4,830	189,811
9	Plastics (kg)	2,778	3,369	3,392	3,145	3,061	3,054	3,344	2,750	2,668	5,985	2,750	3,066	39,362
10	Fluorescent tubes (kg)	67	73	107	65	88	64	81	97	66	108	139	74	1,029
11	Contaminated Rags (kg)	76	87	97	56	57	49	47	45	51	53	74	98	790
12	E – Waste (kg)	0	0	0	15,000	0	0	0	0	0	0	0	0	15,000
13	Woods (kg)	1,654	1,798		2,574	5,218	4,410	6,619	4,392		6,617	4,544	2,548	48,177
14	Sewage (litres)	4,710,000	3,930,290	5,160,000	6,440,000	6,391,000	5,183,000	6,180,000	5,920,000	5,974,000	5,280,000	5,920,000	5,760,000	66,848,290
15	Expired Chemicals (kg)	0	32,000	0	29,000	0	0	0	21,300	0	0	0	0	82,300
16	Spent (litres)	0	0	0	0	0	0	0	0	0	7,000	0	0	7,000
TOTAL		4,752,286	4,008,457	5,205,801	6,529,792	6,471,095	5,239,931	6,234,400	5,987,968	6,024,094	5,377,686	6,072,840	5,804,648	67,708,998

Table 3: Total Waste Evacuated from the Land Area (LAR) -Port Harcourt, OB/OB, Ebocha, Idu, Akri, Samabri, Oshie, Irri and Kwale Gas Plant.

SNO	WASTE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
1	Medical (kg)	0	0	0	106		0		0	0	0	0	0	106
2	Glass (kg)	930	914	1,103	870	919	953	976	976	999	794	1,000	1,037	11,471
3	Bad battery (kg)	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Biodegradable (kg)	29,923	27,546	34,358	31,166	30,932	31,211	30,760	32,874	33,495	30,316	30,494	30,499	373,574
5	Paper (kg)	865	904	1,238	985	992	1,208	1,249	1,456	1,575	1,230	1,091	1,157	13,950
6	Oil filter (kg)	252	253	222	229	186	183	227	156	155	186	315	12	2,376
7	Fuel filter (kg)	0	418	0	0	0	0	0	0	0	0	0	0	418
8	Aluminum Cans & Metal (kg)	1,098	1,153	1,287	1,193	1,224	1,134	1,187	1,492	1,571	1,396	1,173	1,207	15,115
9	Plastics (kg)	900	837	1,032	914	893	1,050	1,158	1,284	1,404	1,149	1,083	1,040	12744
10	Fluorescent tubes (kg)	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Contaminated Rags (kg)	0	0	0	0	0	0	0	0	0	0	0	0	0
12	E - Waste (kg)	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Woods	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Sewage (liters)	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Expired Chemicals (kg)	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL		4,752,286	4,008,457	5,205,801	6,529,792	6,471,095	5,239,931	6,234,400	5,987,968	6,024,094	5,377,686	6,072,840	34,952	61,939,302

Table 4: Total Waste Evacuated from the Swamp Area (SAR) - Brass Terminal, Ogboinbiri, Obama, Tebidaba, Clough creek and Beniboye flow stations.

Environmental, Health, Safety, Security and Quality at Oando

Total number and volume of significant spills

Every spill irrespective of type or quantity is reported in line with the Nigerian regulatory requirements. Report the total number and total volume of recorded significant spills. Please find below the breakdown of oil spills by category and remedial actions carried out by the NAOC JV.

Oil Spill Statistics (January - December 2019):

Total number of events = 238

CLASSES OF SPILL	NUMBER	TOTAL SITES JIV TEAM VISITED
Minor	198	238
Medium	27	
Major	0	
No spill from event (s)	13	

Table 5: A total of 238 spill incidents were recorded in 2019, none was a major spill

Clean-up/JIV Status

MONTHS	CLEAN UP NOT REQUIRED	CLEAN UP COMPLETED	CLEAN UP IN PROGRESS	CLEAN UP PENDING	PENDING JIVS	TOTAL
JAN	4	30	0	0	0	34
FEB	0	13	2	0	0	15
MAR	1	11	0	0	2	14
APR	2	29	0	0	0	31
MAY	1	20	0	0	0	21
JUN	0	10	0	0	0	10
JUL	1	14	0	1	0	16
AUG	0	15	1	1	1	18
SEP	0	18	1	3	0	22
OCT	3	12	5	2	2	24
NOV	1	3	4	3	1	11
DEC	0	11	1	9	1	22
TOTAL	13	186	14	19	7	238

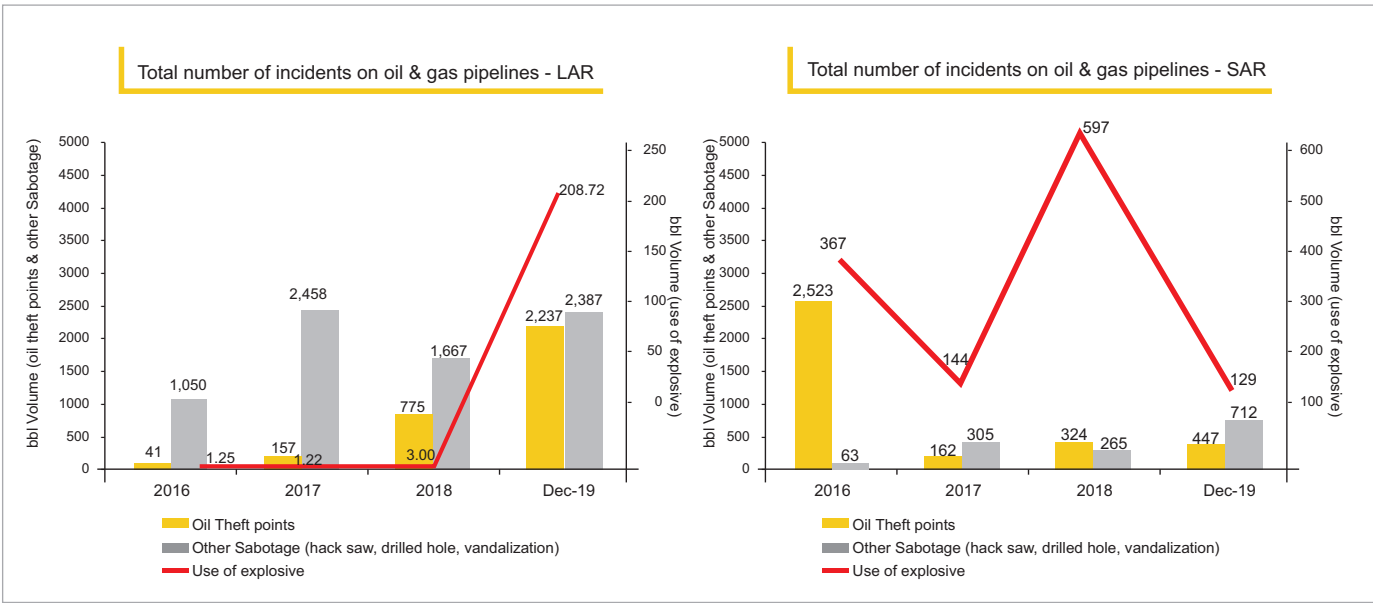
Table 6: This shows the status of clean up carried out for spill incidents. 26 spill sites are still awaiting clean up or joint investigation visit (JIV)

Locations vs. total oil theft points detected in - 2016 - 2018 - 2019																	
	2016	2017	2018	2019	Tot.		2016	2017	2018	2019	Tot.		2016	2017	2018	2019	Tot.
Agwe- Etiti	3	0	0	0	3	Omoku	0	12	1	2	15	Amirikpoko	0	1	0	0	1
Akaraolu	1	0	0	1	2	Irri	0	1	0	0	1	Uju	0	1	0	0	1
Akinima	1	0	0	0	1	Oleh	0	0	1	0	1	Orie Isoko	0	1	0	0	1
Ataku	0	0	0	0	0	Kalaba	0	0	1	0	1	Odgiri	0	1	0	0	1
Biseni	0	1	0	0	1	Utu-Uchi	0	0	0	0	0	Beneku/Um	0	1	0	0	1
Chokocho	0	0	0	0	0	Mgbede	0	0	0	0	0	Aligwu	0	0	1	0	1
Idu	0	0	0	0	0	Orutoru	1	0	0	0	1	Emago Kugbo	1	0	0	0	1
Ikarama	0	0	0	0	0	Idheze	2	1	1	0	4	Ubata	0	0	0	11	11
Obodhi	0	0	6	3	9	Kolotoru	1	0	1	0	2	Oyakama	0	0	0	2	2
Obrikom	0	2	0	0	2	Lalagbene	1	0	0	0	1	Okogbe	0	0	0	5	5
Ofagbe	1	0	0	0	1	Emago-kugbo	0	0	0	0	0	Idu-Ekpeye	0	0	0	2	2
Okoh-igbuku	1	0	1	0	2	Asemoku	0	2	0	0	2						
okwuzi	1	0	1	2	34	Pirigbene	1	0	0	0	1						
Azuuama	0	0	0	0	0	Onitoru	0	0	0	0	0						

Table 7: Oil Spill Locations for Land Area (LAR) - December 2019

Locations vs. total oil theft points detected in - 2016 - 2018 - 2019																	
	2016	2017	2018	2019	Tot.		2016	2017	2018	2019	Tot.		2016	2017	2018	2019	Tot.
Baberegbene	12	2	0	0	14	Ikebiri	1	1	0	1	3	Clough Creek	0	0	0	0	0
Igbematoru	6	1	0	0	7	Ewoama	0	0	0	0	0	Oni	0	0	0	0	0
Oyeregbene	28	5	0	0	33	Lasukugbene	4	1	0	0	5	Kemebiama	0	0	0	0	0
Gbraun	4	3	21	25	54	Mansonkiri	2	0	0	0	2	Mbasikiri	0	0	0	0	0
Adikiana	0	0	0	1	1	Elepa	2	1	2	1	6	Abalikiri	2	0	1	0	3
Lagosgbene	8	0	2	4	15	Egeinkiri	0	0	1	0	1	Apoi	0	0	0	0	1
Aszgbene	8	14	1	4	27	Fantuo	0	0	0	0	0	Okoroba	0	0	0	0	0
Mbikiba	16	4	3	2	25	Tomkiri	0	0	0	0	0	Sonkiri	0	0	0	0	0
Kalatoru	1	0	0	0	1	Okpotuari	3	0	0	0	3	Kanuskiri	0	0	0	0	0
Ikeinghenbiri	3	0	0	0	3	Okuntu	0	0	0	0	0	Kolotoru	0	0	0	0	0
Korokorosei	0	1	0	0	1	Odonigbene	0	0	0	0	0	Behind Tebidaba Flowstation	0	0	0	0	0
Benikrukru	9	1	0	1	11	Okiama	0	0	0	0	0						
Kamborro	0	0	0	0	0	Pirigbene	0	0	0	0	0	Tereke	1	0	0	0	0
Azuuama	18	0	0	0	18	Onitoru	0	0	0	0	0						

Table 8: Oil Spill Locations for Swamp Area (SAR) - November 2019



Graph 3: This shows the total volume of oil spilled in the LAR and SAR areas. We have seen an increase in the LAR area and a reduction in the SAR area. This is as a result of increased security surveillance on the waterway which was absent earlier then provide steer for actions to be taken.

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally

Hazardous wastes generated as a result of the NAOC JV operations are disposed appropriately and have to follow regulatory process in their transportation as well as their disposal.

Find below information relating to sludge management and soil contamination. All hazardous matters generated within the operations of the Joint Venture are transported locally (within Nigeria).

1. Sludge Management

Location	Volume
Ebocha Oil Centre	Evacuated, transported, treated/disposed 210m3 of sludge/contaminated soil
Ogbainbiri Gas Plant	Evacuated, transported, treated/disposed 1,120m3 of sludge/contaminated soil

2. Contaminated Soil Management

Location	Volume
OB/OB Gas Plant	Evacuated and transported, treated/disposed 160m3.
Kwale Gas Plant	Evacuated, transported, treated/disposed 98m3of contaminated soil.
Brass Terminal	Evacuated, transported, treated/disposed 1715m3of contaminated soil.
Akri Flowstation	Evacuated, transported, treated/disposed 70m3of contaminated soil.
Idu 5 and 11 location	Evacuated, transported, treated/disposed 150m3of contaminated soil.

The identity, size, protected status, and biodiversity value of water bodies and related habitats is not readily available at the moment as Oando does not operate this assets or monitor this parameter at the moment and will get into further engagements with the operator to get more detailed information as part of the sustainability report process.

Environmental, Health, Safety, Security and Quality at Oando

Operations

The Joint Venture in the operation of these assets generate environmental hazards that are harmful to people and the environment. As a responsible entity, the Joint Venture conducts periodic assessments of these environmental hazards and provide mitigations of their impacts to people and the environment in which it operates. These assessments also focus on aspects generated from transport.

A major challenge to the Joint Venture is the incessant destructions of its well head accessories and pipelines particularly in the Niger Delta Region. As part of the mitigation plan, diverse initiatives has been implemented to prevent these destructions. These include:

- 1. Community policing of the pipeline ROW including incentives to communities where the JV assets are not destroyed
- 2. Well head cages around the well heads to prevent critical components of the well head from being destroyed or stolen.
- 3. Patrolling and Monitoring of the pipelines by armed military Officers to serve as deterrent to criminally minded persons.

Total environmental protection expenditures and investments by type

Total expenditure cost for the period under review had not been concluded as at the time of putting this report together. However, as at Q3, 2019, waste disposal/emission treatment/remediation costs and prevention & environmental cost were approximately \$10M and \$1.2M respectively.

Occupational Health and Safety

Worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system is usually in the form of town hall meetings and feedback from trainings & awareness sessions. The town hall meeting sessions are detailed and interactive in which occupational health issues are discussed and concerns/suggestions from employees are reviewed and resulting action plans inputted into the company's EHS MS system.

Implementation of the action plans are communicated to management and approvals are sought and obtained where such actions require finance.

Participation of formal EHS town hall meeting cut across all levels of employment which include executive management, senior management, supervisors and officers of the organization.

Due to business exigencies, not all employees are able to attend the town hall sessions, however, the average employee representation is 52%.

There were no injuries other than First Aid administered to employees with Oando Energy Resources Health and Safety management system.

However, there were workers involved in occupational activities who had a high risk of specific diseases such as high blood sugar and high blood pressure.

Security Practices

Managing security risks through structured Security Risk assessment is important to ensuring the protection of the lives of employees, contractors, preventing damage to company assets and sustaining operational capability. Mitigations are developed and managed with due consideration to respect human rights.

A security unit under the EHSSQ department has been established to manage security issues. Standard Operating procedures are in place to guide the implementation of the company's security policy. Security incidents are reported, recorded and investigated. Process audits and reviews are conducted to ensure compliance.

Mitigation measures are deployed to be proactive and also to effectively manage breaches when they occur. Metrics are used to measure adequacy, cost effectiveness, and audits and reviews are conducted to ensure compliance to the security policy.

Remedial actions are taken to close gaps identified during audits and reviews. Processes delivering the expected results are sustained while efforts are constantly geared towards overall continuous improvement.



Building Sustainable Cities And Communities (SDG 11)



Community Relations

At Oando, Community Relations is an afterthought or corporate window dressing but a strategic aspect of organization and a fundamental aspect of our stakeholder management.

Our Sustainability strategy is to proactively engage on regular basis the Operators of our joint venture assets, partner organizations and community leaderships as an influencer in the planning and execution of development programs that are consistent with Oando Community Relations strategy – Partnership, Ownership interest, Win-Win, Empowerment, Respect, Sustainable development (POWERS) and the United Nations Sustainable Development Goals (SDGs).

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Key Stakeholder concerns/issues	Resolution Strategies
Community Leadership (Traditional rulers, Community Development Committee, Youth/Women Associations etc)	Reconnaissance visit, Letters, Government gazette, Opinion leaders etc	Daily, weekly, Monthly, Quarterly, Annually.	Employment, Economic empowerment, Homage, Social projects execution etc	Signing of MoU / agreement after Round tables, Workshops, Town hall meetings, etc
Regulators	Laws establishing the regulators, Correspondence	Quarterly and Annual meetings	Execution of annual Work programs, compliance with regulations	Sign-off in performance review meetings, compliance with regulatory framework.
Pressure groups	Correspondence	Round table meetings, legal means	Employment / Environmental issues, Economic opportunities	Agreement signing, Court resolutions

The Community Relations department has set out a 5 years Sustainable Development Plan (2020-2025) which is to commence in the year 2020. Our aim is to primarily achieve SDG1, SGD2 and SDG4 -. Poverty alleviation for communities and food production through improved Agronomy and Agronomics and Sustainable Education for the youths.

In recognition that long-term success depends on the sustainable development of our communities, as well as other stakeholders, the department continuously strives to positively impact the livelihood of the members of Nigeria's communities. In 2019, despite the economic challenges encountered, approximately N8.086b was advanced towards various community development projects across the Group's assets covering OML 56, OML 60-63 and OML 13 located in Delta, Imo, Bayelsa, Rivers and Akwa Ibom States.

After in depth consultations with all stakeholders, the projects were executed to address fundamental development needs of the communities, in line with Oando's community relations strategy centered on POWERS and the global SDGs.



Some of the 2019 development projects are highlighted below in consonance with the SDGs:



2019 Poverty Alleviation Programs

Oando operates in about 360 communities across Rivers, Bayelsa, Imo, Delta and Akwa Ibom States. Its production facilities are also located mostly within the rural communities of the Niger Delta. The organisation's aim is to promote and develop sustainable communities in the areas in which it operates. In line with the organisation's POWERS strategy, the Company continues to execute various developmental projects that will eradicate poverty in these communities, despite the peculiarities of the region, which includes security, political and environmental challenges and unrest.

In 2009, Oando began operating in Ndokwa West communities in Delta State. The primary occupation of the indigenes was subsistence farming and farm output was targeted towards survival with little or no surplus. However as at 2019, these Ndokwa communities – Ebendo, Obodugwa, Umusadege, Isumpe, Umusam and Ogbe Ani, have transformed from rural to semi urban communities with an obvious reduction in poverty levels.

Oando ensured that various infrastructural development projects, welfare schemes, educational support opportunities and alternative income generating business modules associated with the oil and gas industry were introduced to the indigenes. This has resulted in a reduction in economic hardship for the individuals that were engaged in these activities, as well as their family members and the community at large. This has helped to reduce poverty levels as many families in these communities are now living above US\$1.90 a day.

In 2019, Oando collaborated with its Joint Venture (JV) partner- Energia, to address poverty in the communities in which we operate. To this end, the Company organized a 'Business Workshop for Community Vendors' which provided the vendors with new opportunities to own, register and engage in competitive business opportunities not limited to the Company's JVs. More than 50 community vendors participated in the workshop. It is expected that with the new skills acquired through the workshop more than 200 families will directly or indirectly benefit from the outcome of the workshop as well as provide a better means of livelihood. Applauding the workshop, Mrs Regina Ebo, one of the community participants said 'this is the first of its kind, organized by an oil company for community vendors within our locality'.

In addition, 130 youth were enlisted in 40 different vocational trainings that will span for two (2) years in various training centers in Rivers, Delta, Edo, Abia Anambra States etc. During this period, the youth will undergo traning, mentorship and will be equipped with starter packs (please specify or expand) upon completion of their vocational programs.

Similarly more than 100 women/youth benefited in the first phase of Oando's youth/women empowerment program aimed at alleviating poverty within its operational areas in Rivers, Delta, Bayelsa and Imo states. Items distributed to the beneficiaries during the first phase in Rivers State included, Tricycles (Keke-Napep) for public transportation services, welding machines, hair salon and beauty equipment, fashion design equipment, baking equipment, vulcanizing equipment, events planning equipment, motor cycles (Okada) to be used for public transportation services and GSM repair kits etc. These donations were made to support and empower the youth to earn an income though self-employment program and provision of equipment, with the overall aim of alleviating poverty in a sustainable manner.

The youth/women empowerment for poverty alleviation donations were made by Oando in conjunction with its joint venture partners NNPC and NAOC. More than NGN 300 Million was advanced towards the scheme.

Building Sustainable Cities And Communities (SDG 11)



Good Health and Wellbeing (SDG3)

Wellness is an active process of becoming aware of and making choices toward a healthy and fulfilling life. Wellness is more than being free from illness, it is a dynamic process of change and growth. <https://www.globalwellnessday.org>. Also according to World Health Organisation (WHO) Wellness is "...a state of complete physical, mental, and social well-being, and not merely the absence of disease or infirmity."

Oando understands the importance of promoting good health in its communities and is committed to positively impacting the health and wellbeing of the members of the communities in which it operates.

To demonstrate this, in 2019 Oando organized a comprehensive 3-days health outreach for members of its communities in Ndokwa West LGA of Delta State. The health outreach program had various medical professionals – General Physicians, Optometrists, Pharmacists, Dentists, Nurses and laboratory scientists, who were present to attend to the community members. The theme of the health outreach was “Health is Wealth’. The outreach afforded all community members including adults and children, the opportunity to have a comprehensive health and wellness check-up. A total of 1,150 participants from Ebendo, Umusadege, Isumpe, Obodugwa, Umusam and Ogbe-Ani communities all in Delta State benefited from the health outreach program and received essential drugs dispensed by the Pharmacist at the event. The Health outreach program was organized in conjunction with Energia, one of Oando’s joint venture partners.



Quality Education - SDG

The Company recognizes the power of quality education in modern day development. Oando annually supports various scholarship programs for members of the communities where it operates. The scholarship program provides these individuals with the opportunity to develop in a formal learning environment, which ultimately empowers them with the knowledge and experience needed to thrive in a competitive job environment.

In 2019, Oando sponsored and supported the youth in its communities at different levels of education. A total of 2,317 scholarships were awarded within the year under review - 1,431 for Secondary school candidates, 866 for Undergraduates and 20 for Post graduates.



Clean Water And Sanitation - SDG6

Through the years, the organization has made concerted efforts to continuously increase its potable water foot prints in its host and transit communities. This is because Oando recognises that its communities are within the rural areas and without access to portable drinking water.

In 2019, a 10,000 gallon portable water facility with treatment plant, generator and distribution network was built and handed over to Akri community of Imo State.

The water facility will go a long way in reducing water borne diseases and providing access to affordable water for all, in line with SDG6.



Food For All Through Agriculture - SDG2 Zero Hunger

The Green River project (GRP) is the agricultural flagship for Oando and its Joint Venture partners to develop, imbibe and promote sustainable agriculture as a means of livelihood for the communities. The GRP which was established in 1986 has grown to become a major support to families within Oando's operational areas and the nation at large.

The GRP program has reached **38,550 farmers** in over **120 Communities**. It covers an area populated by more than **500,000 people**, with **328 Cooperative Societies** strengthened. The GRP has a Micro-Credit Scheme, which has extended a **NGN150 Million** revolving loan to the beneficiary Cooperative Societies. In addition, the GRP has groomed **4,000 youths** who are beneficiaries of its Skills Acquisition Program.

The 2019 GRP celebrated some exemplary farmers who have excelled in the farming profession, some of which are:

Mrs Hannah Gilbert,

A native of Eminiana in Nembe Local Government Area in Bayelsa State, Mrs. Gilbert became a part of GRP in 2011, starting with one hectares of land for a plantain farm. Through consistent good harvests she was able to generate a profit that she used to expand the farm. Currently, she has a 5.2 hectares plantain farm and has benefited from agro-training, seedlings and a micro-credit loan of NGN500, 000 all of which she has ploughed.

Mr Agbaye Thomas

A native of Nembe Local Govt. Area. Mr. Thomas became a part of GRP in 2006. His story is inspirational as he was not originally a farmer and it wasn’t necessarily a sector that interested him or one that he thought he could go into without the right resources or knowledge. Through the GRP, he was encouraged to go into Fish Farming which was enabled via an array of agro-trainings. Upon completion of his training in 2007, he was given one pond and 3,000 fish fingerlings as an entry into fish farming as well as less than a hectare of land. Currently he has 12 ponds with a production capacity of over 100,000 catfish fingerlings, and has expanded to 1.8 hectares of land with a mini hatchery.

Hon. Eminah Bioghoemi Benneth

A native of the Sabatoru community, Honourable Benneth heard about GRP and contacted the community GRP officer to find out more. Hon. Benneth was educated and encouraged by the community GRP officer on the myriad of opportunities that farming offered. He joined GRP in 2014 and this led to the formation of the ‘Ogbosumoye Integrated Farms’. He started with three ponds, today he has 13 ponds covering 1.3 hectares of land. He is now into fish feed production with a mini feed mill. Importantly is that through the establishment of his farm he has created employment opportunities for the community’s youths. He currently has 30 youths working on his farm and he hopes that his success story is evidence to them that there is wealth in hard work.

Ghanco Fisheries

Ghanco Fisheries is a cooperative that started with 105 members. They are involved in deep sea fishing with a mission to produce different kinds of sea foods for local consumption and export. Through the GRP, they have been supported with agro-training, basic business skills such as book keeping, the supply of farming tools and micro credit all of which have enabled the expansion of the business. Currently, they are the biggest supplier of sea food in the Niger Delta area. Ghenco Fisheries was featured on CNN's coverage of the 21st edition of the Farmers Day Celebration where some of their cooperative members were interviewed.

Through the GRP, Oando and its joint venture partners – NNPC and NAOC have reduced hunger by providing food security, improved on nutrition and promoted sustainable agriculture within its areas of operation and beyond.

Building Sustainable Cities And Communities (SDG 11)



Other Sustainable Projects Executed in 2019 - SDG11

S/N	PROJECT	BENEFITING COMMUNITY	STATE
1	Electrification	Clough Crrek Osifo Beneku Okiamo Fierebagh-Ama	Bayelsa Bayelsa Delta Beyelsa Bayelsa
2	Foot Bridge, Walk Ways & Jetty	Amurutu Akipelai Tebidaba	Rivers Bayelsa Bayelsa
3	Health Center	Abalagada	Delta
4	School Infrastructure/ Furniture / Block Of Classroom	Omoku Akiri Ogboibiri	Rivers Imo Bayelsa
5	Town Hall/Civic Center	Omoku Egbemo Angalabiri Akipelai	Rivers Rivers Bayelsa

Our 2020 Goals and Targets

S/N	ASSET	2020 TARGET
1	OML 56 – Energia/Oando JV	1. Execution of 3 community development projects 2. Commencement of new agricultural program/project. 3. Award of 30 scholarships and 1 educational infrastructural development
2	NAOC JV – NNPC/NAOC/OANDO JV	1. Execution of 10 community development projects 2. Increased community participation in Agriculture through the Green River Project – GRP. 3. Award of 2000 scholarships and construction of 3 educational infrastructural development
3	OML 13 – Network/Oando JV	1. Execute 1 community development project. 2. Award of 50 scholarships and 1 educational infrastructural development

Building Sustainable Cities And Communities (SDG 11)

S/N	NAGATIVE IMPACT	CAUSE	MITIGATION
1	Increased security concern i.e robbery cases.	Influx of people into the environment due to the presence of oil and gas operations	<ul style="list-style-type: none"> Setting up community vigilante. Presence of more armed security officials, such as Police and Joint Task Forces. Prosecution of culprits to serve as deterrents.
2	High cost of living	Increased cost of goods and services due to the presence of more oil and gas workers within the environment with more purchasing power.	<ul style="list-style-type: none"> Employment quota for community members to guarantee jobs and means of income. Building of market infrastructure to reduce shop rentals and accommodate more traders to ensure fair competition. Price control for services rendered to the Company.
3	Prostitution	Immigration of ladies from the cities to the communities under various business guises, who end up engaging in prostitution.	<ul style="list-style-type: none"> Communities' invocation of traditional injunctions on offenders. Improvement of health care facilities by building and equipping health care centers. Youth counselling programs. Engagement of the women in cooperatives to benefit from special contract concession e.g. supply of food items.
4	Community Leadership tussle	Power struggle to control community leadership. No clear succession plans.	<ul style="list-style-type: none"> Modern leadership training programs. Encouraged communities to have bye-laws with leadership tenor clearly stated. Non engagement of Community Development Committee members in Company/Community Trust Boards or membership in company/community Parliaments in the interest of separation of powers and to encourage checks and balances.
5	Health concerns	General complains that gas flaring at facility site has created health concerns	<ul style="list-style-type: none"> Ensure Company's operations and activities are within the regulatory requirements. Regular visit of Government agents to certify the safety of the Company's operation Regular sensitization programs during town hall meetings to assure communities of the safety of the Company's operation Annual health outreach programs for the communities to enhance their wellness.
6	Land boundary dispute between communities	Ownership of land especially if there is a new drilling program within the environment	<ul style="list-style-type: none"> Involvement of state and local government authorities to resolve the land dispute for peaceful coexistence of all stakeholders.

Conclusion:

Oando shall continue to ensure sustainability by the monitoring and continuous improvement of projects executed so that output achieved in terms of localized economic development is closely comparable to a desired state. The level of exposure of the indigenes will also improve, which will make them more economically competitive.

Effective community relations that foster legitimate representation and an embedded participatory approach will continue to be Oando's approach because it reveals the underlying but evolving needs of the communities. This then serves as the basis for developing targeted socioeconomic interventions.

Our 2019 CSR Activities

S/N	TITLE	CONTENT
1	Donation of Relief Materials to Flood Victims in the Niger Delta	<p>January 22, 2019</p> <p>We kicked-off 2019 by putting smiles on the faces of thousands of people who were affected by the 2018 floods in Rivers and Bayelsa State, a feat worthy of note and emulation. Last year, the National Emergency Management Agency (NEMA) confirmed that flooding across 16 States and 87 Local Government Areas (LGAs) in Central and Southern Nigeria caused 199 deaths and 1,036 injuries. In addition 176,299 people were internally displaced; 3,544 houses destroyed; 150,285 hectares of agricultural land destroyed and a further 826,403 of the population were to varying degrees negatively impacted.</p> <p>To this end, we donated food and non-perishable items such as bags of rice; cartons of noodles; disinfectant; mosquito treated nets and clothing to over 2,000 displaced families in some communities as well as those in Government-approved camps for internally displaced people (IDPs) in their host communities of Rivers and Bayelsa state.</p>



S/N	TITLE	CONTENT
2	Oando and JV Partners Mini Water Scheme Commissioning of Omoku Community, Rivers State	<p>February 4, 2019</p> <p>In line with our commitment to supporting the development of our host communities and in partnership with our JV Partners, NAOC and NNPC, we commissioned six mini water schemes in primary schools in Omoku Central Communities in February. The project was executed to improve access to potable water. The benefiting schools included St. Stephen Primary School, St Mary Primary School, St. Michael Primary School, Universal Basic Primary School (UBE), Community Primary School and Community Model Primary School respectively.</p>



Our 2019 CSR Activities

S/N	TITLE	CONTENT
3	Commemoration of International Day of Women and Girls in Science	<p>February 11, 2019</p> <p>In commemoration of the 2019 International Day of Women and Girls in Science themed 'Investment in Women in Science for Inclusive Green Growth', a delegation of our female engineers mentored female pupils in one of the Oando Foundation adopted primary schools, Archbishop Taylor Primary School, Victoria Island, Lagos.</p> <p>The session focused on the role and importance of Science, Technology, Engineering and Mathematics (STEM) in the world. The female engineers further mentored the girls on why they are passionate about STEM and proud to have built successful careers in it. The aim of the programme was to provide a platform for the female engineers to engage female pupils towards considering and embracing STEM subjects for a future career in STEM by sharing real life and relatable stories that would inspire the young girls.</p>



S/N	TITLE	CONTENT
4	Oando and JV Partners Commissioning of Utuechi Community Market, Rivers State	<p>February 18, 2019</p> <p>In line with our commitment to improving lives via infrastructural development in our host communities, Oando and her JV Partners commissioned a state of the art market in the Utuechi Community, Ogba/ Egbema/ Ndoni Local Government Area in Rivers State. Market stalls, concrete floors and modern toilets were among the facilities commissioned by the Executive Chairman, Ogba Egbema Ndoni L.G.A.</p>



S/N	TITLE	CONTENT
5	Oando and JV Partners Commissioning of Crafts Centre and Market in Irri community, Delta State	<p>May 20, 2019</p> <p>In furtherance of our developmental efforts in our host communities, Oando and Joint Venture (JV) Partners, NAOC and NNPC, recently commissioned a Crafts Centre and Market in Irri community, Isoko South Local Government Area of Delta State. We unveiled a modern market with facilities that included physical and secure structures to house individual market stalls, functional toilets and a borehole for clean water.</p>



S/N	TITLE	CONTENT
6	Oando and JV Partners Donate Ultra-Modern ICT Centre in Rivers State	<p>May 27, 2019</p> <p>In our bid to bridge the technological gap amongst youths in our local communities, Oando and Joint Venture (JV) partners, NAOC and NNPC, donated an ultra-modern ICT Centre with over 24 new computers to the Obrikom community in Ogba Egbema Ndoni LGA, Rivers State.</p>



Our 2019 CSR Activities

S/N	TITLE	CONTENT
7	Oando and JV Partners Empower of Women and Youths in Rivers and Bayelsa State	June 28, 2019 In continuation of its empowerment program for youths and women in its operational states, Oando and its Joint Venture (JV) partners, NNPC and NAOC, launched an empowerment scheme in host communities in Rivers and Bayelsa States. The youths and women were presented with complete starter-packs for setting up businesses in shoe making, barbing, hair dressing, event planning, furniture making, auto/marine mechanics, catering, agro processing, information technology, baking, fashion design and more.

S/N	TITLE	CONTENT
8	Oando and JV Partners Road Commissioning in Irri Community, Delta State	July 25, 2019 The citizens of Irri Community, Isoko South Local Government, Delta State, were overjoyed at the commissioning of a 495-meter asphalt road and drainage project carried out in collaboration with our JV partners, NNPC and NAOC.



S/N	TITLE	CONTENT
9	Oando and JV Partners Electrification Project Commissioning in Okيامa Community, Bayelsa State	July 25, 2019 As part of efforts to foster infrastructural development in its host communities, Oando and its Joint Ventures (JV) partners, NNPC and NAOC, commissioned and handed over an electrification upgrade project in August to members of Okيامa Community in Southern Ijaw Local Government Area, Bayelsa State. The project which consisted of a 350KVA Caterpillar generator, extension of low voltage lines and streetlights, was in fulfillment of the MoU signed with the community.


S/N	TITLE	CONTENT
10		July 27, 2019 As part of our commitment to positively impact the lives of Nigerians and in a bid to improve access to clean, potable water within conflict-affected communities in the North-East, we commissioned a water scheme in Bama, Borno State in collaboration with our JV partners, NNPC and NAOC and the Food and Agriculture Organisation of the United Nations (FAO). The water project is expected to serve 40,000 internally displaced people in Bama alone. The solar-powered borehole will boost access to water for domestic consumption, aid small-scale agricultural activities, while improving sanitation and aiding the restoration of livelihoods.




S/N	TITLE	CONTENT
11	Oando and JV Partners Commissioning of Electrification Project Southern Ijaw Communities, Bayelsa State	August 2, 2019 Southern Ijaw Local Government Communities in Bayelsa State continue to reap the benefits of being a host community of the NNPC/NAOC/Oando Joint Venture. The Fierebagha-ama Community heaved a sigh of relief following the commissioning and handing over ceremony of an electrification upgrade project. The project is targeted at increasing access to power within the community and consists of a 250KVA caterpillar generator, extension of low voltage lines and streetlights.



Our 2019 CSR Activities

S/N	TITLE	CONTENT
12	Oando and JV Partners Commissioning of Concrete Road Rivers State	<p>August 9, 2019</p> <p>In keeping to our commitment to leave our host communities better than we met them, we commissioned a 500meter concrete road and drainages in August, in Enito 2 Community, Ahoada West Local Government Area in Rivers State, in collaboration with our JV partners NNPC and NAOC.</p>
		

S/N	TITLE	CONTENT
13	Oando and JV Partners Commission Infrastructural Projects in Akipelai Community	<p>August 26, 2019</p> <p>We put a smile on the faces of our host community members in Akipelai Community in Ogbia Local Government in Bayelsa State with the commissioning of a civic center, concrete walkway, a rehabilitated landing jetty and water scheme. The projects were carried out in collaboration with our JV partners NNPC and NAOC.</p>
		

S/N	TITLE	CONTENT
14	Oando and JV Partners Host of Maiden Community Day	<p>October 24, 2019</p> <p>It was a display of cultural heritage at the maiden edition of the Host Community Day organised in collaboration with our Joint Venture Partners NNPC and NAOC in Port Harcourt, Rivers State.</p> <p>The event which had in attendance the Minister of Information and Culture, Alhaji Lai Mohammed. The event grand finale included a cultural dance competition by groups selected during preliminary selection stages across Rivers, Bayelsa, Delta and Imo states. The 'Fantastic Egbelegbele Cultural Dance Group from Bayelsa State emerged winners of the NAOC JV Host Community Day 2019, while the dance groups from Rivers, Delta and Imo came second, third and fourth respectively.</p>
		

S/N	TITLE	CONTENT
15	Oando and JV Partners Host Support Workshop for vendors	<p>November 5, 2019</p> <p>Indigenous vendors in our host community, Kwale, Delta State were treated to a one-day business support workshop themed 'Partnerships That Work'. The event was organised in collaboration with Energia Limited our Joint Venture Partner on OML 56 and was aimed at building local content and capacity, while educating the community vendors on the ease of doing business.</p> <p>Representatives from the Delta State Board of Internal Revenue (DSIR), Department of Petroleum Resources (DPR) and Ascension Consulting facilitated at the workshop and educated the vendors on how to obtain the necessary statutory permits, licenses and certificates required to work in the industry.</p>

Quality Education (SDG 4)



Oando Foundation

In 2011, Oando PLC established Oando Foundation (OF) as an independent charity to champion the cause of education beyond its host communities to every Nigerian child. The Foundation’s mandate is to support the Nigerian Government in achieving its Universal Basic Education goal with a vision to creating sustainable and equitable educational systems in communities that empower every child through its signature project - the Adopt-A-School Initiative (AASI). The Adopt-A-School Initiative deploys a holistic approach of integrated school improvement, addressing critical supply and demand factors that affect learning, teaching, management, parental/community participation and responsiveness to children’s needs while creating proof of concept for project replication and scale-up.



Since inception, Oando Foundation has documented many achievements through its partnerships, cutting across all levels of governance in the basic education sub-sector; and stirring increased enrolment, transition and completion rates across target schools. More than 60,000 out of school children, particularly girls and vulnerable children, are on the path to acquiring literacy and numeracy skills that will improve their lives and impact positively on their communities. 2,834 school teachers have improved their subject content knowledge and pedagogical practices and are passing on this knowledge to children in adopted schools in simple, engaging, and effective manner that builds their cognitive and socio-emotional skills. Our teacher and learning materials further aid the transfer of knowledge and enrich the students’ learning experiences.

Sustainability is at the core of Oando Foundation’s existence; Oando Foundation is investing in the future today; supporting thousands of children across Nigeria to gain an education that enlightens and empowers them to thrive in an ever-changing globalized world.

Oando Foundation is committed to improving access to quality basic education by creating better learning environments in public primary schools across the country through its signature programme – the Adopt-A-School Initiative (AASI) and leveraging resources, best practice, and cross-cutting solutions that have delivered similar results. The Foundation currently supports 88 public primary school communities across 23 states in Nigeria.

The Adopt-A-School programme utilizes an integrated school development approach. It comprises Infrastructural Development (including Water and Sanitation), Teacher Capacity Development, Information and Communications Technology (ICT) Education, Early Childcare Development, Grants and scholarships, Strengthening institutional management of education, and other projects geared towards improving access to quality education and transforming the lives of children in communities across Nigeria.

Oando Foundation’s programme interventions support the actualization of Sustainable Development Goals 4 (Quality Education); 5 (Gender Equality); 6 (Clean water and sanitation) and 17 (Partnerships for the Goals) in Nigeria.

Oando Foundation is changing social norms and collective behaviour towards education in the communities it serves by strategically empowering its implementing partners, school-based management committees, grassroots mobilizers with evidence-based messaging on the importance of basic education, and their role in it.

Oando Foundation’s strategic collaboration with key technical partners remains critical to the overall programme quality; providing opportunities for increased awareness and project scale-up. It builds on the goodwill and commitment demonstrated by state and local partners, working through government systems to create ownership and sustained participation in the programme – improving skills and building capacity of the State Universal Basic Education Board (SUBEBs), Local Government Education Authority (LGEAs) and School Based Management Committees (SBMCs) to deliver basic education dividends to their communities and strategically contextualize Oando Foundation’s approaches and solutions for sustainability and scale-up.

Riding on the wings of the in-kind contributions of its Funding Partner, Oando PLC, Oando Foundation is transforming its culture and the way it works. The Foundation deploys innovative technologies to optimize processes and leverage more efficient eco-friendly ways of working. Oando Foundation’s people are essential to its success; the Foundation provides equal opportunity in recruitment, career development, promotion, training and reward for all employees, regardless of gender, ethnicity, physical ability or religion.

Oando Foundation continues to invest in its employees to remain at the forefront of research and devise innovative solutions to address education issues whilst empowering them to be change-makers for a better world.

Furthermore, Oando Foundation’s supply chain process addresses the target of SDG 8 by prioritizing local vendors in the communities it operates. 100% of contracts awarded in 2019 were made to indigenous vendors with approximately 70% awarded to community based local artisans.

Quality Education (SDG 4)

<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p>Quality education is a critical route out of poverty, edging towards prosperity. Oando Foundation aims to support the Nigerian Government to achieve its Universal Basic Education goal through the Foundation's signature project - the Adopt-A-School Initiative. The strategies which address this objective are:</p> <ul style="list-style-type: none">• Infrastructural development through School Renovation and New Builds• Teacher training and provision of instructional aids• Introducing Early Childhood Care and Development Education• Establishing Creative (ICT) Centres• Oando Scholars programme
<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<p>Achieve gender equality and empower all women and girls</p> <p>Oando Foundation aims to support increased access and improve the quality of teaching and learning outcomes in schools and prioritize the needs of the girl child across all our programme interventions.</p> <p>The Foundation also recognize the community as a great backbone in its advocacy efforts. Oando Foundation's initiatives are designed to strengthen the capacity of the School Based Management Committee (SBMC) members to reach out to children (especially girls) who are most likely to drop out of school, and their families, and to begin to provide a more protective environment. Through the Foundation's advocacy efforts, it is increasing the participation and voices of women and children in the SBMC and the school development planning process, and have begun to see the Foundation's advocacy efforts yield results.</p>
<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>	<p>Ensure availability and sustainable management of water and sanitation for all</p> <p>Lack of privacy for the girl child due to inadequate facilities to support Water, Sanitation and Hygiene (WASH) needs, especially during their menstrual cycle is a key challenge. The Foundation continues to support WASH needs in adopted schools through the provision of portable water supply, wash bays, and toilets and education on basic hygiene practices.</p>
<div>17</div> <div>PARTNERSHIPS FOR THE GOALS</div> <div></div>	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p> <p>Oando Foundation formed strategic alliances with key government educational institutions, non-governmental organisations, industry specialists and community members and partnered with other private sector organisations to ensure effective programme implementation, monitoring, and replication (where required) across other non-adopted schools in the state.</p>
<div>13</div> <div>CLIMATE ACTION</div> <div></div>	<p>The Foundation is partnering with various stakeholders – government, private sector organizations, to support environment education; knowledge on recycling, climate change and conservation across select adopted schools.</p> <p>Oando Foundation is also adopting eco-friendly practices; reusing and recycling of some recyclable waste.</p>

Goals and targets for the next reporting year, 2020

The aspirations, which will guide future sustainability targets and strategies, include: Drive to increase education opportunities for the marginalized and vulnerable children in public schools and advocate improved relevant digital content in public schools whilst promoting eco-friendly knowledge and processes across our work and amongst our partners. Oando Foundation believes that relevant and empowering education is the foundation on which all human success lies.

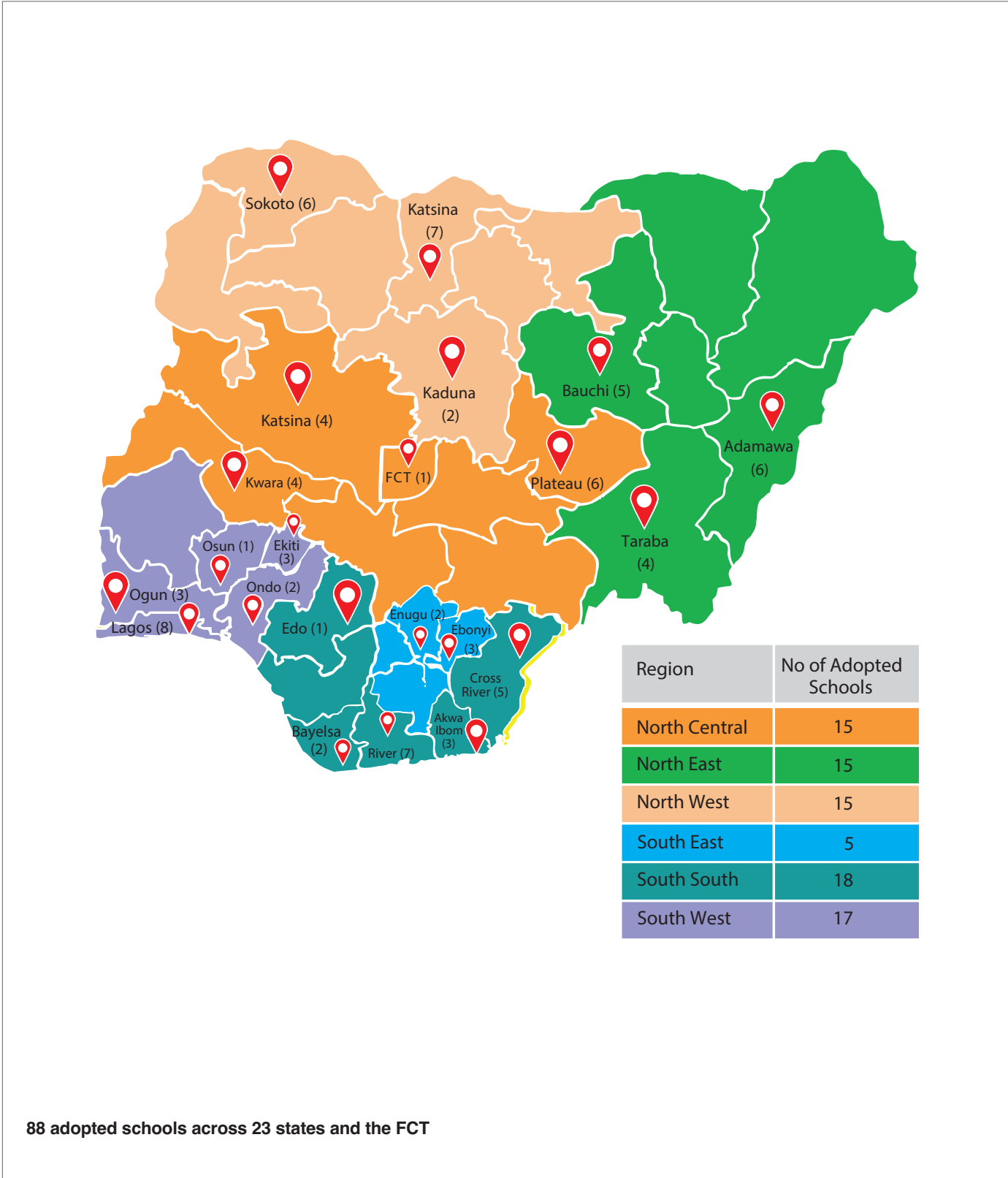
KEY THEMES	GOALS
Bridging Digital Divide	<ul style="list-style-type: none">• Continue the provision and support of equipment and content to improve digital literacy in public schools.
Increasing Education Opportunities	<ul style="list-style-type: none">• Leverage every credible platform to advocate for increased access to relevant and empowering education for every Nigerian child particularly the marginalized and vulnerable.• Continue implementation of the Adopt-A-School Initiative across adopted schools.
Sustainable environment	<ul style="list-style-type: none">• The Foundation remains committed in collaboration with partners to sensitize children across 8 communities in Lagos State on recycling and environmental sustainability.• The Foundation will continue the reduction of CO2 emissions by conserving energy use, reducing paper waste and recycling used plastics.

Why we are here

The world is changing very rapidly. To prepare our children for the fourth industrial revolution and beyond, we need to create an education system where all students, regardless of income or socioeconomic status, have the knowledge and skills needed to unlock their potentials and burgeon in an ever-changing 21st century. This is our commitment at Oando.

Quality Education (SDG 4)

Our Reach



Impact

1,000,000

Over half a million children directly impacted across 88 target communities since inception in 2011

60,000

More than 60,000 out of school children enrolled, 77% retained; particularly girls and vulnerable children now on the path to acquiring literacy and numeracy skills that will improve their lives and impact positively on their communities.

2,832

2,832 school teachers have improved their core subject content knowledge and pedagogical practices, and are passing on this knowledge to children in adopted schools in simple, engaging, and effective ways that build their cognitive and socio-emotional skills.

100,000+

100,000+ people within 39 communities now have access to digital learning opportunities, 78% of student beneficiaries can now display basic ICT appreciation skills

26.0%

'Drop out' for children in adopted schools reduced from 29.9% to 26.0% in Northern states while Southern schools dropped significantly from 15.1% in 2016 to 5.5% in 2018.

37%

Maintained a 37% average increase in enrolment in the last 3 academic sessions (2017 – 2020) across target schools and over 90% transition to secondary school.

64

Refurbished 64 schools – infrastructure works included 83 blocks of 249 classrooms, 4 school perimeter fences, 80+ sanitation and hygiene facilities, and 4,000+ units of students' desks and chairs; improving the learning environment of students in adopted schools.

39

Established 39 ICT Centers and donated educational software to support deployment curriculum based lessons in adopted schools.

Increased Community participation in school governance and development, working with key groups such as the School Based Management Committees (SBMCs)

Replication of our Intervention Models by Government Education Agencies – Community Based Renovation Approach (CBRA) for infrastructure projects and our Teacher Capacity Development (TCD) model.

Quality Education (SDG 4)

Operations

- Contracting multiple implementing partners ensures the Foundation’s initiatives benefit from the organisation’s intrinsic knowledge, community level customs and practices, however this also poses a disparity risks. The differences in implementation style could affect consistent quality of programme implementation across different states.
- Our world is changing. The rise in competing priorities for global funds definitely affects the availability of funds for basic education mandates, limiting available funding to support education programmes.

Strategy

- The Foundation deploys an integrated whole school approach to its implementation, hence the complexities of a holistic approach to education reform may create challenges for scale up and replication.

Organizational Structure

High standards of governance are essential to maintain the trust of all stakeholders – funding partners, government partners and beneficiaries. Importantly, the Foundation has integrated all sustainability-related structures, processes and management systems, ensuring its operations are transparent and accountable. Oando Foundation is overseen by a Board of Trustees (BOT). Members are selected based on pre-determined skills matrix. The Board provides oversight to the Head, Oando Foundation who is supported by a team of dedicated staff and volunteers to manage its daily operations. The Board of Trustees meets independently and jointly during the course of the year to provide oversight functions to the Foundation’s activities.

The board members serve on a pro-bono basis and therefore receive no financial compensation for services/time rendered. Every year, board members are required to disclose any potential conflict of interests in writing.

To effectively implement and coordinate the programme implementation process, OF works with 10 implementing partners (Non-Governmental Organizations/Community-Based Organizations) across 6 geo-political zones to ensure active programme implementation and monitoring. Also, consultants are engaged to provide specialized services in conducting surveys, data collection and analysis, support to the LGEA and teacher capacity building components, among others.

The Foundation effectively leverages Oando Group’s in-kind human resource support - Finance, Legal, Human Resources, and Admin services. The Foundation’s strategy is therefore embedded in Oando Group’s culture that is hinged on the following core values of Teamwork, Respect, Integrity, Passion and Professionalism (TRIPP) and code of conduct. This significantly reduces the administrative burden to the Foundation, while guaranteeing premium world-class controls.

Stakeholder engagement

Oando Foundation recognizes that effective stakeholder management is critical to the success of its work; engaging the right people in the right way improves the quality of the Foundation’s work, increases ownership and drives sustainability. Stakeholder Engagement goes beyond people simply being informed and consulted. It includes people participating and being involved whilst striving for a greater focus and commitment to improve the overall outcome of the Foundation’s work.

In the course of its work, Oando Foundation has identified and cultivated multilevel partnerships with a range of groups across various levels – government, International Development Agencies, Political and traditional & Religious Leaders, NGO’s, Civil Society Organizations, Philanthropists and communities. These include State Ministries of Education, State Universal Basic Education Boards, Local Government Education Authorities, School Based Management Committees, Head Teachers of Adopted schools, Secondary School principals, Scholarship Boards and Parents.

Stakeholder Group	Basis of Identification	Format/Mode of Engagement	Frequency	Key Stakeholder concerns/issues	Resolution Strategy
State Universal Basic Education Board	Education Sector mapping	Letters / emails Meeting	Ongoing	Quality of infrastructure provided and alignment to state specification	Oando Foundation sets up a project committee comprising representatives of School Based Management Committees, State Universal Basic Education Boards (SUBEB), Local Government Education Authorities and independent contractors to ensure quality of all infrastructure project and alignment with State specification.
	States Education Index Report	Key Informant Interview Periodic project update	Quarterly		
Implementing partners	Robust procurement processes, Capacity Assessment Reports	Emails Meetings Phone calls	Ongoing	Bridging capacity gaps in effective implementation & monitoring of the Adopt-A-School Initiative	The Foundation development mechanism for an ongoing capacity strengthening support to Implementing Partners. Developed templates and guides to support implementation and monitoring.
Community Members	Community mapping Based on School Based Management Committees policy	Focus group Discussions	Quarterly	Capacity gaps to monitor and advocate effectively.	The Foundation has a robust training plan for School Based Management Committees across management, advocacy and leaders including involving them in the school renovation process through Oando Foundation is building a capacity of School Based Management Committees to mobilize resources from alternate funding streams such as individuals and alumni The Foundation is providing ancillary support to mobilize out of school children such as school uniforms and other school materials.
		Phone calls	Continous	Inadequate funding for school development	
				Required school supplies for mobilized indigent out of school children	
Teachers	Government adopted schools	Focus group Discussions	Quarterly	Maintenance of infrastructure provided by the Foundation such as ICT, furniture Inadequate furniture and school maintenance funding	Oando Foundation is working with the government & communities to provide additional resources to support infrastructure requirements and maintain already provided infrastructure in adopted schools
		Meetings	Continous		
		Interviews			



Quality Education (SDG 4)

Vulnerable Groups Identified

In line with Oando Foundation’s commitment to ensure inclusive and equitable quality basic education in the communities it serves, the Foundation primarily targets the below vulnerable groups.

Out of School Children – despite the Child Rights Act, which was enacted in Nigeria in 2003 (and which is only applicable in states that have domesticated it), Nigeria has more primary school children out of school than any other country worldwide –10.5 million children out of school represents 14% of the 61 million children out of school globally (UNICEF). Children not attending school are in most cases unaccounted for in school records. They are therefore “invisible” and often not considered in policy and decision-making. Oando Foundation mobilizes out of school children through community mobilization and works with different stakeholders to increase their chances of staying in school and learning.

Girls –. Girls’ education does not only bring the immediate benefit of empowering girls but is seen as the best investment in a country’s development. Educated girls develop essential life skills, including self- confidence and the ability to participate effectively in society, and are also more empowered to protect themselves from HIV/AIDS and sexual exploitation. Girl’s education also helps to reduce children and maternal mortality rates, contributing to national wealth and controlling disease and health status. Children of educated women are more likely to go to school and, consequently, this has exponential positive effects on education and poverty reduction for generations to come. Oando Foundation mainstreams gender across all its programme interventions whilst making concerted efforts that target girls specifically to bridge the gender gap. To date, 51% of all children in adopted schools are girls.

Children affected by crisis - The North-Eastern part of Nigeria has become significantly displaced educationally due to the Boko Haram insurgency. Many children who are victims of the insurgency have had their schooling interrupted, some have become orphaned, whilst others lack the financial resources necessary to remain in school. Schools in Muchalla and Nzangula communities in Gombi and Madagali Local Government Areas were destroyed by the insurgents, making it impossible for children to continue schooling.

To support the re-integration of out-of-school children back into school, the Foundation had earlier adopted 11 schools in Bauchi and Adamawa states, some in locations close to the state-government approved settlement camps for displaced persons. The Foundation is partnering with key stakeholders to provide access to continued education amidst the crisis.

Children with Special Needs – to reduce the difficulties faced by children with disabilities and support retention in schools, the Foundation provides teaching and learning aids, as well as ramps in schools it renovates. Besides, the Foundation’s teacher training programmes build capacity for teachers to understand and attend to children with learning difficulties.

2019 Programme Highlights

Educate A Child Foundation / Oando Foundation Project – Key Outcomes

Oando Foundation partnered with Educate A Child for the past three years to increase access to quality basic education across 23 states in Nigeria. The partnership was built on leveraging Oando Foundation lessons in the implementation of its Adopt A- School initiative to scale impact across adopted schools.

Key Achievements

- 60,955 out of school children enrolled to date; with 77% cumulative retention rate achieved.
- Completed specific renovation/new-builds in 49 adopted schools.
- 118 units of toilets, 35 motorized boreholes and 26 wash bays constructed to support sanitation and hygiene needs across 39 adopted schools.
- Established 39 ICT Centers and donated educational software to support deployment curriculum based lessons in adopted schools.
- Trained 2,832 teachers and 210 head teachers in school management, modern pedagogical practices, and subject content knowledge.
- Distributed over 10,000 teaching and learning materials in 88 adopted schools to improve learning outcomes.
- Capacity building and mentorship support provided for 1,731 School-Based Management Committee members, 212 Education Management Information System officers, and 170 school support officers to improve education service delivery.
- Awarded scholarships to 248 students across adopted schools, bringing the total number of beneficiaries to 1,153; supporting their transition through secondary education.

Promoting Digital Literacy and Early Child Care Development in Nigeria

As part of the Foundation’s commitment to build partnerships that increase impact in education, since 2017, Oando Foundation in partnership with Sumitomo Chemical is bridging the digital literacy gap among hard to reach children in public primary schools in Nigeria, in line with the SDG 4, Indicator 4.4.1 (equipping young people and adults with relevant skills for a Digital World).

Through the partnership, the Foundation is increasing access to ICT education in target public primary schools by providing students with ICT facilities, and empowering them with technology skills through creativity and learning. Oando Foundation achieves these through the establishment of ICT centers in adopted schools, strengthening the capacity of in-school ICT educators to transfer knowledge to the learners, entrenching practical application of the national ICT curriculum, and providing ICT textbooks and software to support teaching and learning experiences.

As part of the third (3rd) phase of the project, the Foundation completed the set-up of two ICT centers in (i) Local Government (LG) Primary School, Itori, Ewekoro, (ii) Ogun State and (iii) Liberty Mafoni Primary School, Maiduguri, Borno, bringing the total number of ICT centers established under the partnership to date to eight (8), reaching over 10,000 children. In addition, the Foundation upgraded 2 Early Child Care Development (ECCD) classrooms at Mafoni Liberty Primary school, Maidugiri, creating conducive learning environment with age appropriate teaching and learning materials.



Quality Education (SDG 4)

Oando Foundation and OVH Energy rehabilitate adopted school in Ekara Onne, Rivers State

As part of Oando Foundation's Adopt-A-School Initiative, which is aimed at improving access and quality of learning across adopted public primary schools, the Foundation recently partnered with OVH Energy, a leading downstream marketing company and licensee of the Oando retail brand to renovate and provide furniture and teaching and instructional materials for teachers and pupils at Model Primary School, Ekara Onne, Rivers State.

The partners commissioned the project in the presence of key stakeholders including representatives from the Rivers State Universal Basic Education Board (RSUBEB) and Ekara Onne Local Government Education Authority (LGEA). It is expected to impact the lives of over 500 beneficiaries; bridging the existing education infrastructure gaps, and creating a conducive learning environment for students to grow and thrive.

Oando Foundation Partners with the World Bank funded Community and Social Development Programme

Oando Foundation officially flagged-off its partnership with the Katsina State Community & Social Development Project (CSDP) - a World Bank intervention focused on assisting underprivileged communities through the provision of support for social and infrastructure services. The partnership is geared towards leveraging resources of both organisations, driven by individual community priorities, to improve quality of life, reduce poverty, and increase access to social and economic facilities, in communities where both organisations are operational.



In Randawa Community where the Foundation has adopted a public primary school, the joint intervention provided funding for direct school improvements, upgrade of the primary healthcare center, and improved road access into the community.



128 pupils and 17 teachers benefit from the free-eye care screening in adopted school

In collaboration with AMA Foundation, pupils and teachers of Olisa Primary school (an Oando Foundation adopted School) and Methodist Primary school, Mushin, Lagos benefitted from the free eye care screening that was provided to aid future learning. 128 pupils and 17 teachers, some of whom received medications and reading glasses benefitted from the initiative anchored by Oando Foundation and AMA Foundation to screen students and teachers for visual impairments and provide them with reading glasses, where necessary for improved learning performance. Pupils who were diagnosed with refractive errors were given reading glasses to aid reading and improve their performance in school.



Oando Foundation promotes evidence based knowledge sharing across various platforms

Oando Foundation continued active utilization of programme evidence from its Adopt-A-School Initiative for advocacy, knowledge sharing, and replication efforts at International, Federal and State levels; leveraging key platforms across the public, private and development sectors such as United Nations General Assembly (UNGA), World Innovation Summit on Education (WISE) and Nigerian Education Innovation Summit (NEDIS). Through its strategic affiliation with the National Education Group (NEG) and the Private Sector Advisory Group on SDGs (PSAG) among others, the Foundation is actively contributing to and influencing basic education priorities at national and state levels.

Oando Foundation partners with the Federal Ministry of Education on the 2019 Nigerian Annual Education Conference (NAEC)

Oando Foundation partnered with the Federal Ministry of Education to host the 2019 Nigeria's Annual Education Conference (NAEC), themed: Education for Sustainable Livelihoods; A Systems Approach to Strengthening the Sector for Productivity and Global Competitiveness. The conference objective was to bring together stakeholders in education policy-making in Nigeria to promote a culture of sharing evidence and open discussion. Key priority areas for 2019 were Curriculum and Instruction Strengthening for Greater Competence, Capacity Development for Productivity and Effectiveness, Infrastructure and Resources.

Key outcomes from the conference include – the need to improve educational outcomes across the various cadres of education by – review and update of the Nigerian curriculum in line with 21st century realities, Implementation of a Standardized Teacher Certification Process, Ongoing Professional Development for Teachers and Government Must Make Early Education a Priority.



Quality Education (SDG 4)

Oando Foundation engages with Technical Partners in Katsina and Kwara States

Oando Foundation’s Adopt-A-School programme is hinged on effective partnerships with key stakeholders supporting basic education planning and delivery to ensure sustainability, replication, and scale up of its programme interventions.

The Technical Partners’ Review Meeting in both Katsina and Kwara States serve as part of key activities under the Foundation’s monitoring and evaluation framework for the Adopt-A-School Initiative. The meetings served to jointly evaluate the implementation of the Adopt-A-School Initiative in the states, including areas for improvement, and opportunities for project replication and scale up by the government at state and local levels.



Handover and commissioning of Infrastructure Projects in Plateau State

In line with its commitment to improve access and quality of learning across adopted schools, Oando Foundation commissioned various infrastructure and sanitation projects in its adopted schools – Bungba Gida Primary School, Mangu Local Government Area, Plateau State, as well as other completed school improvement projects across its five (5) other adopted schools within the state. The commissioning was jointly organized by the Plateau State Government and the State Universal Basic Education Board in collaboration with Oando Foundation. The completed projects will impact the lives of over 4,200 beneficiaries; bridging the existing education infrastructure gaps in public primary schools, and creating a conducive learning environment for students to grow and thrive.



Oando Employees volunteer to mentor female pupils and promote creativity in Oando Foundation adopted schools

In commemoration of the 2019 International Day of Women and Girls in Science themed ‘Investment in Women in Science for Inclusive Green Growth’, a delegation of Oando PLC’s female engineers mentored female pupils in one of the Oando Foundation adopted primary schools, Arch Bishop Taylor Primary School, Victoria Island, on the role and importance of Science, Technology, Engineering and Mathematics (STEM) in the world. The programme provided a platform for the female engineers to engage female pupils towards considering and embracing STEM subjects for a future career in STEM by sharing real-life and relatable stories that would inspire the young girls.

Furthermore as part of the International Volunteers’ Day celebration, Volunteers also engaged with pupils of Metropolitan Nursery and Primary School, Sari-Iganmu, Orile; an Oando Foundation adopted school. The volunteers refurbished the Early Child Care classes (ECCD) in the school, provided age-appropriate educational materials, and increased creativity among learners through arts and crafts using fun-based activities such as still-life drawing, class painting, creative collages, sketching and colouring, amongst others.

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GR 101: Foundation 2016		
GR 102: General Disclosures	Disclosure 102-1 Name of the organisation	Page 2
	Disclosure 102-2 Activities, brands, products, and services	Pages 12-13
	Disclosure 102-3 Location of headquarters	Page 13
	Disclosure 102-4 Location of operations	Pages 13
	Disclosure 102-5 Ownership and legal form	Oando 2018 Annual Report & Accounts, page 44
	Disclosure 102-6 Markets served	Page 12
	Disclosure 102-7 Scale of organization	Pages 12-15
	Disclosure 102-8 Information on employees and other workers	Pages 38-40
	Disclosure 102-9 Supply chain	Oando 2018 SR Pages 74 - 77
	Disclosure 102-10 Significant changes to the organization and its supply chain	Oando 2018 Pages 74-77
	Disclosure 102-11 Precautionary Principle or approach	Pages 20-28, 30-32
	Disclosure 102-12 External initiatives	Page 34-36
	Disclosure 102-13 Membership of associations	Page 35-36
	Disclosure 102-14 Statement from senior decision-maker	Pages 6-11
	Disclosure 102-15 Key impacts, risks and opportunities	Pages 22-28
	Disclosure 102-16 Values, principles, standards and norms of behavior	Pages 16
	Disclosure 102- 17 Mechanisms for advice and concerns about ethics	Page 36
	Disclosure 102- 18 Governance Structure	Oando 2018 Annual Report & Accounts pages 38-42, 52
	Disclosure 102-19 Delegating Authority	Oando 2018 Annual Report & Accounts, pages 46, 49-50
	Disclosure 102-20 Executive level Responsibility for economic, environmental and social topics	Oando 2018 Annual Report & Accounts, page 46
	Disclosure 102-20 Consulting stakeholders on economic, environmental and social topics	Oando 2018 Annual Report & Accounts, pages 44-53
	Disclosure 102-22 Composition of the highest governance body and its Committees	Oando 2018 Annual Report & Accounts, pages 49-51
	Disclosure 102- 23 Chair of the highest governance body	Oando 2018 Annual Report & Accounts, page 38
	Disclosure 102- 24 Nominating and selecting the highest governance body	Oando 2018 Annual Report & Accounts, page 50
	Disclosure 102- 25 Conflicts of interest	Oando 2018 Annual Report & Accounts, pages 166-169
	Disclosure 102-26 Role of highest governance body in setting purpose, Values	Oando 2018 Annual Report & Accounts, page 46
	Disclosure 102-27 collective knowledge of the highest governing body	Oando 2018 Annual Report & Accounts, page 46
	Disclosure 102-29 Identifying and managing economic, environmental and social impacts	Oando 2018 Annual Report & Accounts, pages 53-57
	Disclosure 102-30 Effectiveness of risk management processes	Pages 22-28, pages 30-32
	Disclosure 102-31 Review of economic, environmental and social topics	Oando 2018 Annual Report & Accounts, pages 49-51
	Disclosure 102-33 Communicating Critical concerns	Page 36, Oando 2018 Annual Report & Accounts, page 53
	Disclosure 102- 34 Nature and Total number of concerns	Page 36

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	Disclosure 102-36 Process for determining Remuneration	Oando 2017 Sustainability Report page 35
	Disclosure 102- 37 Stakeholders involvement in remuneration	Oando 2017 Sustainability Report page 35
	Disclosure 102-40 List of stakeholder groups	Page 51
	Disclosure 102-41 Collective bargaining agreements	Oando 2018 SR page 33
	Disclosure 102- 42 Identifying and selecting stakeholders	Page 51
	Disclosure 102- 43 Approach to stakeholder engagement	Page 51
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GR 103: Management Approach	Disclosure 103-1	Pages 18-20
	Disclosure 103-2	Pages 22, 30, 34, 38, 41, 42, 44, 46-47, 50, 51, 52, 55, 56, 60, 62
	Disclosure 103-3 Evaluation of the management approach	Pages 22, 30, 34, 38, 41, 42, 44, 46-47, 50, 51, 52, 55, 56, 60, 62
GRI 201: Economic Performance	Management Approach Disclosure 201-1	Pages 50-51
	a. Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:	
	i. Direct economic value generated: revenues	Pages 50-51
	ii. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;	Pages 50-51
	iii. Economic value retained: 'direct economic value generated' less 'economic value distributed'.	Pages 50-51
	b. Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.	Pages 50-51

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GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 201: Economic Performance	Disclosure 201-3 a. If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities	Oando 2016 Sustainability Report page 46
	b. If a separate fund exists to pay the plan's pension liabilities:	Oando 2016 Sustainability Report page 46
	i. The extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them;	Oando 2016 Sustainability Report page 46
	ii. The basis on which that estimate has been arrived at;	Oando 2016 Sustainability Report page 46
	iii. When the estimate was made.	Oando 2016 Sustainability Report page 46
	c. If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.	Oando 2016 Sustainability Report page 46
	d. Percentage of salary contributed by employee or employer.	Oando 2016 Sustainability Report page 46
	e. Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional or country-based schemes, or those with financial impact.	Oando 2016 Sustainability Report page 46
	Disclosure 201-4 a. Total monetary value of financial assistance received by the organisation from any government during the reporting period, including:	Page 50
	i. tax relief and tax credits;	Page 50
	ii. subsidies;	Page 50
	iii. investment grants, research and development grants, and other relevant types of grant;	Page 50
	iv. award;	Page 50
	v. royalty holidays;	Page 50
	vi. financial assistance from Export Credit Agencies (ECAs);	Page 50
	vii. financial incentives;	Page 50
	viii. other financial benefits received or receivable from any government for any operation.	Page 50
	b. The information in 201-4-a by country	Pages 50
	c. Whether, and the extent to which, any government is present in the shareholding structure.	Pages 50
GRI 202: Market Presence	Management Approach Disclosure 202-1 a. When a significant proportion of employees are compensated based on wages subject to minimum wage rules, report the relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage.	Page 41
	b. When a significant proportion of other workers (excluding employees) performing the organization's activities are compensated based on wages subject to minimum wage rules, describe the actions taken to determine whether these workers are paid above the minimum wage.	Page 41
	c. Whether a local minimum wage is absent or variable at significant locations of operation, by gender. In circumstances in which different minimums can be used as a reference, report which minimum wage is being used.	Page 41
	d. The definition used for 'significant locations of operation.'	Pages 13

GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 202: Market Presence	Disclosure 202-2 a. Percentage of senior management at significant locations of operation that are hired from the local community.	Pages 39-40
	b. The definition used for 'senior management'	Page 39-40
	c. The organization's geographical definition of 'local'.	Oando 2018 SR Page 33
	d. The definition used for 'significant locations of operation'.	Pages 13
GRI 203: Indirect Economic Impacts	Management Approach Disclosure 203-1 a. Extent of development of significant infrastructure investments and services supported.	Pages 63-75
	b. Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.	Pages 63-75
	c. Whether these investments and services are commercial, in-kind or pro bono engagements.	Pages 62
	Disclosure 203-2 a. Examples of significant identified indirect economic impacts of the organization, including positive and negative impacts.	Pages 63-75
	b. Significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.	Pages 63-75
GRI 204: Procurement Practices	Management Approach Disclosure 204-1 a. Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (such as percentage of products and services purchased locally).	Oando 2018 SR Page 77
	b. The organization's geographical definition of 'local'.	Oando 2018 SR Page 77
	c. The definition used for 'significant locations of operation'	Oando 2018 SR Page 77
GRI 205: Anti- Corruption	Management Approach	Page 36
	Disclosure 205-1 a. Total number and percentage of operations assessed for risks related to corruption.	Pages 36-37
	b. Significant risks related to corruption identified through the risk assessment.	Pages 36-37
	Disclosure 205-2 a. Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region.	Page 36 *anti-corruption policies and procedures are communicated to all governance body members and all employees.
	b. Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region.	Page 36 *anti-corruption policies and procedures are communicated to all governance body members and all employees.
	c. Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations.	Page 36 * Our anti-corruption policies and procedures are communicated to all our business partners.

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GRI Standard	Disclosure	Page number(s) and/or URL(s)
GRI 205: Anti-Corruption	d. Total number and percentage of governance body members that have received training on anti-corruption, broken down by region.	Page 36 *All of our governance body members have received training on anti-corruption
	e. Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Page 36 *All our employees have received training on anti-corruption
	Disclosure 205-3	*There were no confirmed incidents of corruption in the reporting year
	a. Total number and nature of confirmed incidents of corruption.	
	b. Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	*None
	c. Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.	*None
	d. Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	*None
GRI 302 Energy	Disclosure 302-1	
	a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.	Oando 2018 SR, Page 78
	b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.	Oando 2018 SR Page 78
	c. In joules, watt-hours or multiples, the total: i. electricity consumption ii. heating consumption iii. cooling consumption iv. steam consumption	Oando 2018 SR Page 78
	d. In joules, watt-hours or multiples, the total: i. electricity sold	Oando 2018 SR Page 78
GRI 303 Water and Effluents	Management Approach	Oando 2018 SR Page 78
	Disclosure 303-1	Oando 2018 SR Page 78
	a. A description of how the organization interacts with water, including how and where water is withdrawn, consumed, and discharged, and the water-related impacts caused or contributed to, or directly linked to the organization's activities, products or services by a business relationship (e.g., impacts caused by runoff).	
	b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used.	Oando 2018 SR Page 78
GRI 304: Biodiversity	Management Approach	
	Disclosures 304-1	Page 55
	a. For each operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas, the following information:	
	Disclosure 304-2	
	a. Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:	Page 50

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GRI 305: Emissions	Management Approach	Page 50
GRI 306: Effluents and Waste	Management Approach	Page 56
	Disclosure 306-2 Water waste by type and disposal method	Pages 56-59
	Disclosure 306-4 Transport of hazardous waste	Pages 56-59
GRI 307: Environmental Compliance	Management Approach	Page 52
	Disclosure 307-1 Non-compliance with environmental laws and regulations	Page 52
GRI 401: Employment	Management Approach	Pages 38, 40
	Disclosure 401-1 New employee hire and employee turnover	Pages 40
	Disclosure 401-2 Benefits provided to full time employees that are not provided to temporary or part-time employees	Page 41
	Disclosure 401-3 Parental leave	Page 41
GRI 402: Labour/ Management Relations	Management Approach	Page 41-42
GRI 403: Occupational Health and Safety	Management Approach	Page 60
	Disclosure 403-1 Workers representation in formal joint management-worker health and safety committees	Page 60
	Disclosure 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 60
GRI 404: Training and Education	Management Approach	Page 41-42
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Page 41-42
	Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Pages 41-43
GRI 405: Diversity and Equal Opportunity	Management Approach	Page 40
	Disclosure 405-1 Diversity of governance bodies and employees	Page 40
GRI 406: Non-Discrimination	Management Approach	Page 40

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GRI 408: Child Labour	Management Approach	Oando 2018 SR, Pages 33 and 78
	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	Oando 2018 SR, Page 78
GRI 409: Forced or Compulsory Labour	Management Approach	Oando 2018 SR, Page 78
GRI 410: Security Practices	Management Approach	Page 39
	Disclosure 410-1 Security personnel trained in human rights policies or procedures	Page 39
GRI 412: Human Rights Assessment	Management Approach	Oando 2017 Sustainability Report page 63,
	Disclosure 412-1 Operations that have been subject to human rights reviews or impact assessments	Pages 36, Oando 2018 SR page 78
	Disclosure 412-2 Employee training on human rights policies or procedures	
	Disclosure 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Page 37
GRI 413: Local Communities	Management Approach	Pages 62-63, Oando 2018 SR Pages 40-41, Oando 2017 Sustainability Report page 42
	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Pages 62-75
	Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Pages 62-75
GRI 415: Public Policy	Management Approach	Pages 76-77
GRI 419: Socioeconomic Compliance	Management Approach Disclosure 419-1	Pages 35-36
	Non-compliance with laws and regulations in the social and economic area	Pages 35-37

Feedback

In preparing this report, we have focused on including the particular type of information which we believe would interest our stakeholders. However we are open to receiving any feedback in the form of questions, comments or where clarification is required regarding any section of this report. In this regard, please contact the following:

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