




COMMUNICATION ON PROGRESS

Submission to the UN Global Compact

2022





This publication is produced by the External Relations and Sustainable Development Division of Nigeria LNG Limited. More information on the company's operations can be found at www.nigerialng.com or www.nlng.com.

All correspondence regarding this publication should be addressed to the General Manager, External Relations and Sustainable Development, Nigeria LNG Limited, NLNG Road, Eastern Bypass, Port Harcourt, Rivers State, Nigeria.

...a globally competitive LNG company helping to build a better Nigeria

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STATEMENT FROM THE CHIEF EXECUTIVE



NLNG retains and reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Nigeria LNG Limited (NLNG), as proof of our corporate commitment to responsible business, took the step in December 2015, to become a signatory to the United Nations Global Compact (UNGC), the world's largest Voluntary Corporate Responsibility Initiative with 15,000+ business and non-business participants from over 160 countries across the globe.

NLNG remains committed to the UNGC's aims to create a global movement of sustainable companies and stakeholders, by supporting companies and businesses to:

- Do business responsibly by aligning strategies and operations with the UNGC's Ten Principles anchored on four global areas of environment, human rights, labour, and anti-corruption; and
- Take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals (SDGs), with an emphasis on collaboration and innovation.

I am pleased to affirm that NLNG retains and reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. NLNG's membership and commitment to the UNGC is a public

declaration of our continued commitment to incorporating environmental, social and governance standards in our strategies, policies and procedures, as well as embedding a culture of integrity.

In 2022, through this annual Communication on Progress (COP), NLNG will transparently inform the public about how we continue to align our operations with the UNGC's global principles of responsible behaviour through proactive preservation of the environment and prevention of harm; through our support to host communities and stakeholders; as well as through our mobilization of our employees, customers, suppliers and service providers to achieve the goal of safe, sustainable and profitable business.

For more details on the contents of this report, please see our Facts and Figures on NLNG 2022, as well as our Statement on Business Principles and Ethics, both of which can be found on our corporate website – www.nigerialng.com

Sincerely yours,

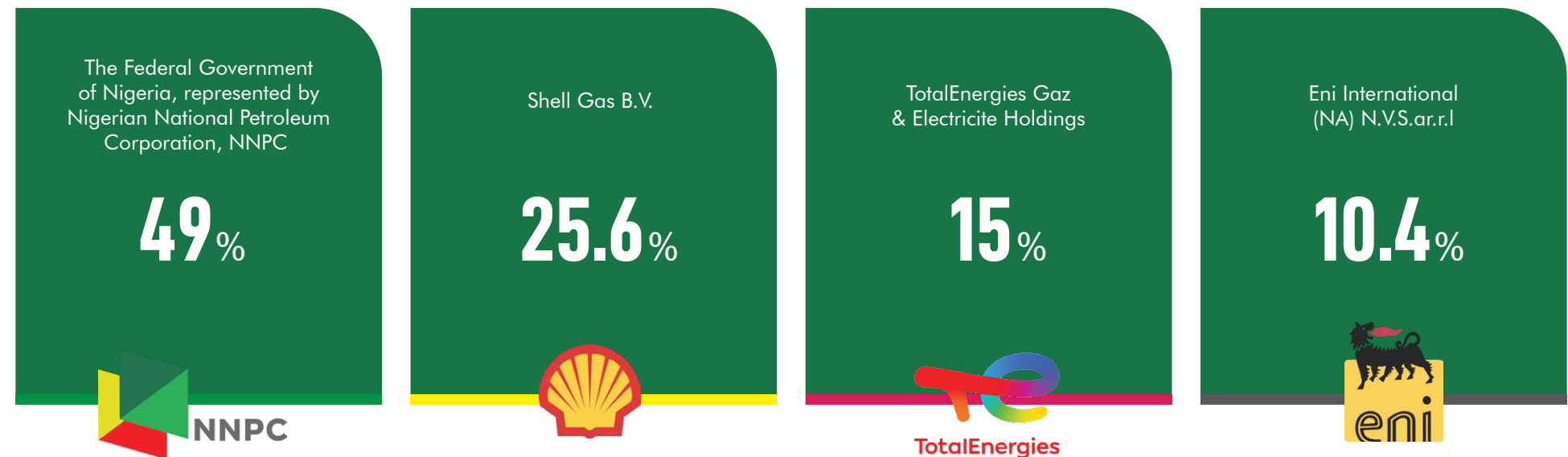
Philip Mshelbila

Managing Director/Chief Executive Officer
Nigeria LNG Limited.

THE COMPANY

Nigeria LNG Limited (NLNG) was incorporated as a limited liability company on May 17, 1989 to harness Nigeria's vast natural gas resources and produce Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs) for export.

It is owned by four shareholders, namely:



The company also has two wholly owned subsidiaries:
**Bonny Gas Transport (BGT) Limited and
NLNG Ship Management Limited (NSML).**



OUR VISION & MISSION

NLNG's Vision

"...a globally competitive LNG company helping to build a better Nigeria."

NLNG will be a global LNG company renowned for its operational excellence, cost leadership, high HSE standards, honesty and integrity.

We help to build a better Nigeria by processing, shipping and marketing efficiently and profitably, the country's gas resources and by putting out the flares, thus diversifying the economy and minimising the environmental impact of our activities and products.

We will set the standards in community

relations and technology transfer, and actively promote the sustainable development of Nigerian businesses.

We will provide to our shareholders a good return on their investment.

We will provide an exciting and fulfilling place to work and the opportunity for staff to develop their potential.

Finally, we will execute and operate our business in Nigeria with an international outlook and mind-set.

NLNG's Mission

To market, produce and deliver liquefied natural gas and natural gas liquids to buyers safely, reliably and profitably, growing our company and its people to their full potential, and being a trusted partner with all our shareholders in the sustainable development of Nigeria's gas industry and NLNG host communities.

Our Core Values



Safety



Integrity



Teamwork



Respect



Excellence



Caring

These values underpin all we do and are the foundation of our Business Principles.



Section 1

ENVIRONMENTAL PERFORMANCE

ENVIRONMENTAL PERFORMANCE

UNGC PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges

NLNG is committed to ensuring that our environment is protected and preserved for future generations. Taking a precautionary approach to environmental protection across areas where we have a footprint, we have made sure our Environmental Management System is certified to **ISO 14001:2015 standard** while also investing consistently and systematically in ecosystem preservation initiatives such as the **Finima Nature Park**.

Activities conducted by NLNG to help protect and preserve the environment by the company include:

Biodiversity Surveys and Monitoring

NLNG maintains the Finima Nature Park (FNP) – an approximately 1000-hectare freshwater swamp forest lying along Nigeria's southern coastal area of Bonny Island, Rivers State. The nature park is home to a wide variety of ecosystems and wildlife including endan-

gered species of African Grey Parrot (*Psittacus erithacus*) and Hooded Vulture (*Necrosyrtes monachus*).

In 2022, varied species of animals (amphibians, reptiles, birds, and mammals) were rescued with the aid of motion sensitive night camera, helping to monitor and track animals' movements in the park.

The presence of Common Lined Worm Snake was recorded through animal rescue activity. A steady growing population of indigenous species in the park was recorded – attributable to limited interference in, and the preservation of, their natural habitat. However, a total of 12,324 red mangroves were planted in degraded parts of the forest and 10,000 fruit trees were distributed and planted in 32 neighbouring communities within Bonny island, and 900 coconut trees were planted along the shoreline with the aim of controlling coastal erosion.

Discharges to Water

Key environmental indicators are regularly monitored to ensure compliance with permit conditions and applicable regulatory limits as it pertains to effluent discharge, with results submitted to both NLNG management and regulators at stipulated intervals.

To ensure compliance with regulatory requirements and its own HSE policy, NLNG has adopted the principle of minimisation through abatement at source for aqueous effluents that have the potential of causing a negative impact on the receiving environment.

Solid Waste Management

NLNG is committed to its policy of no harm to people and the environment and the promotion of sustainable development. The company, therefore, ensures proper management of its waste using the best available technology in collaboration with the Federal and State Min-

In 2022, varied species of animals (amphibians, reptiles, birds, and mammals) were rescued with the aid of motion sensitive night camera, helping to monitor and track animals' movements in the park.

istries of Environment. Our waste management strategy complies with the concepts of 'waste management hierarchy' and 'duty of care' for both on-site and off-site waste treatment and disposal activities.

The principle adopted for solid waste is 'Cradle to Grave', which is essentially the proper and controlled handling, treatment, and disposal of solid waste, under-

pinned by the 3R philosophy of Reduce, Reuse, Recycle.

Emissions to Air

For emissions to air, the principle adopted is minimisation through abatement at source.

To monitor our operational footprint, there is continuous ambient air quality monitoring, while stack emissions monitoring is regularly

carried out in line with regulatory and industry requirements. As a demonstration of company's commitment to addressing climate change challenges, our Energy Management is implemented through the Green House Gas (GHG) emissions monitoring, reporting and abatement actions and the Energy Management Plan certified to ISO 50001:2018.



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UNGC PRINCIPLE 8:

Undertake initiatives
to promote greater
environmental responsibility

A total of
31,080

trees comprising

30,350

propagules and

730

seedlings of Salt and
oil tree (Cleistopholis
patens) have been
planted to date.

Finima Nature Park

The Finima Nature Park (FNP) is located within the Finima Community on Bonny Island, Rivers State. Established in 1999 to protect the fragile fauna and flora of Bonny Island from the pressures of growing industrialization and urbanization, the park is estimated to cover an area of 1,000 hectares. The park area provides a critical buffer and protection for indigenous biodiversity while also mitigating impacts of oil and gas activity on the Island.

Presently, the park is managed by a park management consultant – The Nigerian Conservation Foundation (NCF). The nature reserve offsets NLNG's carbon footprint across its operations to about 247,158.78 mega tonnes of carbon dioxide (CO₂). In addition, the park serves as a natural barrier protecting about 300,000 people in Finima and Bonny against flooding damage from ocean surges.

With about 70% of the workforce from Finima, Finima Nature Park provides direct and indirect employment opportunities for the community. It is also a host to flocks of birds with many new species sighted and recorded during bird watch in 2021. The Finima Nature Park Resource Centre is open to visitors comprising local and international tourists, primary, secondary and tertiary school students, families, researchers, etc. Annually, the park is host to about 20,000 visitors who come for tourism and/or research. Guided tours are available upon request to individuals, groups or schools. The number of conservation clubs within primary and secondary schools have increased with a drive towards inculcating the culture of biodiversity responsibility.

The Green Recovery Initiative

The tree planting exercise is part of NLNG's effort to improve the socio-economic benefits of Finima Nature

Park to the community while helping to combat the effects of global warming. A total of 31,080 trees comprising of 30,350 propagules and 730 seedlings of Salt and oil tree (Cleistopholis patens) have been planted to date.

In recognition of the role communities play in deforestation, a new initiative was introduced to members of the four coastal communities bordering the park namely- Agaja (1&2), River 7/Finitasingi and Sibekiri. They were trained to identify viable propagules for nurturing and planting in degraded wetlands along the coastline. The park in conjunction with some community members planted 7,000 propagules. This activity is ongoing, and the strategy is to plant 500,000 propagules by 2023 and beyond.

Major milestones recorded by the Finima Nature Park and the Green Recovery initiative include:

Establishment of
conservation clubs in

60

schools with membership
base of over

2,000

Pupils

For more on the Finima Nature Park,
please visit the website
www.finimanaturepark.com

Has helped offset NLNG's carbon footprint across its operations to about 247,158.78 mega-tonnes of carbon dioxide (CO₂)

Has served as a natural barrier protecting about 300,000 people in Finima and Bonny against flooding damage from ocean surge

Establishment of conservation clubs in 60 schools with membership base of over 2,000 pupils

Nomination and recognition of FNP at the Global Energy Award 2020 and a Special mention at Institute of Environmental Management, UK (IEMA) International Awards 2020

FNP designated an internationally acclaimed centre for Wetland Education making it one of 350 Wetland Centres in the world and the second in Nigeria to become a member of Wetlands Link International

Also, the Park has been proposed to RAMSAR for recognition as a RAMSAR site while listing as a Rivers State Tourism Site is ongoing

Hosts about 20,000 visitors annually, comprising local and international tourists, primary, secondary and tertiary school students, families, researchers, etc. and this boosts ecotourism in Nigeria

FNP is a site for congregation of migratory water-birds annually

Reforestation - a total of 12,324 seedlings of red mangroves (*Rhizophora mangle*) were planted at degraded area of the Bonny Island seacoast with more than 90% surviving

A total of 31,080 trees comprising of 30,350 propagules and 730 seedlings of Salt and Oil tree (*Cleistopholis patens*) have been planted to date

10,000 fruit tree seedlings have been planted across 30 communities in Bonny Local Government Area

900 coconut seedlings were planted along the seacoast of Bonny

Eco-gardens: Gardens were set up in 5 different schools using discarded tyres, to train students on the benefit of recycling to the environment

Trained 353 students from 15 different schools on the reuse of waste plastic bags to produce items such as bags, flower vases, mats etc.

Sensitizing and creating environmental awareness within the Bonny community - so far 20 groups/institutions inclusive of churches, mosques and social groups have been covered



UNGC PRINCIPLE 9:

Encourage the development and diffusion of environmentally friendly technologies

Domestic LPG Interventions & Usage Growth

NLNG is dedicated to expanding access to energy that is cleaner, more reliable, and affordable. We are increasing domestic gas consumption across Nigeria by making 100% of our produced LPG available for supply into the domestic market, opening up access to a

cleaner and safer source of energy for cooking away from kerosene, firewood, and charcoal.

This will allow many more Nigerians to lead healthier, more enjoyable lifestyles, which are beneficial both for the environment and also for economic growth.



Milestones recorded in this area include:



Dedication of 100% of LPG produced to the domestic market:

NLNG continues to prioritize supply into the domestic market by making 100% of its produced LPG available for supply into the domestic market.



Consistent increase in supply volume year on year; achieving 399KT in 2021:

NLNG continues to remain committed to the domestic market, consistently increasing supply year-on-year.



Propane supply aimed at displacing diesel consumption:

NLNG continues to support the drive for a deeper domestic LPG market by supplying propane to domestic buyers which continues to act as a cleaner and more efficient fuel.



NLNG continues to act as a catalyst encouraging foreign and domestic investment across the domestic LPG value chain.

A group of men are celebrating at an event. In the center, two men are holding a glass trophy high above their heads. To the left, a man in a red cap and dark suit holds a large cardboard box with the HP logo. To the right, a man in a grey shirt and dark cap is clapping. The background is a large screen displaying a green field and a blue sky. The entire scene is filled with a shower of colorful confetti.

Section 2

HUMAN RIGHTS AND SOCIAL PERFORMANCE

NLNG consistently conducts its activities in a manner that respects the rights and dignity of all people. The NLNG Statement on Human Rights makes our position clear for all our customers, suppliers, employees and partners.

HUMAN RIGHTS AND SOCIAL PERFORMANCE

UNGC PRINCIPLE 1:

Businesses should support and respect the protection of internationally proclaimed human rights

The company is deeply committed to providing a dignified and qualitative life experience for everyone that comes in contact with our business and to positively impact the society around us.

This has led to a wide range of Corporate Social Responsibility (CSR) programmes and a commitment to constructive engagement and partnerships with all stakeholders for strong social performance. NLNG strategically conceives and implements projects at both national and

local levels to positively impact the lives of citizens. These activities help to affirm human rights and dignity, boost the life experience of citizens and improve infrastructure in the communities. They also facilitate development of know-how and build capacity in the sustainable use of resources.

NLNG's CSR programme is built on 4 pillars – the company believes in raising up host communities through human capacity development which involves Education and

Health initiatives that empower communities to be able to envision their own future and take it in their hands; supported by Economic Empowerment and Infrastructure Development that ensure a broader, diversified financial base so that the economies of these communities are not solely dependent on oil and gas activities.

Some initiatives and milestones achieved under these pillars are captured below:

4 QUALITY EDUCATION



ENSURING ACCESS TO QUALITY EDUCATION

Scholarship Schemes

NLNG runs three major scholarship programmes targeted at three levels of education. They are the Post Primary (Secondary) Scholarship Scheme (PPSS), Undergraduate Scholarship Scheme (UGSS) and Overseas Postgraduate Scholarship Scheme (PGSS).

\$5.581M

disbursed in awards to **102** beneficiaries on the PGSS since it was launched in October 2012

\$3.196M

disbursed in awards to beneficiaries of the PPSS since it started in 2012 with **28** beneficiaries. The number has since grown to **516** in 2022

\$2.513M

disbursed in awards to **3,629** undergraduates attending various universities in Nigeria as part of the UGSS. The UGSS is NLNG's oldest Scholarship scheme, commencing at start of company operations in 1998.



Bonny Vocational Centre (BVC)

In furtherance of its policy for self-sustainable economic development within its host communities, Nigeria LNG Limited established Bonny Vocational Centre (BVC) in partnership with the Bonny Kingdom in 2004.

BVC is duly accredited and recognized by the Rivers State Government, National Board for Technical Education (NBTE), National Business and Technical Education Board (NABTEB), the City and Guilds of London Institute (C&G), and the Institute of Leadership and Management, London (ILM).

The Centre offers a range of qualifications in sectors such as Building Services Industry, Business Skills, Construction, Digital and IT, Engineering, Hospitality and Catering, Learning, Logistics, Oil and Gas, Transport Maintenance, and Utilities. Qualifications offered by the Centre are externally quality assured by the respective awarding bodies.

Bonny Vocational Centre is an incorporated trustee governed by a Board of Trustees composed of representatives from the Community, Experts, Government, and Industry who provide policy directive to the management team that is made-up of qualified and experienced professionals in educational management, TVET practice, and business administration.

A total of 1874 youths have been trained in different vocational trades and levels at the Bonny Vocational Centre since its establishment. Of this number, 920 youths have successfully completed and graduated with the Level 3 IVQ Advanced Diploma of the City & Guilds of London Institute. BVC has produced 2 excellent students with the highest grades globally in the City & Guilds examination with the award of Gold Medal of Excellence. More than 62% of the graduates are currently in employment.

A total of
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Rivers State Public Schools Renovations Project

Arising from a commitment NLNG made in 2019 to its host state, the Rivers State Government to renovate and upgrade some primary and secondary schools across the State towards its educational infra-structural development, NLNG has in the first phase, handed over the following completed schools to the Rivers State government: Central Primary School, Bonny; Government Secondary School, Ubeta; Community Secondary School, Rumuji and Government Girls Secondary School, Finima.

Scope of work executed include:

- Construction of new and upgrade of existing science laboratory buildings, and provision of equipment and furniture

- Construction of new library building blocks with furniture and upgrade of existing ones

- Construction of generator houses and installation of 30KV power generators in Government Secondary School, Ubeta; Community Secondary School, Rumuji

- Construction of perimeter fence with access gate and security houses

- Construction of driveway/walk ways and rehabilitation of football fields

- Construction of boreholes, water reticulation and overhead tanks

- Supply of ICT equipment [computers, printers, and projectors]

- Supply of Home Economics equipment, sewing machines, and other materials

- Supply of new school desks, office tables/chairs, bookshelves, metal cabinets and other teaching aids

- Renovation of class room blocks and administrative blocks

- Renovation of science laboratory blocks, home / intro-tech buildings, etc.



2022 NLNG Science Quiz Competition

The NLNG Science Quiz, an inter-school competition that is open to students of government-owned secondary schools and government-approved private secondary schools on Bonny Island, had its coverage expanded to more schools in River State for the 2022 edition. The objective was to foster interest in science and technology in the minds of young people for the future of the community and the country in general. Highlights of the 2022 edition includes;



104 participating
schools with a total
of 460 students



Engaged the Rivers State
Ministry of Education and the
State Chapter of the Science
Teachers Association of
Nigeria (STAN) for approval
and observation/third party
validation of results during
the contest



Bonny National Grammar
School emerged tops with
Enitonna High School
coming in 2nd place. Niger
Delta Science School was in
3rd place



The top 3 winning schools
received laboratory equip-
ment and science textbooks
worth a cumulative N3.8mil-
lion while top 3 students won
laptops, branded items and
science textbooks



In a world driven by science
and technology, this initiative
has inspired students from
Rivers State to become
interested and proficient in
science subjects from an
early stage of their education

104
participating
schools with
a total of
460
students





ENSURING GOOD HEALTH & WELL-BEING

Bonny Community Health Insurance Programme (BCHIP)

The Bonny Community Health Insurance Programme is a community-based health insurance initiative that is geared towards providing access to affordable, sustainable, and quality healthcare services without the need for beneficiaries (i.e. residents of Bonny Island) to make out-of-pocket expenses when accessing medical care.

It is sponsored by NLNG in partnership with the Rivers State Government (Ministry of Health) and Bonny Kingdom.

- Three public health facilities (Model Primary Health Centre Bonny, Finima Health Centre, and Bonny Zonal Hospital) running the programme

- Six private clinics in Bonny (St. Charles Clinics, Channels Clinics, Pan OJ Clinics, Delta Specialist Clinic, St. Peters Clinics, and Morn-ing Star Specialist Hospital) are also healthcare service providers on the programme

- The scheme has a governing board that is representative of the partnership between NLNG, Bonny Kingdom and Rivers State Government. The Board provides required governance for the initiative, leveraging on the experiences of its members

- More than 9,100 enrollees and 33 corporate organizations on Bonny Island are currently on the programme which is managed by health management organisations (HMOs) with nationwide coverage for corporate enrollees.

- These enrollees are able to access care for a wide range of primary and secondary healthcare needs including general consultation, maternity and neonatal, child care, emergency care, minor surgeries, reproductive health and family planning, dental etc. for an individual premium of N10,000 per annum

- NLNG has also, since launch of BCHIP in 2019, provided 50% subsidy on premiums for up to 4,000 beneficiaries in order to encourage enrollment on the scheme

- BCHIP continues its journey to fulfilling the mandate of Universal Health Care (UHC) for all on Bonny Island.

More than
9,100
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33
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Bonny Malaria Elimination Programme (BNYMEP)

Through the Bonny Malaria Elimination Project (BNYMEP) NLNG is establishing a strong system for malaria elimination/prevention of re-introduction of the parasite by 2025. This will make Bonny Island Nigeria's first malaria-free zone. The project has to date embarked on a detailed baseline assessment that includes an assessment of

available health care systems/structures on the Island to determine the systems' capacity to implement and sustain malaria elimination initiatives. NLNG have also conducted a comprehensive Malaria Indicator Survey on Bonny. This is the first sub-national indicator survey to establish the true prevalence of malaria in Bonny, for tracking project progress and evaluation.

NLNG's effort was boosted with the MOU signed with the United States Government in March 2021 which provided for technical assistance from the United States. An outcome of the MOU is the flag-off of the distribution of 273,500 insecticide-treated mosquito nets in March 2022.



to boost healthcare
delivery system in

12

University teaching
hospitals cutting
across all

6

geopolitical
zones in the
country

Hospital Support Program (HSP)

The objective of the NLNG Hospital Support Programme is to boost healthcare delivery system in 12 university teaching hospitals cutting across all six geopolitical zones in the country, and in the process, further expand NLNG's contribution to the development of the nation's health infrastructure. The program is being delivered in two phases between 2022 and 2024, with 6 university teaching hospitals in each phase. A Memorandum of Understanding (MoU) between NLNG and the phase one teaching hospitals to set out the framework for delivery of the project was signed in January 2022.

Projects in the first phase being delivered in 2022 are;

1. Renovation and Reequipping of the Obstetrics and Gynaecology Ward (Block C) at the Lagos University Teaching Hospital (LUTH), Lagos State.
2. Construction and Equipping of a modern Maternity and Child Complex at the University of Abuja Teaching Hospital (UATH), Gwagwalada-Abuja.
3. Construction and Equipping of an Occupational Therapy and Neuromodulation Rehabilitation Centre at the Aminu Kano Teaching Hospital (AKTH), Kano.
4. Remodelling and conversion of an existing building into a 15-bed Intensive Care Unit (ICU) at the University of Benin Teaching Hospital (UBTH), Benin, Edo State.
5. Construction and Equipping of a 6-bed Intensive Care Unit (ICU) with 4-bed Renal Dialysis connected to the existing operating theatre at the Niger Delta University Teaching Hospital (NDUTH), Yenagoa, Bayelsa State.
6. Construction and Equipping of a Neuro-Surgical Centre at the University of Calabar Teaching Hospital (UCTH), Calabar, Cross Rivers State.

The projects will help increase access to quality healthcare, improve medical research and accreditation for medical programs in the teaching hospitals, and support retention of medical expertise in the country.





POVERTY ERADICATION VIA ECONOMIC EMPOWERMENT

Overcoming poverty has been described by Nelson Mandela as an act of justice and a protection of the fundamental human right to dignity and a decent life.

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an act of justice and a protection of the fundamental human right to dignity and a decent life.

On Bonny Island and in many of NLNG's host communities, the issue of poverty had been quickly identified as a critical intervention

point even before commencement of the company's operations. To address this human crisis and also to forestall youth restiveness arising from poverty, NLNG has instituted a variety of empowerment and capacity development initiatives.

The Youth Empowerment Scheme (YES)

- The initiative was launched in 2004 as a sustainable development initiative targeting youths (18-35 years old) within NLNG's host and pipeline communities

- To date, YES has trained and empowered over 1,400 youths to empower them economically as a way of building wealth

- The scheme offers vocational training in Advanced Welding & Fabrication, Catering and Hospitality Management, Automotive works, Photography & Video

Production and Farm Management. Commencing in September 2021, two new vocations - Information and Communications Technology (ICT) and Fashion Design & Cosmetology were included to ensure a wider variety of options of technical skills

- The goal of YES is to build the capabilities of the youths and make them financially independent. Upon completion of training, YES beneficiaries are provided a business start-up kit with equipment and materials they require to set up a small business within their vocational area

- NLNG also facilitates a mentoring/monitoring programme for a period of 3 months post training to ensure that skills learned are put to use effectively

- The company's consistent implementation of this programme to reduce poverty in its operating area, has led to recognition, with NLNG winning the Sustainability Enterprise and Responsibility Awards (SERAs) in 2018 & 2019 as the Best Company in Poverty Alleviation

YES has trained and empowered over

1,400
youths





RIGHT OF ACCESS TO QUALITY INFRASTRUCTURE AND BASIC AMENITIES

Over the past 21 years since production began at its plant facility on Bonny Island, NLNG has continuously delivered critical infrastructure support and social amenities to its host communities and the nation at large.

Independently and through vehicles such as the Joint Industry Companies (JIC) and the Bonny Utility Company (BUC) on Bonny Island, NLNG has provided power and water supply, roads, construction and renovation of schools, hospitals, residential houses, electrification and water reticulation projects etc. On Bonny Island alone, more

than \$182m has been spent by the JIC in delivering development projects with NLNG's contribution being 50% of this total.

The **Bonny Consulate Building** commissioned in March 2022, is a reminiscent of the British-built consulate building of 1897 to serve as hub for Bonny Tourism Initiative which will constitute a huge revenue earner for Bonny Kingdom

The **Bonny-Bodo Road**, a 38km link road between Bonny Island and the rest of mainland Rivers State, is possibly one of the biggest CSR infrastructure projects ever under-

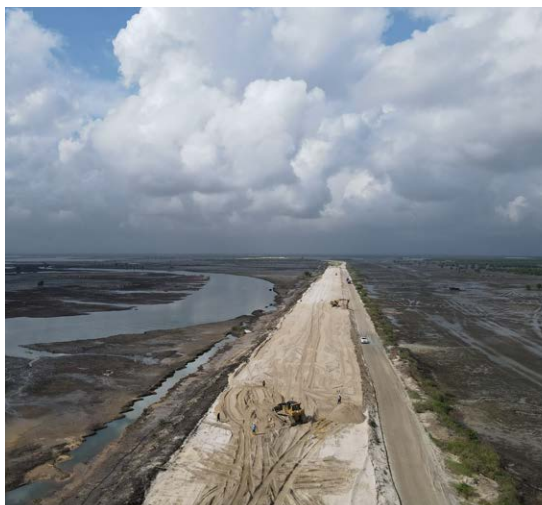
taken in Nigeria and is an active partnership between NLNG and the Federal Government of Nigeria. This N120.6 Billion (\$293.75m) road will link Bonny Island to Port Harcourt, the Rivers State capital, and the rest of Nigeria for the first time in history, opening up unprecedented economic access to the Island and its residents.

Across its GTS/pipeline communities, NLNG continues to execute development projects while gradually reaching agreements on a new developmental paradigm with various community clusters.

More than
\$180M

has been spent by the JIC in delivering development projects with NLNG's contribution being

50%
of the total



Flood Disaster Relief Intervention

In September 2022, the National Emergency Management Agency [NEMA] and the Nigeria Hydrological Survey Agency [NIHSA] issued flood warnings highlighting serious consequences on frontline states

and communities along the courses of rivers Niger and Benue. The envisaged devastating flood affected over 30 States and Communities across the country, including thirty-nine (39) of NLNG's host communities

In response, NLNG swung into action in demonstration of our core value of Caring donating relief materials, including food items, toiletries, mosquito nets & repellents, and sheltering materials to over 2000 families in the 39 host communities affected by the flood.

donating relief
materials to over

2,000

families in the

39

host communities
affected by the
flood





GLOBAL MEMORANDUM OF UNDERSTANDING (GMOU) – REDEFINING OUR AGREEMENTS ON COMMUNITY DEVELOPMENT

In order to guarantee the sustainable and efficient delivery of sustainable community development into the future, NLNG in 2020 began signing Global Memorandum of Understanding (GMOU) agreements with some of its pipeline/GTS communities, and the communities which host its corporate head office in Port Harcourt, Rivers State. The communities were grouped into clusters.

These clusters are Corporate Head Office (Ogburnu-Abali & Amadi-Ama), Ubeta, Rumuji, Egi (8 communities), Ogba (8 communities), Ekpeye (13 communities), Kalabari (6 communities), Abua (7 communities), Okrika (27 communities) and Emohua (19 communities). These agreements are designed to significantly transfer the responsibility of driving sustainable community development from

NLNG to the community stakeholders. By signing the GMOU, the communities agree to develop and adopt viable strategies that will guarantee long term sustainability of their development projects.

The GMOU has a five-year life span and stipulates a governance and implementation framework be in place. The framework enables stakeholders and residents of these NLNG host communities to be in the driver's seat of their own development agenda through a Community Development Foundation (CDF) that will include a Board of Trustees, Steering Committees, and Community Trusts.

This GMOU model is a step change in NLNG's relationship with its pipeline/GTS communities and will give the communities leverage over developmental projects enabling

them to execute projects unique to their needs that contribute to improving the socio-economic terrain. Besides financing the communities' development goals, NLNG would provide advisory role and mentorship via non-governmental organizations and international development agencies for the implementation of the GMOU. To demonstrate the full embrace of the GMOU model, the following CDFs have started some projects with the GMOU Funding:-

- Rumuji Community Development Foundation [CDF] has already embarked on construction of 1km Ngbu-Ngwor Road with two side drainage system to Rumuji/Rumuewhor link Road. The project commenced in February 2022 and is at 50% completion as at date.

- Also, the Ogbum-nu-abali Community Development Foundation [CDF] has commenced renovation and equipping of the Ogbum-nu-abali Women Market, as well as the rehabilitation of 1km Chief Ebenezer Nyeche Street in Elekahia. Both projects are at advanced stages of completion.

- Ubeta Community Development Foundation [CDF] commenced renovation/upgrading of Corpers' Lodge & Divisional Police Station.
- Other Community Development Foundations [CDFs] are currently carrying out their Sustainable Livelihood Assessments [SLA].



UNGC PRINCIPLE 2:

Businesses should make sure that they are not complicit in human rights abuses

HEALTH AND SAFETY PERFORMANCE

In line with a culture of continuous improvement and target maintenance of top quartile HSE performance, NLNG continues to take steps to improve its health and safety performance across the company.

NLNG and Partner CEOs' HSE Leadership Conference

NLNG held an impactful 5th edition of NLNG and Partner CEOs' HSE Leadership Conference – a connect with NLNG Partners at the senior level to ensure that the message of Goal Zero is understood and carried out mutually among all stakeholders

This annual event presented an excellent opportunity to deepen the conversation with our business partners on how we can collectively make NLNG an incident and injury free company

AfriSafe Health and Safety Team of the Year

NLNG bagged the 2022 AfriSafe Health and Safety Team of the

Year Award

The award recognizes HSSE teams that are making a significant difference in their workplace, and the activities and initiatives implemented by the team that have helped to improve the health, safety, security or wellbeing standards and performance within either their own or a client organization.



A photograph of two workers in a blue industrial setting. They are wearing hard hats (one green, one white) and safety glasses. They are leaning over a large, circular, metallic component of a machine, possibly a wellhead or a large valve. The worker on the left is wearing a blue jumpsuit and a green hard hat, while the worker on the right is wearing a blue denim shirt and a white hard hat. They are both wearing gloves. In the background, another worker in a white hard hat is visible. The scene is outdoors, with a building and a traffic cone in the background.

Section 3

LABOUR PRINCIPLES AND WAY OF WORKING

UNGC PRINCIPLE 4:

The elimination of all forms of forced and compulsory labour

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LABOUR PRINCIPLES AND WAY OF WORKING

NLNG, as part of our Statement on Human Rights, is committed to respecting, within the framework of applicable law, the International Labour Organization's (ILO)

Declaration on Fundamental Principles and Rights at Work, including the four human rights categories of:

- the elimination of forced or compulsory labour
- the abolition of child labour
- the elimination of discrimination in respect of employment and occupation
- freedom of association and the effective recognition of the right to collective bargaining
- ensuring non-discrimination in personnel practices
- providing access to basic health and housing for employees and their families, if these are not provided elsewhere
- preventing the forcible displacement of individuals, groups or communities in our areas of operations

Our actions that contribute to the promotion of human and labour rights include the following:

- providing safe and healthy working conditions for employees and contractors
- guaranteeing freedom of association, within the limits of applicable law

nity for staff to develop their potential."

Also, NLNG's commitment to employees is reiterated in our Statement of Business Principles and Ethics: "to respect the human rights of our employees and to provide them with good and safe working conditions, and competitive terms and conditions of employment."

The theme for 2022 as declared by NLNG leadership is "Adaptability with Focus on People". Thus, the company ensures it continuously reviews its people agenda and conditions of service against the backdrop of employee needs, industry and global benchmarks.

- applying the Voluntary Principles on Security and Human Rights in protecting people and assets

Commitment to Safe, Open and Top-Quartile Work Environment

Part of NLNG's mission is to provide employees "an exciting and fulfilling place to work and the opportu-

Some recent milestones include:



Embedment of NLNG's flexible work enhancements:

- Safe execution of full Return to Office
- Enhanced provisions enabled and implemented
- Evaluation of additional flexible work options at job level

Enhancement of Employee Value Proposition through:

- a) HR Focus areas initiatives driven by Executive Management and covering the following:
 - Care for People
 - Workplace Flexibility
 - Performance Mgt
 - Diversity and Inclusion
 - Career growth and Development
- b) Launch of Corporate Head Office Creche

Refreshing the Talent pipeline through phased and ongoing recruitment campaign for:

- Recruitment and onboarding of 2022 batch of Trainee Technicians and Operators
- Flag-off of adverts for Graduate Trainee recruitments

UNGC PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

UNGC PRINCIPLE 6:

The elimination of discrimination in respect of employment and occupation

COLLECTIVE BARGAINING

NLNG is committed to the freedom of its employees to associate and negotiate in order to secure positive benefits from company management.

The company continues to maintain excellent working relationship with the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN).

DIVERSITY AND INCLUSION

Companies with diverse and inclusive teams have been proven to be more agile, innovative, and attractive to top talent leading to overall superior performance over less inclusive and diverse teams. Diversity & Inclusion (D&I) is therefore recognised as the critical success factor to achieving NLNG vision and mission for global competitiveness as well as, future-proofing the organization.

Implementation of fit-for-purpose strategies, infrastructure, programs and activities aimed at embedding behavioural inclusion and inclusive leadership and harnessing the benefits of D&I are in top gear and being adapted to ensure fit-for-purpose for NLNG.

In 2022, the drive continued to mitigate unconscious bias and inculcate mindset change on the NLNG workforce as fundamental for embedding inclusion via:

- **NLNG learning workshops titled DECIDE:** The Neuroscience of Breaking Bias, i.e., practical discussions on how to continuously label and mitigate biases (in individuals and processes) to ensure more informed and effective decision making for Business success.
- **Engagements to deepen the D&I conversation across the organization.** Tagged 'Open Mic' and 'Through My Lens', these practical, insightful and high audience-engaging sessions continue to

boost D&I knowledge and capability on good practice as well as drive positive change in the organization.

Furthermore, data diagnostics on NLNG diversity / inclusion status were conducted with attendant target setting and actions towards achieving NLNG ambition of being a beacon, inclusive Company.

More agile strategies to embed Diversity & Inclusion in all processes are being formulated to ensure continuous tangible demonstration of NLNG commitment to D&I as a business priority especially as the workplace and workforce dynamics unfold globally.



NLNG Women's Initiative Network (NWIN)

- The NLNG Women's Initiative Network (NWIN) was established in 2016 to serve as an advocacy group for women in the NLNG workplace.

- NWIN celebrated the International Women's Day in March virtually across the company's locations highlighting the theme - #BreakTheBias

- In advocating for the women, NWIN commissioned an internal survey on Flexi-working / Work-life balance and also served in various Corporate Committees, representing the women on different issues concerning Staff Welfare

- NWIN worked with the HR team to assess the planned Creche at the Corporate Head Office and commissioned a survey to ensure that the views/desires of NLNG women were taken into consideration in putting the facilities and services for the Creche in place.

- In May 2022, NWIN played host to Executives and members of the Women in Energy Network as part of her networking thrust; the visit served to forge a strong relationship culminating in the Corporate registration of NLNG as a member of the Women in Energy Network with 50 NWIN members getting free complementary membership. The membership is annual, and is expected to support the development of leadership and networking capabilities in NWIN.

- In June 2022, NWIN organized its maiden Career Outreach Programme on Bonny Island – reaching over 100 number of students with positive career messaging and offering positive role models to the secondary age students on the Island. The session was graced by professionals in different fields and was very warmly received with the Local Government Chairperson in attendance. In so doing, NWIN played a significant role in fostering a positive Company/Community Relationship.

- Also, in June 2022, the NWIN Chair joined the Shutdown team in celebrating over 40 women who worked on the GT-3 Shutdown; this was the highest number of women on any such job with women working across all technical roles including crane operators, scaffolders, electrical teams, painters, team leads, etc.

- Thereafter in July 2022, NWIN organized an internal session tagged "After the Mid-Year Review"; the session was facilitated by the HR team and geared towards helping members of NWIN understand the Performance Appraisal process, and especially their roles and responsibilities in securing a positive appraisal of their job activities at the end of the year.

- NWIN received an invitation as Special Guest to the Nigerian Content Consultative Forum (NCCF) Diversity Working Group's Conference which held in Lagos on the 14th of June 2022. The theme of the Conference was, "Leveraging

Opportunities for Women in the Oil and Gas Industry”, and it brought together women from across the different segments of the Oil and Gas Value Chain. NWIN facilitated the attendance of 5 members to this Conference.

- As part of the personal development thrust of the NWIN Strategy, the group organized an in-house Career Leadership Series with eminent external speakers

touching on different subject areas of interest to the NLNG Women. Some of the topics included, Defining Yourself as a Career Woman; and Emotional Intelligence in the Workplace, to name a few.

- In support of development of members, NWIN also facilitated the Corporate Sponsorship of 10 ladies to attend the 2022 Women in Business and Management (WIM-BIZ) Conference physically – with

about 15 others also attending virtually – in addition to, representatives from the Spouse Associations in Bonny, Port Harcourt and Abuja

- To foster inclusion, NWIN also ensured the participation of members across different locations and Divisions in all Corporate activities – learning, developmental, and social.





Section 4

ANTI-BRIBERY AND CORRUPTION

NLNG is committed to upholding the highest standards of ethics in our relationships with employees, customers, suppliers, shareholders, regulators and our host communities. This commitment is ensured through policies which guide the business in its relationship with stakeholders. Conse-

quently, direct or indirect offer, payment, soliciting or acceptance of bribes in any form including facilitation payment is unacceptable.

Employees must also avoid conflicts of interest between their private activities and their roles in

the conduct of company business and must declare to NLNG potential conflicts of interest. All business transactions on behalf of NLNG must be reported accurately in the accounts of the company in accordance with established procedures and are subject to audit and disclosure.

UNGC PRINCIPLE 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

ANTI-BRIBERY & CORRUPTION

The company is committed to ensuring that its operations are executed in line with relevant legal and ethical standards, and free of bribery and corruption. Clear documents have been established and remain in place to guide the conduct of the Com-

pany and her workforce, including a Code of Conduct, and an Anti-Bribery & Corruption Policy.

The company's Board of Directors and staff are trained annually on Ethics & Compliance topics, to ensure appropriate competency

awareness at the all levels of the organization. Onboarding programs for new entrants also ensure the Company's policies and principles are appropriately communicated.



Ethics & Compliance

The company prides itself on pursuing high ethical standards, and carried out enterprise wide engagement sessions that highlighted the required contributions of the workforce in upholding those standards. Numerous awareness campaigns were initiated, with particular attention paid to the ongoing Train 7 construction project.

A corporate training on Government Interactions was also deployed to all Staff members, and a “Legal & Compliance Week” activity provides an annual reflection point for the organization on relevant E&C issues.

Human Rights

Following internal reviews, the company has established standalone corporate policies on Human Rights and Diversity & Inclusion. While previous documents had captured the company’s commitments in these areas, the elevation of these principles to

corporate policies demonstrates the organization’s commitment to treating people fairly and with decency.

As the company is currently engaged in an expansion project, appropriate engagement and awareness has been prioritized to ensure the Host Communities and other similar stakeholders are properly engaged.

Ethics Line (Whistle-blower platform)

As part of NLNG’s commitment to fighting corruption, the NLNG Ethics Line was set up in 2012. The platform allows for confidential, anonymous submission of information on potential violations of laws, rules, regulations or policies.

The NLNG Ethics Line, or whistle-blower platform, is an anonymous, toll-free resource managed by an external party. No call tracing or recording devices are ever used, and reports made via

the online resource are not traced either. Whistle-blowers can choose to reserve the right to remain completely anonymous. They can also receive feedback on blown whistles or track whistle progress through the external party’s platform.

NLNG will continue to ensure that staff, vendors, suppliers, counterparties and other stakeholders are continuously encouraged to make good faith reports on unethical behaviour/misconduct. This is aimed at creating an environment that promotes values such as fairness, accountability and ethical behaviour. Reported cases are continuously monitored, investigated and closed out within set targets.

The platform (<https://nigerianl-ng.ethicspoint.com/>) and hotline (+234 (0) 708 060 1363) are prominently featured on NLNG’s website and corporate pages as well in every contract documentation with counterparties.

