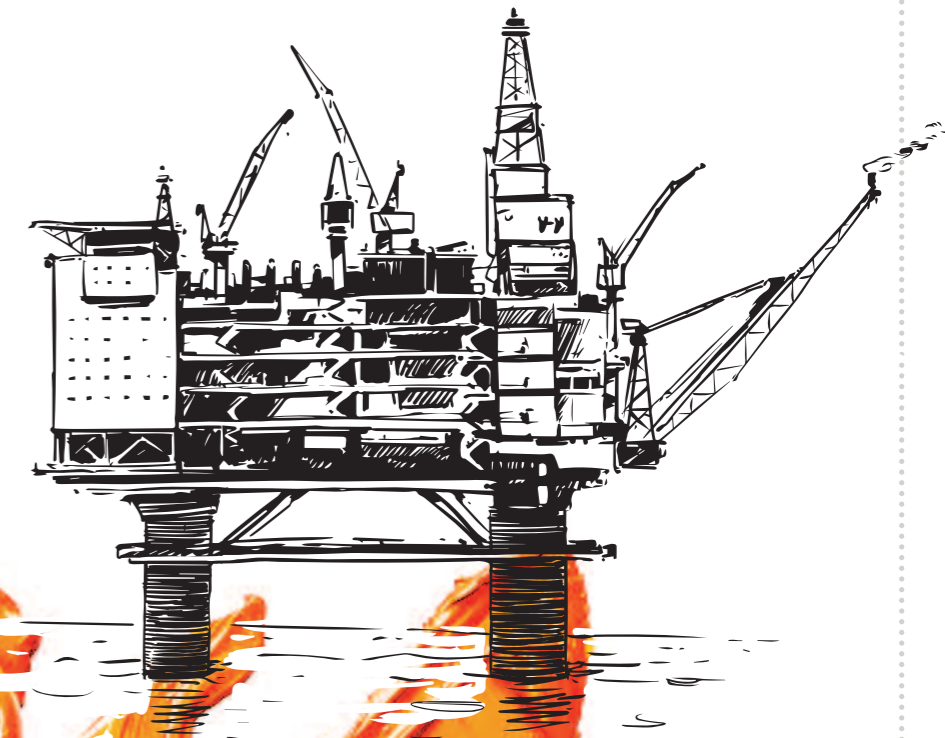




OANDO PLC SUSTAINABILITY REPORT 2015



HEAD OFFICE

Oando PLC
The Wings Complex
17a Ozumba Mbadiwe
Victoria Island
Lagos, Nigeria

Tel: +234 1 270 2400
E-mail: info@oandopl.com

WWW.OANDOPLC.COM

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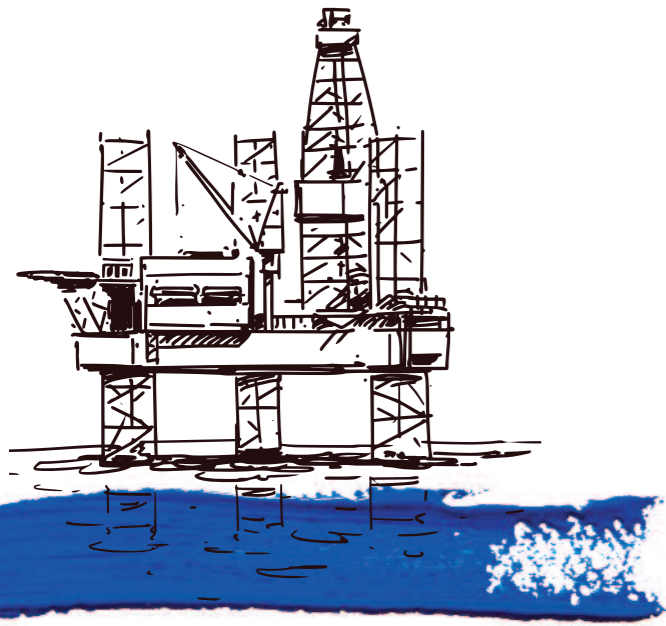
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Introduction



Oando PLC is Africa's leading indigenous energy company operating in the upstream, midstream and downstream sector. Primarily listed on the Nigerian Stock Exchange, we are the first African company to have a cross-boarder inward listing on the Johannesburg Stock Exchange. We have invested substantially in assets across the energy value chain, formed strategic alliances to maximize productivity and are positioned to contribute to deliver value to our stakeholder in an environmentally suitable manner.

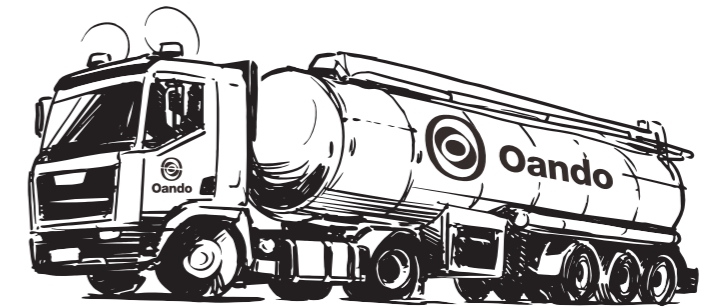
VALUES

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



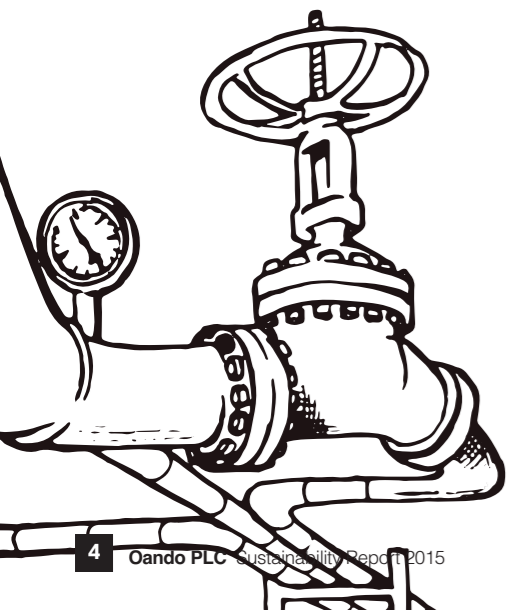
MISSION

To be the leading Integrated energy solutions provider

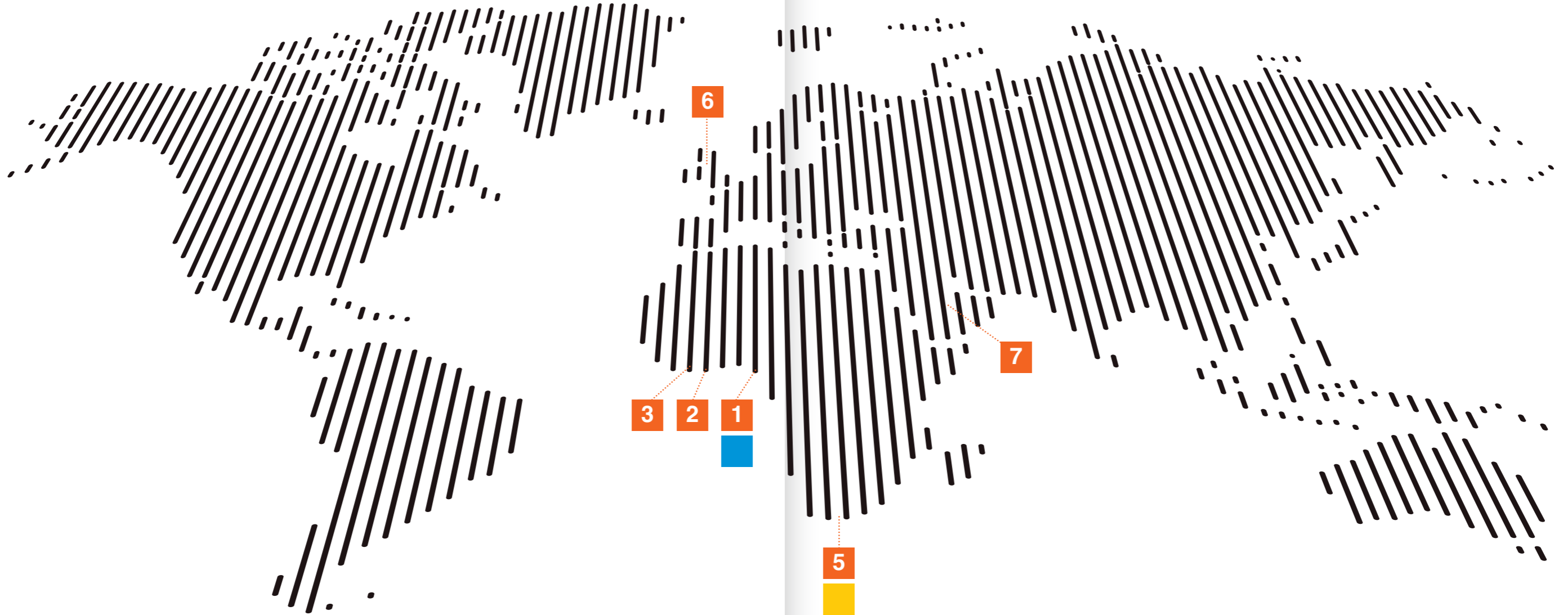


VISION

To be the premier company driven by excellence



Our Global Footprint



Oando has presence in different locations around the world. Our operations are currently focused on West Africa and include upstream, midstream and downstream activities. We are front runners in all sectors of our operations. We are a transformational company with an outstanding workforce that strive towards delivering the highest standards that guarantee a brighter future. We are passionate about and committed to transforming the fortune of our nation.

- 1 Nigeria
 - 2 Benin Republic
 - 3 Ghana
 - 4 Togo
 - 5 South Africa
 - 6 United Kingdom
 - 7 United Arab Emirates
-
- Primary Listing - NSE
 - Secondary Listing - JSE

GLOBAL OPERATIONS

Asset Overview

The Oando Group comprises of leading companies across the various sectors of the oil, gas and energy sector; with presence in the upstream, midstream and downstream divisions of the industry.

UPSTREAM

U

Exploration and Production – Oando’s exploration and production division maintains a portfolio of assets that are at various stages of development.

Energy Services – As the operator of the largest fleet of swamp rigs in the Niger Delta, Oando Energy Services is a provider of oil field and drilling services to major upstream companies operating in Nigeria.

MIDSTREAM

M

Oando Gas & Power division is a developer of Nigeria’s natural gas distribution network and captive power solutions. The company pioneered the construction of a pipeline network facilitating the distribution of natural gas to industrial and commercial consumers in Nigeria. The development of our gas distribution network has created a positive impact on industrial activity in the South East and South West regions of the country.



DOWNSTREAM

Supply & Trading – Oando Supply & Trading is Africa’s largest independent and privately owned oil trading company involved in large scale import and export of petroleum products and crude oil throughout Africa, Asia, the Americas and Europe.

Terminals & Logistics – Oando Terminals & Logistics is a subsidiary of the Oando Group that develops and manages infrastructure for the evacuation and reception of petroleum products.

DOWNSTREAM

Marketing – With a vast distribution network evidenced by its over 470 retail stations, Oando Marketing PLC is Nigeria’s leading retailer of refined petroleum products in the country.

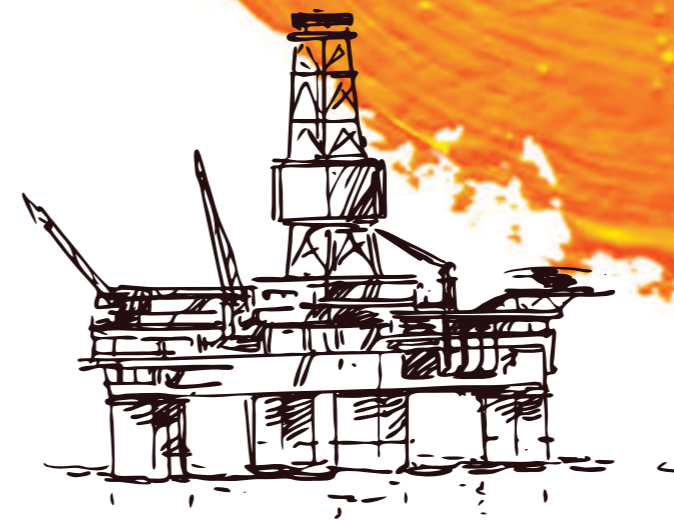
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470

A VAST DISTRIBUTION NETWORK EVIDENCED BY ITS OVER 470 RETAIL STATIONS

4

LARGEST FLEET OF SWAMP RIGS IN THE NIGER DELTA



Overview

In the year under consideration, there was sustained decrease in economic growth on the global and local scenes occasioned by crashing oil prices; the year witnessed an average of a 35% drop in the price of the commodity amidst other socio-political challenges which created a difficult environment for business success.

In response to these challenges however, we continued on our strategic path guided by our tripod key business drivers of Growth, Deleverage & Profitability – G.D.P. – to continue to deliver safe, reliable and valuable operations for the benefit of all our stakeholders.

To this end, we commenced a number of transactions towards the partial divestment our holdings in our downstream and midstream operations with the aim of increasing our dollar earning capacity, which would amongst other benefits, act as a buffer from further loss of value occasioned by foreign exchange-rate differentials due to the steep depreciation of the Nigerian Naira (NGN) against the United States Dollar (USD) as was witnessed for the greater part of 2015.

This report is therefore focused on the entities within our value chain for which the company exercised management control for the year 2015.

ENERGY VALUE CHAIN

The Group Chief Executive's Statement



The year 2015 was a very volatile year for the oil and gas industry due to the rapid fall in oil prices. However, we remain focused in our aim to safely develop and deliver affordable and dependable energy to our customers and to create value for our shareholders, whilst enabling global economic growth and impacting lives positively.

In the midst of the unpredictable environment of our industry in 2015, we concentrated on delivering value for shareholders through deeper focus and integration of the key areas of Safety, Community and Employee Engagement, Environmental Performance and Corporate Governance in our business model; whilst staying true to our core values of Teamwork, Respect, Integrity, Passion and Professionalism (TRIPP).

In 2015, the world (spearheaded by the United Nations) took significant steps towards a more sustainable future by adopting the Sustainable Development Goals (SDGs), the 2030 Agenda for Sustainable Development. As a global business, we recognize our responsibility in coming together to agree on a common purpose and direction to focus on what really matters, our future. For this

reason we have aligned our core values to the Sustainable Development Goals.

The SDGs have become a fundamental part of our Sustainability approach, and a standard through which we evaluate and assess a majority of our business practices.

At Oando, we are committed to becoming the trusted investment vehicle, employer and partner of choice within the energy industry. This is the driving force

behind the development of our corporate culture around our shared values of Teamwork, Respect, Integrity, Passion and Professionalism (TRIPP) which is an embodiment of "The Oando Way" We recognize that our world is rapidly changing and as such we are positioning ourselves as collaborators for growth and development across the various divisions of our chosen industry.

Mr. J. A. Tinubu
Group Chief Executive

TRIPP

TEAMWORK

Partnerships for the Goals (SDG 17): We believe in partnership and working together with our communities, business partners, suppliers and government to create a better future for all.

We also remain committed to partnering, engaging and maintaining strong relationships with international institutions like the United Nations Global Compact (UNGC) and World Economic Forum (WEF). We will continue to support and uphold the fundamental principles and practices of global governance, anti-corruption and sustainable development.

RESPECT

Gender Equality (SDG 5): It is expected that everyone at Oando treat each other with respect because of the realization that there are greater benefits to be gained from our diversity and inclusiveness. In addition, the Oando Foundation prioritizes the needs of the girl child across all programme interventions

Reduced Inequalities (SDG 10): Bridging the divide between the rich and poor by the provision of access to cleaner and cheaper forms of energy and the support that we give to increasing access and quality of basic education in Nigeria through the Oando Foundation. We also ensure that our Human Resource policies are founded on principles of fairness and equity.

INTEGRITY

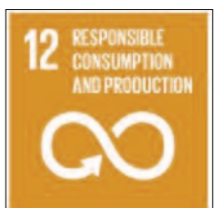
Peace, Justice and Strong Institutions (SDG 16): We have been instrumental in developing and sustaining the oil and gas industry in Nigeria through our active role in advocacy, policy development and practical and innovative infrastructure development. Our Governance Office has taken on an ambassadorial role both locally and internationally in advocating and training in the areas of anti-corruption, corporate governance and compliance.

PASSION

Quality Education (SDG 4): Our passion for the future moves us to start today to develop tomorrow's workforce by ensuring that Nigerian children get a good solid educational foundation on which they can build their dreams.

PROFESSIONALISM

Responsible Consumption and Production (SDG 12): Our employees are equipped with the competencies and skills required of a professional. Through strategic decision-making, intuitive thinking, we are able to portray professionalism enabling us reduce economic, environmental and social costs, strengthen economic competitiveness and reduce poverty.



The Chairman's Statement



Dear Valued Stakeholders, It gives me great pleasure to present to you the fourth sustainability report of the Oando Group. We have continued our quest to firmly embed the principles of sustainability into our values, business practices, everyday activities and in the relationships with our local communities. This report demonstrates our strategic approach and commitment towards maintaining a sustainable business and our outcomes so far.

9 KM

NEAR COMPLETION OF CONSTRUCTION WORK ON OUR 9KM GREATER LAGOS PIPELINE PROJECT

The year 2015, was a challenging year as the oil and gas industry was gravely affected by a significant decline in the price of oil. Oil prices which averaged \$52 a barrel in January 2015, slipped to \$35 in December 2015, creating a volatile atmosphere of unpredictability which the industry had not seen in years. As a result we have had to operate in an environment that has become less stable.

Nevertheless, the country witnessed a successful and relatively peaceful democratic transition, which ushered in a new political administration. However, uncertainty in the general economic policy direction of the current administration slowed down business activities for the better part of the year. In

the upstream division of the business, although the crash in oil prices affected growth, we were able to defray \$224 million of the \$900 million debt utilized for the Conoco Phillip acquisition, which transaction had been completed in 2014. This acquisition ushered Oando into the role of a major player in the upstream industry in Nigeria..

Oando Gas and Power maintained steady progress in the midstream. This is evidenced by the near completion of construction work on our 9km Greater Lagos Pipeline Project. We remain steadfast in our commitment to the development of this division, as we continue to explore the immense potential which the Nigerian market holds.

In the downstream division, the marketing division of the business continues to excel in its provision of top-notch products and services to its consumers in the West African region. The divestment of our downstream division business to Helios investment and the Vitol Group is aimed at positioning our downstream business for more capital injection towards sustained growth.

In September 2015, the United Nations adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) largely directed at ending poverty, fighting inequality and injustice, establishing strong institutions and tackling climate change by 2030. These goals are of particular interest to us as there is a clearly established link between the role of the private sector and the achievement of sustainable development. This is because the SDGs seek to address issues that are directly relevant to all businesses.

At Oando, we intend to continue to play our part in achieving the targets set under the Global Goals as they relate to our operating environments and we have already begun the process of mapping our value chain to identify areas of immediate impact (low hanging fruits) and other areas which would require scaling up or streamlining of our activities for greater impact within defined timelines.

Overall, sustainability has become an integral part of our business consideration and as a company, we have a strong sense of duty to strive towards addressing these global challenges which affect us locally.

In hindsight, we have always taken some form of action to address some of these challenges, which include; access to quality education, addressing gender inequality, social injustice, as well as promoting good health and wellbeing, amongst others. However, with the advent of the SDGs, the specificity of the targets, the collaborative force of other global partners as well as the current focus on these areas for development, we have been provided with a unique opportunity to map and track how we

address these issues and we are confident that greater results will be achieved this time.

We will continue to make our own contributions towards a better world for all, through the implementation of our Sustainability Strategy and objectives, as well as capitalizing on market opportunities through strategic partnerships. We are committed to reducing safety, security and environmental risks as we create value for our customers, employees, shareholders and our local communities.

Whilst we realize that there will definitely be challenges along the way to achieving the sustainable future that we all want, we are fully committed to taking the required steps and making the necessary changes to keep getting us closer to our goals.

SDGs

17 SUSTAINABLE DEVELOPMENT GOALS

2030

UNITED NATIONS

AGENDA FOR SUSTAINABLE DEVELOPMENT

HRM Oba Michael A. Gbadebo, CFR
Chairman

Charting a path of growth

- 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 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
- 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

OUR HISTORY

60%

1991 – 60% OF THE COMPANY'S SHAREHOLDING WAS SOLD TO THE PUBLIC

\$1.5B

2014 – OANDO ACQUIRED CONOCO PHILLIPS NIGERIAN BUSINESS FOR \$1.5B

40%

1999 – UNIPETROL ACQUIRED 40% IN GASLINK NIGERIA LIMITED

60%

2002 – UNIPETROL ACQUIRED 60% EQUITY IN AGIP NIGERIA PLC

15%

2008 – OANDO ACQUIRED 15% EQUITY IN OML 125 AND 135

N20B

2010 – OANDO COMPLETED A N20 BILLION RIGHTS ISSUE WHICH WAS 128% SUBSCRIBED

Our Risk Management Profile

S/N	2014 TOP RISKS	2015 TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR 2015 TOP RISKS
1	Macroeconomic Risk	Macroeconomic Risk	<p>Downstream business The fall in oil prices led to a N10 reduction by the Federal Government in the pump price of gasoline.</p> <p>The devaluation of the naira affected our corporate performance due to transnational risk that crystallized at the end of the year.</p> <p>The fall in oil prices affected drilling campaigns leading to a reduction in the demand for our swamp rigs.</p> <p>Mitigating Controls To protect the business from a drop in crude oil prices, the upstream subsidiary hedged its crude oil production until January 2019.</p> <p>The difference between the daily crude oil prices and the hedged price was paid in cash by the respective financial institutions. We took advantage of this opportunity to pay down our loans and save the company \$67 million of interest payment.</p> <p>The downstream business was scaled down and focused on supplying gasoline; the only product guaranteed government subsidies at the time.</p> <p>Deregulated products supplied into the market have been limited to those that guaranteed dollar denominated receivables, protecting the company from foreign exchange volatility.</p>
2	Socio Political Risk	Socio Political Risk	<p>This risk was heightened during the months leading to the general elections. Threats from military groups regarding oil facilities as well as delays in obtaining necessary key approvals from various regulatory bodies.</p> <p>Mitigating Controls Steps aimed at reducing the eventuality of attacks, protecting our facilities and managing our people were taken.</p> <p>The company also continued to engage government within the scope of corporate governance, to obtain any outstanding approvals with minimum delay.</p>
3	Liquidity Risk	Capital Availability Risk	<p>Given the aggressive growth plans of the company and the acquisition of COP assets, the company ran the risk of being too highly leveraged, thereby making it difficult to provide the corporate collateral required for existing and proposed capital projects/acquisitions and investments.</p> <p>Mitigating Controls The company raised its funds from a diversified base and harmonised the tenure of funds to match project requirements where possible. The company also undertook the restructuring of its balance sheet through the proposed sale of shares in the downstream business to provide the much needed cash for upstream capital projects.</p>

S/N	2014 TOP RISKS	2015 TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR 2015 TOP RISKS
4	Capital Availability Risk	Reputational Risk	<p>Media attention was much greater within the reporting period than in previous years. The increased scrutiny on corporate behaviour had the potential to increase company vulnerability.</p> <p>Failure to effectively manage the local communities in which we operate, and the risks of environmental, safety or quality incidents (fire or spill) that may impact on the communities where we operate could erode the Groups' reputation.</p> <p>Mitigating Controls This risk was managed by developing a proactive stakeholder's communication strategy and by carefully monitoring and reporting on the achievement of targets.</p> <p>The activities of the EHSSQ department - a dedicated business support unit responsible for prevention, management, monitoring and reporting of incidents and their impact on local communities.</p> <p>Our 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.</p>
5	Reputational Risk	Regulation and Regulatory Risk	<p>Failure to comply with the provisions of the UK Bribery Act and the Foreign Corrupt Practices Act (FCPA), third party due-diligence risks inherent in capital raising transactions and dealings with third parties in high-risk jurisdictions where the company predominantly operates.</p> <p>The risk of sanctions from the Nigerian Stock Exchange (NSE) and Securities and Exchange Commission (SEC), Johannesburg Stock Exchange (JSE) and the Toronto Stock Exchange (TSX) for non-compliance with listing requirements; Changes in legislation (or other legislation) in one of the multiple jurisdictions where the company has a presence;, all had the potential to threaten the advantages derived from our organizational and business structure within the reporting period.</p> <p>Mitigating Controls The company continually strengthened its compliance department to ensure that there was adequate coverage for all the jurisdictions in which it had significant presence.</p> <p>Specialist country lawyers were also engaged to proactively identify and implement all necessary structural changes.</p>

Our Risk Management Profile

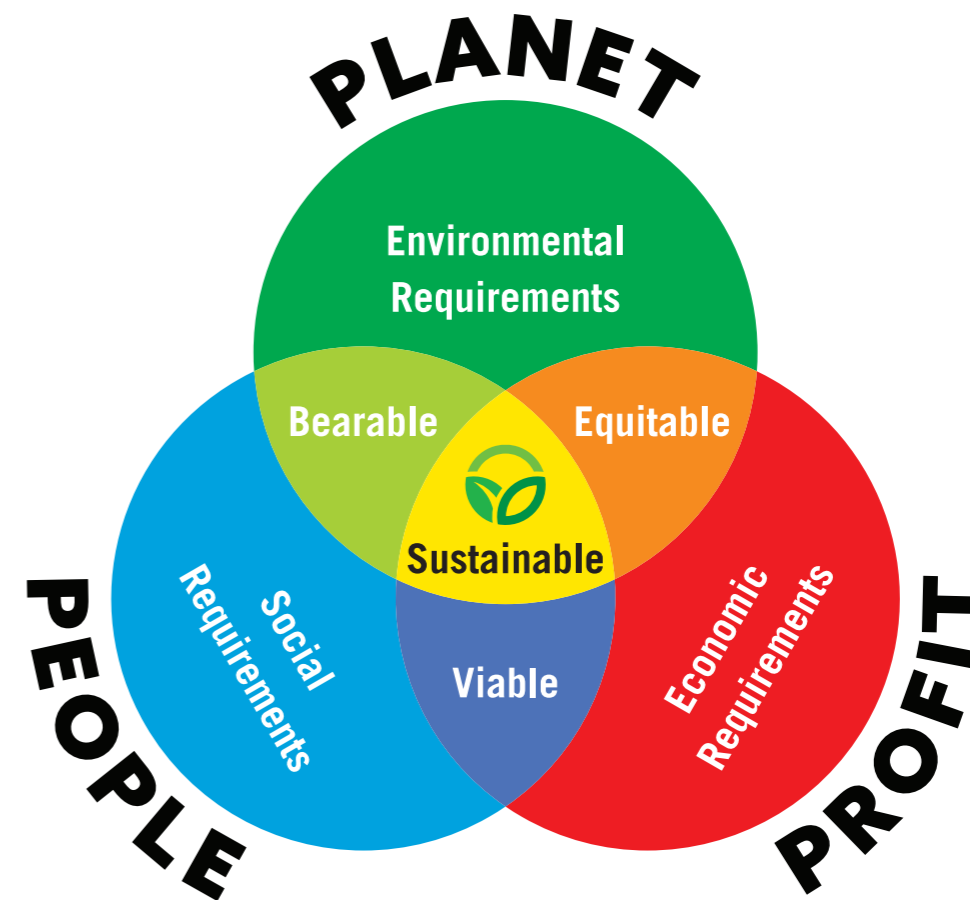
S/N	2014 TOP RISKS	2015 TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR 2015 TOP RISKS
6	Regulation and Regulatory Risk		<p>Strategic and Business Model Risk The risks of current or prospective negative impact on the group's earnings, profitability, capital base and reputation arising from a selection of inappropriate business strategies.</p> <p>Mitigating Controls To mitigate this risk a framework was established for the screening of potential and ongoing business opportunities known as the Oando Opportunity Realization Process.</p> <p>Continuous Management Reviews of business processes were carried out to identify areas for strategic improvement.</p> <p>Opportunities for diversification of its businesses 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> <p>Operational reviews also took place for proper project evaluation.</p>
7	Strategic and Business Model Risk		<p>Business Partner and Joint Venture Risk Delays in the payment of cash calls by the government impacting negatively on the IOC's ability to pay down receivables within contractual terms, thereby exposing the Company to the risk of default on our obligations to our third parties.</p> <p>The lack of operational control portended to expose the Group to partners who could take decisions that were not congruent with the Group's strategy.</p> <p>Controls The company continued to use the right resource mix, recruit experienced hands across all departments with a clear focus on Partner Management via the various Asset Managers.</p>
8	Single Sourcing Risk	Liquidity Risk	<p>The company may not have cash to meet its working capital requirements.</p> <p>Mitigating Controls</p> <ol style="list-style-type: none"> 1. The Treasury Manager estimates the Liquidity needs and ability of the Company to meet future obligations on a weekly basis. Cash flow is monitored on a weekly basis. This involves comparisons with forecasts, investigation of differences, and identification of changes in cash flow requirements. 2. In the preparation of project plans and models, the Corporate Finance Manager carries out stress testing on assumptions used in preparing the project model including 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. 3. The company has a formal contingency funding plan (CFP) that clearly sets out the strategies for addressing liquidity shortfalls in emergency situation. The contingency plan includes contingency overdraft lines with banks and a cushion of unencumbered, high quality liquid assets to be held as buffer for liquidity stress situations.

S/N	2014 TOP RISKS	2015 TOP RISKS	DETAILS AND MITIGATION CONTROLS FOR 2015 TOP RISKS
9	Partner and Joint Venture Risk		<p>Business Continuity & Disaster Recovery Risk 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, terrorist attack, etc.</p> <p>Controls</p> <ol style="list-style-type: none"> 1. Vital company information are stored centrally in electronic format. All staff documents on local laptops are automatically backed up on the company's server. 2. Existence of a disaster recovery policy and plan that is updated regularly 3. Disaster Recovery site has been relocated from the high-risk area to a lower risk area with 99.9% uptime. <p>10 Process Risk Financial Reporting Risk Given the size and complexity of the group structure and the limitation of the group's reporting application, there is a risk that as the group grows and subsidiaries increase in number there may be inaccuracy in its reporting and a risk of misleading the investing public.</p> <p>Controls</p> <ol style="list-style-type: none"> 1. The Financial Statements, notes and disclosures prepared by the Finance Manager are reviewed by the Group Financial Controller along with the completed IFRS disclosure checklist to ensure all areas requiring disclosures have been adequately covered before approval. 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. 3. Internal and External Audit review of the Financial Statements. The Audit committee also meets quarterly to review the Interim Financial Statements.
10	Process Risk	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 as the group grows and subsidiaries increase in number there may be inaccuracy in its reporting and a risk of misleading the investing public.</p> <p>Controls</p> <ol style="list-style-type: none"> 1. The Financial Statements, notes and disclosures prepared by the Finance Manager are reviewed by the Group Financial Controller along with the completed IFRS disclosure checklist to ensure all areas requiring disclosures have been adequately covered before approval. 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. 3. Internal and External Audit review of the Financial Statements. The Audit committee also meets quarterly to review the Interim Financial Statements.

PEOPLE PROFIT PLANET

Our Sustainability Strategy

We report on sustainability annually. This is our fourth sustainability report. It explains the Company's economic, social and environmental strategies and highlights our performance in the reporting year for the period of January 1 to December 31, 2015. It reports the activities of Oando PLC and the divisions over which the Company has management control and highlights the company's performance across the triple bottom line of – people – profit – planet in order to give our stakeholders a clearer understanding of the material issues that informed our business strategy and decisions during the year.



Although the year 2015 had been quite challenging, with the decline in profitability from falling global oil prices and the economic downturn in the country coupled with the apprehension of the country's general election, the company took some strategic steps that enabled it weather the difficulty experienced across the industry. This enabled us maintain our vision of being the preferred investment vehicle, partner and employer of choice within the Nigerian Energy sector.

The company had to be dynamic and creative in sustaining shareholder value despite the strong headwinds faced by all the players in the Oil and Gas sector. A number of initiatives were embarked upon to ensure the immediate and future sustainability of the company.

In the upstream business division, in order to focus on more profitable ventures within the group, a process of restructuring was embarked upon which witnessed the trading of the Energy Services business in the form of a management buyout. As a result of this, we have only included partial information regarding this division in our report as the transaction was concluded within the year and the company had a new ownership structure by the end of the year.

Furthermore, the workforce of the Exploration and Production division also underwent a rationalization in order to gain a higher level of efficiency required for the difficult period. This accounts for the decline of the OER workforce by about 20% towards the end of 2015.

The midstream and downstream divisions however retained their employee numbers as shown in the schedule of company employees in the subsequent pages of this report under the "Our Employees" section.

A key achievement for the company within the year was the signing of an agreement to sell an equity stake in the Downstream businesses to a joint venture consisting of Helios Investment Partners (a premier Africa-focused private

investment firm) and Vitol (a global energy and Commodities Company and the largest independent trader of energy products) for approximately US\$276 million, based on the conditions of receiving the required regulatory approvals and subject to customary purchase price adjustments. By this transaction, the Oando Downstream is positioned for a new era of investment growth and profitability.

Importantly, this divestment enables Oando Plc to focus on its upstream and midstream businesses. Furthermore, the proceeds of the sale is intended to be applied almost entirely to reducing Oando's leverage. In addition, this enables the company have a rationalized portfolio alongside the balance sheet optimization.

US\$276

THE COMPANY SOLD AN EQUITY STAKE IN THE DOWNSTREAM BUSINESSES FOR US\$276 MILLION

Alignment of our Sustainability Practices to the UN Sustainable Development Goals (SDGs)



Within the reporting year, the world, spearheaded by the United Nations, took a bold step towards ending poverty, fighting inequality and injustice, tackling climate change and a host of other complex global challenges by the year 2030 through the medium officially known as “**Transforming our world: the 2030 Agenda for Sustainable Development**” or simply put, the Sustainable Development Goals (SDGs) which was launched on the 25th of September 2015.

200,000

OUR ADOPT-A-SCHOOL INITIATIVE (AASI), WHICH AIMS AT IMPROVING THE LEARNING OUTCOMES OF 200,000 PUPILS ACROSS 100 PUBLIC SCHOOLS BY 2020

As Africa's largest integrated energy solutions company, we recognize that the SDGs are the global priority for the next 15 years. Understanding our role as a vital partner in achieving the SDGs nationally and globally, we have made it our responsibility to begin implementing it as the overarching framework through which we shape, communicate and report our strategies, goals and activities as a business.

We understand that effective communication and cooperation not just across governmental and other international institutions, but also between businesses and individuals is the only way that the SDGs can be successfully implemented. We have focused on highlighting the significant SDGs that are relevant to our businesses in order to make a positive difference in our society, economy and environment. The most amazing feature of the SDGs however is the observed interconnectivity of them all. We have discovered that when focusing on the targets of one goal, we are simultaneously addressing some of the targets of another goal.

We are currently specifically focused on some of the following goals and their correspondent targets:

Quality Education (SDG 4) - Through the platform of the Oando Foundation, we are impacting the Nigerian public school system, one school at a time and one child at a time. The Oando Foundation remains the only independent charity established by a corporate offering a holistic model to improve the basic education sub-sector in Nigeria. Through the foundation, we are ensuring access and improving the quality of teaching and learning outcomes in schools. With a main focus on the girl child, we are addressing the deeply rooted gender-based discrimination that exists in our society, by providing young girls with the basic right of education and empowering them with opportunities, with the overarching aim of achieving **Gender Equality (SDG 5)** in our society, one step at a time.

The vision of the Oando Foundation is to create sustainable and equitable educational systems in communities that empower every child and through refurbishment and improvement of sanitation in our adopted schools, ...we are working towards the goal of ensuring that the schools we support have access to clean water as well as a clean environment. **Clean Water and Sanitation SDG 6.**

All the elements of our “Adopt-A-School Initiative” (AASI), which aims at improving the learning outcomes of 200,000 pupils



Alignment of our Sustainability Practices to the UN Sustainable Development Goals (SDGs)

EMPLOYMENT:

5000

employed across operational areas

across 100 public schools by 2020, are accomplished through our partnerships with Educate a Child Qatar (EAC), DfID funded Education Sector Support programme (ESSPIN), DfID funded Teacher Development Programme (ESPIN), USAID funded Education Crisis Response programme, as well as 7 local NGOs. Through partnership with these organizations (**SDG 17 Partnerships for the Goals**), the targets to fulfill the goal of the initiative is gradually being actualized.

Other examples are the “**Lubrication Science Initiative**”, which is dedicated to working with mechanics, particularly young people, to enhance their entrepreneurial skills; as well as the “**Lady Mechanic Initiative**”, which provides young ladies and women with the opportunity to increase their competencies and boost their career opportunities & earning power. Through our development-oriented initiatives, we believe that we are empowering people of different ages, sex, ethnicity, origin, religion or economic or other status, thereby **reducing inequality (SDG 10)** within the society.

AGRICULTURAL PROGRAMMES:

2000

beneficiaries across 10 programs

Another SDG vital to our business success is building **Sustainable Cities and Communities (SDG11)**. Our Upstream division, particularly focuses on creating sustainable cities and communities in the areas in which we operate. We have developed several initiatives and projects to ensure that we positively impact the lives and environments of the communities in which we explore. This also enables us to meet some of the targets of **'Peace and Justice, strong institutions' (SDG16)** aimed at promoting peaceful and inclusive societies for sustainable development. In collaboration with our partners in the upstream business, we have conducted various development programs and initiatives in our communities.

We are also passionate about technological advancement and innovation in the Nigerian economy. In the midstream division, through our Gas and Power operations, we have made some significant impacts on industrial activity in the South East and South West of Nigeria. We pioneered the construction of a private sector pipeline network facilitating the distribution of natural gas to industrial and commercial consumers in Nigeria.

ELECTRIFICATION:

30

rural and urban electrification projects completed

Another SDG that we focus on is **Decent Work and Economic Growth (SDG 8)**, a goal which is also interconnected to **SDG 9 Industry, Innovation and Infrastructure**. We aim to contribute towards achieving higher levels of economic productivity in Nigeria. Through our diverse workforce of over 1500 employees, we provide full and productive employment for women and men of different ages and backgrounds.

Another Goal which is currently embedded in how we do our business is **Peace, Justice and Strong Institutions (SDG 16)**. We are committed to building a strong organization that actively fights against corruption and bribery, and we have undertaken the following measures towards effectiveness, accountability and transparency:

- **Risk Assessment** - which helps us identify the areas within our business that are prone to Corruption Risk, relevant to local and international Anti-Corruption Regulation.
- **Tone at the top** - Our Board and Management are Committed to

We promote development-oriented policies that support productive activities through our empowerment driven initiatives that promote decent job creation, entrepreneurship, and creativity and innovation. An example of such is The Oleum Academy. A skills development initiative founded in 2014 and designed to provide Automotive-Mechanic, Lubrication and Entrepreneurial training for mechanics and auto-technicians in Africa. The objective of the Oleum Academy is to contribute to the closure of knowledge gap in the automotive industry by 80% and to ensure that young Nigerians have access to professional and technically sound automotive support.

HOUSING ESTATE:

6

Flats currently in pilot scheme for National Youth Service Corps

TOWN HALLS:

10

community Town Halls built and furnished

- operating at the highest levels of Corporate Governance Best Practice,
- **Governance Framework** - The establishment of the Right Governance Framework and Structures with defined Terms of Reference.
 - **Training** - The conduct of Anti-Corruption Training and programs to create awareness amongst all our stakeholders – directors, management, employees, vendors and business partners, the annual Recertification on our Code of Values, and Conducting specialized anti-corruption training to employees in positions traditionally at risk of corruption.
 - **Collective Action** - We remain committed to active participation in local and global good governance organisations focused on Anti-Corruption, such as the United Nations Global Compact UNGC, The World Economic Forum's Partnering Against Corruption Initiative (PACI) and the Convention on Business Integrity.

We remain focused on making valuable contributions towards the achievement of the SDGs. While the achievements of specific goals directly relevant to our business operations are of key importance to us, we are also dedicated to utilizing the SDGs as an overarching structure for developing our business principles, goals and activities. We are optimistic that the goals are becoming increasingly attainable year after year based on the grounds we consistently cover, and look forward to a more sustainable future as we scale up our contributions to their achievement.

HOSPITALS:

6

cottage hospitals equipped with basic medical facilities

SKILL ACQUISITION PROGRAMS:

500

beneficiaries acquired skills in ICT, fashion and design, welding and fabrication, furniture and bakery

WATER PROJECTS:

10

water projects completed

RECREATIONAL CENTERS:

5

centers with facilities completed

EDUCATION: (COMPLETE) SCHOOL BUILDINGS:

15

schools built and furnished

SCHOLARSHIPS:

1000

beneficiaries

ROAD NETWORK:

100KM

asphalt roads across all operational areas



Material Issues Covered by this Report

Our Reporting Framework

As with our previous sustainability report, we have written this report using the GRI G4 Guidelines, 'In Accordance Core' Option. A more detailed explanation of our reporting framework can be found in our 2014 Sustainability Report (Pg 20). This Report should be read in conjunction with the 2015 Annual Report and Accounts of the Oando Group and our 2014 Sustainability Report which can be found on the Company's website.

The 2015 Annual report and accounts

<https://www.oandopl.com/wp-content/uploads/Recompressed-Annual-Report.pdf>

The 2014 Sustainability report

http://www.oandopl.com/wp-content/uploads/2017/03/20170303-2014_SUSTAINABILITY_REPORT.pdf

Our material issues for this report have been identified on the basis of their relevance and significance to our businesses. The definition of the global priorities for the next 15 years (the SDGs) prompted us to ensure that our focus was also directed to issues of importance to the rest of the world. As a result, we have identified our material issues in accordance with the particular targets to which we contribute to the achievements of its goals with reference to the SDGs.



Our Material Issues in 2015

- | | |
|--|---|
| → Creating Value | → Building Sustainable Communities |
| → Maximising our Opportunities | → Advancing our Commitment to Ethical Conduct |
| → Partnering for Development | → Access to Basic Education |
| → Leveraging Technology to Improve Efficiency | → Protecting our Environment |
| → Developing our People | → Water, Gas Flaring and Air Quality |
| → Workforce Wellness, Motivation and Empowerment | → Waste Management |



THE GLOBAL GOALS
For Sustainable Development

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.

Related SDGs:

- SDG 8** Decent work and economic growth
- SDG 9** Reduced inequality
- SDG 17** Partnerships to achieve the Goal

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.

Related SDGs:

- SDG 8** Decent work and economic growth
- SDG 9** Reduced inequality

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.

Related SDGs:

- SDG 8** Decent work and economic growth

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.

Related SDGs:

- SDG 8** Decent work and economic growth

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.

Related SDGs:

- SDG 13** Climate Action
- SDG 14** Life below water
- SDG 15** Life on land

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.

Related SDGs:

- SDG 13** Climate Action
- SDG 14** Life below water

Material Issues Covered by this Report

ECONOMIC

Partnering for Development

Developing our expertise through pioneering efforts and trailblazing transactions within the industry position us for strategic partnerships with reputable organisations that share our passion for industry leadership, growth and increased development within the sector and national economy.

Related SDGs:
SDG 8 Decent work and economic growth
SDG 17 Partnerships to achieve the Goal

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.

Related SDGs:
SDG 8 Decent work and economic growth

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.

Related SDGs:
SDG 11 Sustainable Cities & Communities

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.

Related SDGs:
SDG 16 Building Strong Institutions

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.

Related SDGs:
SDG 4 Quality Education
SDG 5 Gender Equality
SDG 6 Clean Water & Sanitation

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.

Related SDGs:
SDG 12 Responsible consumption and Production
SDG 13 Climate Action
SDG 15 Life on land



ACCESS TO BASIC EDUCATION



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 actually 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 group are attained, and as a result, we continue to review our operational frameworks based on the emerging principles of corporate governance best practice.

Our Governance Framework:

In designing the Oando Group Governance Framework, we considered the UK Corporate Governance Framework, South Africa's King Report on Corporate Governance (King III), the OECD Principles of Corporate Governance and SEC Code of Corporate Governance for Public Companies in Nigeria. Our Framework outlines the Corporate Governance Structure in tandem with the policies and procedures that underpin it.

Shareholders

The role of the shareholders within the Oando governance framework is to appoint the directors and the auditors. The Board and management of the Company are ultimately accountable to the shareholders who should ensure that they are satisfied with the governance standards in place.

The Board of Directors

A majority of directors on the board are non-executive directors, of which four are independent with no material relationship with the Company except in their positions as directors.



CORPORATE GOVERNANCE

Governance

In accordance with global governance best practice, the two positions of Chairman and Group Chief Executive are held by two separate individuals.

The full details of the composition and responsibilities of our Board of directors are discussed extensively in the 2015 Annual Report (pages 30-34). Information on the Board Committees can be found on pages 36 and 37 of the 2015 Annual Report).

Group Leadership Council

The Group Leadership Council of Oando ("GLC") is composed of top-level management who provide executive direction in the day-to-day administration of the company, effectively managing our talents and resources for the achievement of our strategic objectives. The GLC is composed of the Group Chief Executive (GCE), the Deputy Group Chief Executive (DGCE), along with the C-suite managers in the company. The Group Leadership Council are charged with the day-to-day implementation of the strategic plan as agreed by the Board. They collectively implement those goals whilst being sensitive to the rapidly changing micro and macro economic and socio political environment. The GLC is accountable to the Board of Directors.

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
- Complaint Management Policy

Our Governance Practices

At Oando, we believe that a strong corporate governance framework is essential for the achievement of sustainability in every corporate organization. For this reason, the governance bodies within the organization have developed a governance structure that defines and monitors the actions, policies, and procedures of our business operations, to ensure that we maintain shareholders' confidence, achieve corporate success and economic growth, minimize risk, prevent and fight corruption.

Ethical Conduct

At Oando we observe the highest standards of integrity; The Group 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 Oando or any of its subsidiaries. Anti-Corruption is one of the main tenets of the Code and through a compliance on-boarding process, new entrants into the Group are trained on the Company's rigorous Anti-corruption policies and practices.

Our Anti-corruption program focuses on compliance with applicable laws and regulations whilst providing training and actively monitoring progress on key issues such as money laundering, insider trading, related party transactions and other vital policies.

Governance officers are responsible for monitoring and reporting on the extent to which anti-corruption and ethics principles and policies are understood and adhered to across the organisation so that we can self-correct where necessary and continue to maintain a strong stance on anti-corruption.

We also ensure that all employees in sensitive business units such as Sales and Marketing, Supply Chain, Treasury, Human Resources and Community and Government Relations are specifically trained on how to deal with the various ethical dilemmas that may arise in the course of their duties.

A periodic newsletter called "Ethics Watch" is published and circulated to all employees and business partners to keep them updated on the different ethical and compliance issues that arise locally and globally. Our Governance and Compliance unit focuses on promoting a culture of honesty and moral uprightness, creating awareness on the importance of integrity- doing the right thing even when no one is watching.

Communication and Training on Anti-Corruption 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 2015, 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 Group 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 Group, town-halls, 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.

The Oando Governance Office, (comprising of the Chief Compliance Officer & Company Secretary and the Governance Managers and Officers) are fully accessible to employees and available to provide guidance or assistance on compliance issues encountered in the process of business operations. All company policies are published on the corporate intranet site for easy access.

In building an ethical culture, we understand the importance of having different medium through which issues of concern can be reported to the company 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 employees, vendors, business partners and other parties.

A key reporting platform is the whistle-blowing 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.

Transacting with Transparency

The company is committed to doing business with only reputable, honest and qualified business partners. We exercise due care and precaution when evaluating business partners, as we understand that the integrity of a business partner could have a huge impact on the reputation of the company. Throughout the reporting period, we continued with the implementation of our Know-Your-Customers (KYC) Policy across the group, with a heavy emphasis on due diligence for our new and potential business partners as well as a continuous review of our existing business partners.

Our due diligence exercise is a vigorous process which involves extensive collaboration between the Governance Office, relevant business service units, (the Requesting department, Procurement & Services, Tax and Legal Services team), as well as the company's business partners.

All business partners are screened before being engaged to transact any business with the company, and in 2015, a total of about 300 business partners were screened in accordance with the stipulation of the KYC policy.

In addition, as part of our pre-clearance process, every vendor and business partner is made to sign a Non-Solicitation Form certifying that while transacting business with Oando, they will not engage in any form of solicitation or provide any financial inducement, gratification in cash or in kind to the company's employees or government agencies on our behalf.

Political Contributions

The Group continues to abide by the prohibition placed on Nigerian registered entities by the Companies and Allied Matters Act ("CAMA") – the principal legislation for companies registered in Nigeria, from making any donations (cash or kind) to any political party.

General Compliance Statement

No incidents of corruption involving the company, its employees or business partners were however recorded in the period under review. Furthermore, there were no corruption-related investigations (actual or potential), carried out within the stated period.

As a Group, we continue to ensure that we are guided by principles of fair competition in accordance with the applicable laws and regulations in each country in which we operate. We compete in a fair manner and with integrity.

The Chief Compliance Officer and Chief Legal Officer both support the group Board and Management on competition law issues. To this end, there were no reported legal actions pending or completed during the year regarding anti-competitive behaviour, or violations of anti-trust regulations.

The company however paid the sum of N2.2million (Two Million, Two Hundred Thousand Naira) as penalty to the Nigerian Stock Exchange for our late submission of our Audited Accounts for the year ended 31st December 2015.

300
ABOUT 300 BUSINESS PARTNERS WERE SCREENED IN ACCORDANCE WITH THE STIPULATION OF THE KYC POLICY IN 2015

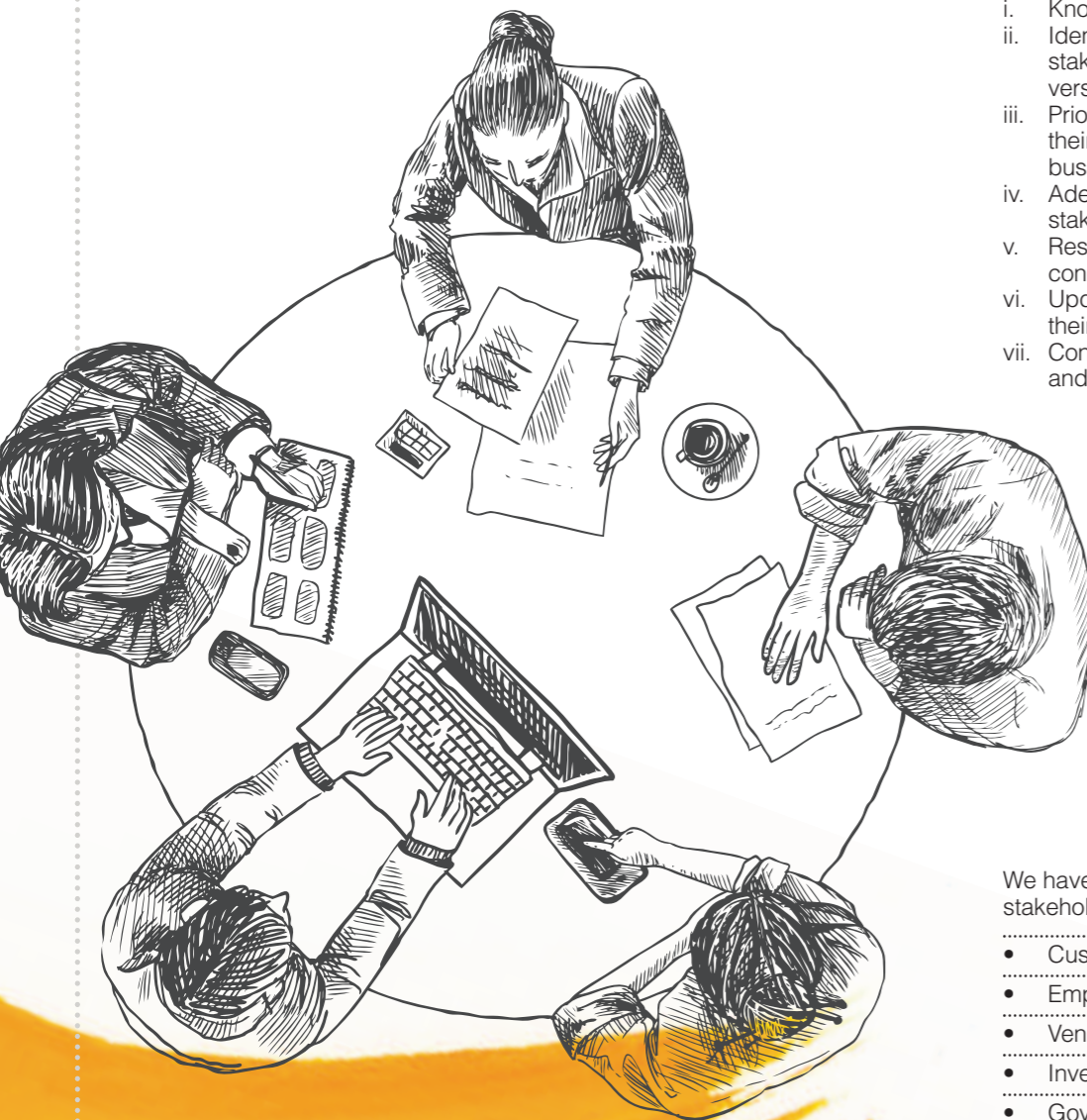
880

THE COMPANY HAD IN ITS EMPLOYMENT A TOTAL OF 880 PEOPLE IN THE YEAR 2015

Stakeholder Identification & Prioritization

At Oando, we understand that every organization has stakeholders whose differing interests may sometimes conflict, hence we have established systems within our organization to adequately:

- i. Know who our stakeholders are
- ii. Identify the impact of every stakeholder to the business and vice versa
- iii. Prioritize our stakeholders based on their respective impact on the business
- iv. Adequately understand what our key stakeholder concerns & issues are;
- v. Resolve or manage the stakeholder concerns identified
- vi. Update stakeholders on resolutions to their concerns
- vii. Continuously engage stakeholders and advance improvements.



We have identified and classified our key stakeholders into the following groups:

- Customers
- Employees
- Vendors and Business Partners
- Investors & Shareholders
- Governments and Regulators
- Communities

This processes for stakeholder identification and prioritization have been detailed in our previous Sustainability Reports (2013 Pages 26 – 28, 2014 Pages 29 – 33).



STAKEHOLDERS ENGAGEMENT

Our People

14.2%

THE COMPANY PAYS 14.2% OF GROSS PAY AS ITS CONTRIBUTION TO THE PENSION FUND ACCOUNT OF EACH EMPLOYEE

Stakeholder Engagement

Employees

Oando is an equal opportunities employer that continually seeks to engage, train and retain the best professionals within our chosen industry in pursuance of our aim of being the preferred and trusted employer of choice in the oil and gas industry.

The company had in its employment a total of 880 people in the year 2015 as shown in the Total Employees by Subsidiary table. Employees are considered to be a critical stakeholder group because of their position in the value chain of the organisation's life cycle. Ensuring that our employees comprehend our business goals, objectives and strategic direction is imperative to the achievement of our targets and our continuing business successes.

Total Employees by Subsidiary

Employment Category	Gas & Power	Downstream	Energy Resources	Group	Totals
Full Time	48	279	100	77	504
Contract	21	331	0	0	352
Consultants	0	9	5	2	16
Industrial Trainees/Interns	2	0	5	1	8
Totals	71	619	110	80	880

Employee Engagement

Employee engagement is a critical business success factor as a direct consequence of the role of our employees in the actualization of the company's objectives, goals and aspirations.

In 2015 we undertook and maintained all possible avenues for employee engagement, including but not limited to direct emails and email campaigns, telephone calls/conferences, in-person meetings, round table discussions, town hall sessions etc.

The issues of concern to this critical stakeholder group centered around such issues as talent management and people development, competency management and development, performance management, remuneration and benefits and employee welfare.

Remuneration, Benefits & Employee Welfare

At Oando, a strong emphasis is placed on linking performance with reward; thus, we adopt a pay-for-performance culture. The Oando Reward Framework guides our remuneration process for all employees. In addition, for company executives and Board level remunerations, the Governance and Nominations Committee provide guidance in line with the Board Remuneration Policy.

The company pays 14.2% of gross pay as its contribution to the Pension Fund Account of each employee, which is 2.2% above the 12% recommendation of the Pension Reform Act 2014.



100%

IN 2015, ALL ELIGIBLE FEMALE EMPLOYEES THAT WENT ON MATERNITY LEAVE RETURNED TO WORK AFTER THEIR LEAVE

The list of benefits provided to full time employees (based on defined eligibility criteria) across all company locations is below:

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

In 2015, all eligible female employees that went on maternity leave returned to work after their leave period, which reflects a 100% rate of return from parental leave.

Our competitive pay positioning is to anchor Oando's fixed pay around the 50th percentile of comparative competitor pay levels, obtained through appropriate and reliable market/industry surveys.

Training and Development

Training and development activities to upgrade employee skills took various forms including classroom trainings, e-learning, on-the-job training, coaching and mentoring, and self study.

Talent Management and People Development

Employee development was effected through blended learning, which included a variety of learning interventions specific to the skills and developmental gaps of each individual employee identified through the competency management process. This is aimed at developing their skill set and boosting their work performance.

Competency Management, Learning and Development

Learning plans were developed for individual employees whereby the focus was on deploying appropriate learning interventions to address the gaps identified in their post-competency assessment report. This was largely achieved through the blended learning approach, which is a bouquet of learning interventions targeted at addressing one or more competency gaps.

Performance Management

Talent reviews and succession planning exercises were carried out in all entities to build a pipeline of internal talent to sustain the trajectory growth of our organization. It involved line managers evaluating direct reports on performance and potential.

Talent Acquisition and Attrition Management

The Oando Graduate Trainee (GT) program was restructured to align with the strategic workforce plans of our various business streams. The aim is essentially to recruit a pool of talented individuals who have the aptitude to develop into future leaders of the organization.

TRAINING & DEVELOPMENT

Our People

New Employees Hired within the Reporting Period by Age Group and Gender

Age Groups	Gas & Power	Downstream	Energy Resources	Group	Totals
25 - 35 (Male)	0	0	3	4	7
25 - 35 (Female)	0	0	9	0	9
36 - 45 (Male)	0	0	2	0	2
36 - 45 (Female)	0	0	4	2	6
46 - 55 (Male)	0	0	0	0	0
46 - 55 (Female)	0	0	0	0	0
Totals	0	0	18	6	24

Leveraging Technology to Improve Efficiency

In 2015, as part of measures to determine the effectiveness of the access of technology systems available to the business, a customer (in this case, employees) satisfaction survey (C-SAT) was conducted.

The survey hoped to achieve the following objectives;

- To ascertain the quality of Information Technology Systems (ITS) services being rendered to employees as internal customers,
- To get feedback from employees on their satisfaction levels
- To identify areas for improvement
- To develop a service improvement plan for implementation

A total of 250 respondents representing 28% of the organization took part in this year's survey with a satisfaction level of 70.4%. An anonymous model was adopted to encourage sincerity in user feedback, however, unlike the 2014 feedback survey, no incentives were utilized to stimulate the responses.

The survey ran for a duration of 3 weeks from the 18th November, 2015 to the 9th December 2015.

A total of 16 questions spanning the company's entire Information Technology Systems operations and service delivery models were covered within the questionnaire in the following areas:

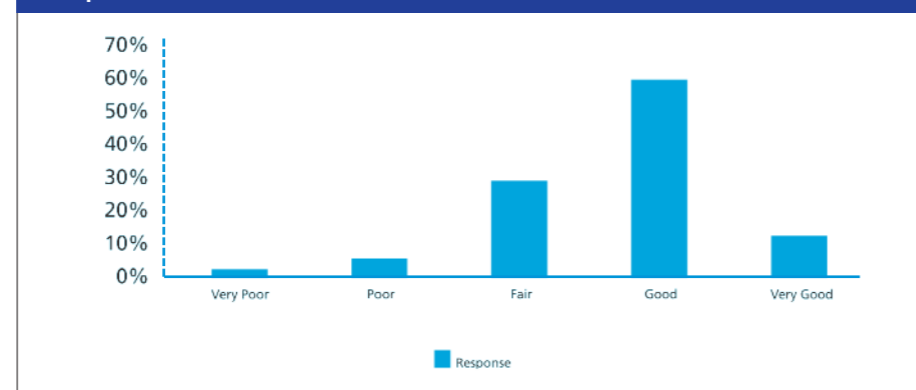
- Service Desk operations
- Applications
- Network and Communications
- Collaboration
- Business led-IT Collaboration.

The Results

Overall, 70.4% of respondents were satisfied with the level of their access to technology service provided by the company as well as its availability to them for the optimization of their work activities, while 26% of respondents indicated that they considered the services rendered to them to be fair.

These base ratings provided the opportunity to define the starting point from which satisfaction level improvement targets were then set at a minimum of 80% in the coming year.

Response Satisfaction



28%

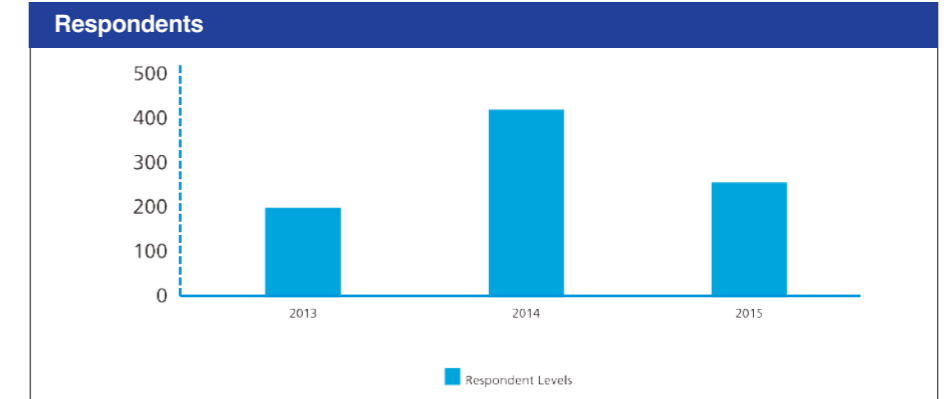
28% OF THE ORGANIZATION TOOK PART IN THIS YEAR'S SURVEY

70.4%

70.4% OF RESPONDENTS WERE SATISFIED WITH THEIR LEVEL OF ACCESS TO TECHNOLOGY SERVICE PROVIDED BY THE COMPANY

Demographics

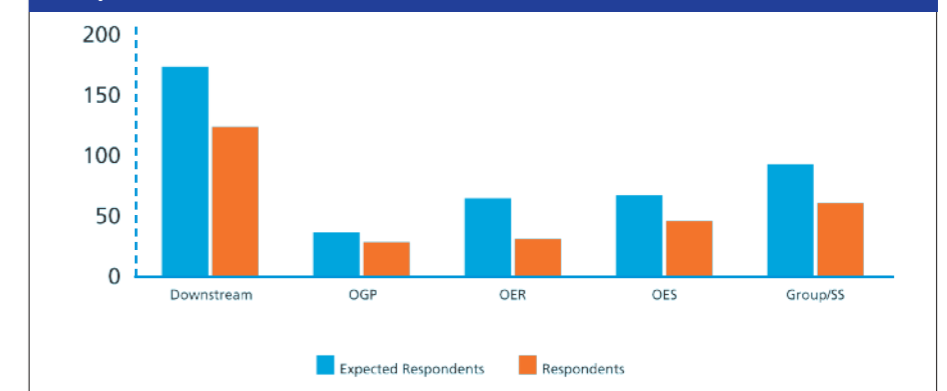
A total of 250 respondents participated in the 2015 C-SAT survey, which was a 40% decline on the 2014 C-SAT survey figures.



The demographics of the respondents are as follows

Entity	Expected Respondents	Actual Respondents	% Respondents
Downstream	176	118	67.05%
OGP	28	22	78.57%
OER	48	24	50%
OES	54	34	62.96%
Group/SS	89	52	58.43%
Total	395	250	63.33%

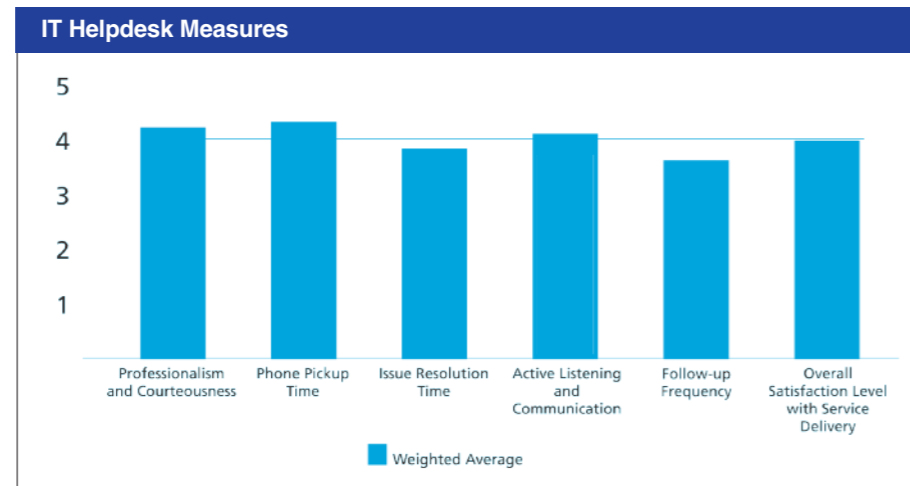
Respondent Distribution



IMPROVE EFFICIENCY

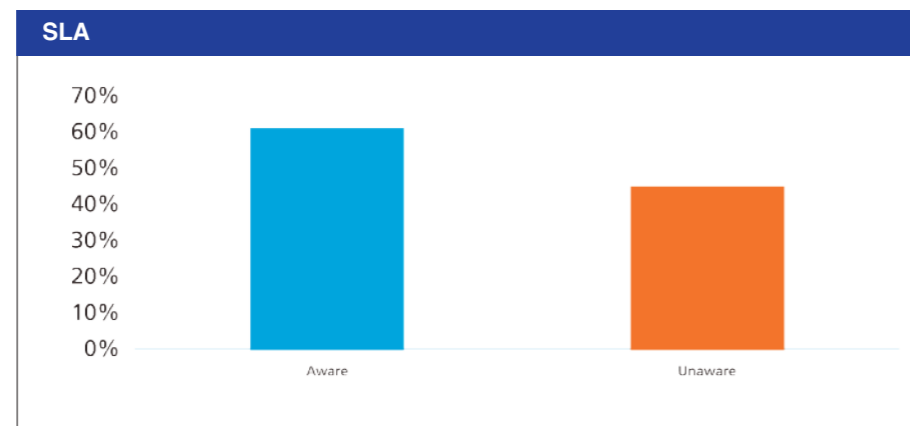
Some of the specific issues addressed in the survey include:

Overall satisfaction with the ITS Helpdesk service.



With a weighted average of 3.92, most of the helpdesk measures were above the average except issue resolution time and follow-up frequency. This implied that employees were not fully aware of the Service Level Agreements (SLA) for the adequate resolution and closure of their reported issues.

Awareness of Service Level Agreement



The results showed that 40% of the respondents were unaware of the appropriate SLAs for their reported technology issues, this result, which was also a confirmation of the previous issue surveyed, suggested that there would always be a difference over the response time and resolution timeline versus the acceptable expectation by this group of users. This further buttressed the need for education of users to ensure that expectations are well within the pre-agreed timelines to help manage possible friction and frustration on the part of the respondents.

Other areas around which the survey centered include:

Sharepoint Satisfaction Level

Sharepoint is a paperless office initiative which enables employees to store, share, retrieve and collaborate on work documents thereby reducing the amount of documents printed, consequently reducing our carbon footprint. The weighted average on this service was 3.82, however, the areas of employees' concern from the survey were ease of use of the application and its availability remotely (outside the office). However, these responses were close to the weighted average response.

Unified Communication and Collaboration service.

This service involves the use of communication to bridge the gap of physical distance in the conduct of business meetings such as telephone and video conferencing facilities. The weighted average on the use of this service within the year was 3.85, however the availability and quality of the video conferencing facility appeared below the average mark. It was recommended that further investigation be conducted on the quality of video conferencing service to foster its use as a viable live meeting alternative where participants are separated by distances; this should also help reduce the organisation's carbon footprint and consequently our contribution to the achievement of climate change related SDG goals and targets.

Knowledge of Productivity Tools

With a weighted average of 3.84 most of the respondents confirmed awareness of most of the company's ITS productivity tools, with value for the use of the video conferencing facilities lower than the weighted average. In response to the major complaints on the use of these tools, information fact sheets on the use of the video conference facility and other solutions are to be disseminated to all employees to bridge identified knowledge gaps.

Network Connection services.

This service had an average weighting of 3.65 from the survey indicating the dissatisfaction of the respondents as a result of complaints of internet restrictions and slow connectivity witnessed in remote locations.

Productivity Coaching (PC) Program

63% of respondents were aware of the PC program. Some respondents who were not aware of the program (particularly those in remote locations) reported that they had not been engaged directly. This highlights the need for the PC program scope expansion beyond the Lagos and Apapa head office locations. Other remote locations are to be included in the program in the coming year.

Furthermore, within the period under review, only 34% of respondents were trained by a coach. It is therefore imperative that the scope and reach of the program be expanded to provide training to a larger number of personnel within the organization. The plan for the coming year is to develop relevant information technology training for different work groups for delivery to the users via easily relatable training methods.

PC program "Tips and Tricks".

As part of the PC program a "Tips and Tricks" campaign was developed to share simple ways to maximize the use of certain computer features, thereby improving work efficiency. 68% of respondents confirmed that they are benefitting from the information shared through the campaign. The scope of this initiative needs to be widened to promote work tool utilization expertise, consequently reducing the knowledge gap complaints being reported to the helpdesk.

Overall Satisfaction level for the Productivity Coaching Program

In summary, 62% of respondents were satisfied with the PC Program, while about 30% rated the program as "fair". This result highlights our opportunity to maximize the benefit of the PC program by expanding the reach of the direct training and engagement platform it provides.

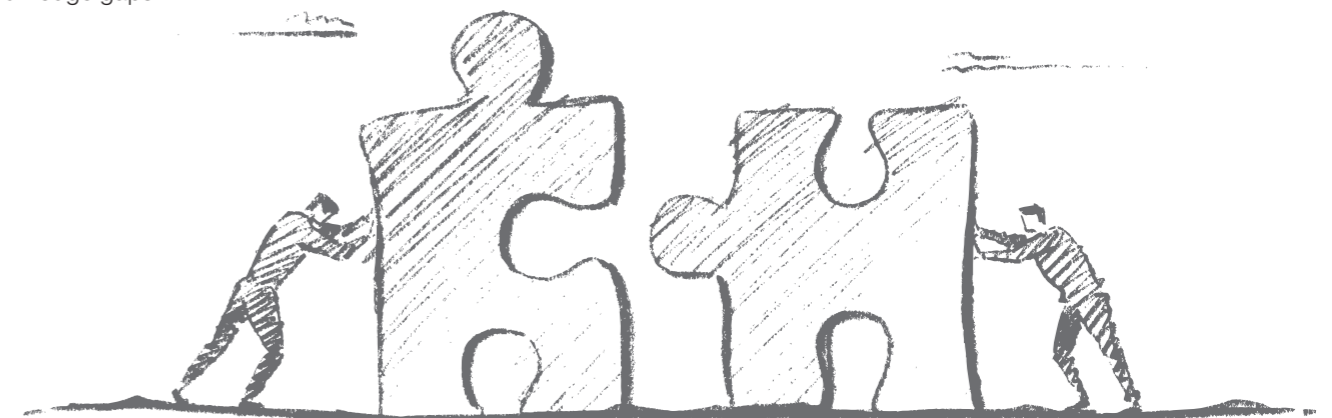
Application Effectiveness Levels

Oando deploys a number of ITS applications for the seamless integration of work activities within the company. Of the users of these applications surveyed, respondents considered most of the Enterprise Resource Planning (ERP) modules measured to be above the weighted average of 3.75 with the exception of Oracle Financials. This demands that a detailed review of the lower satisfaction levels with regards Oracle ERP Financials be conducted and resolved within the first quarter of the coming year.

Information Technology Business Information Coordinator (BIC) Program

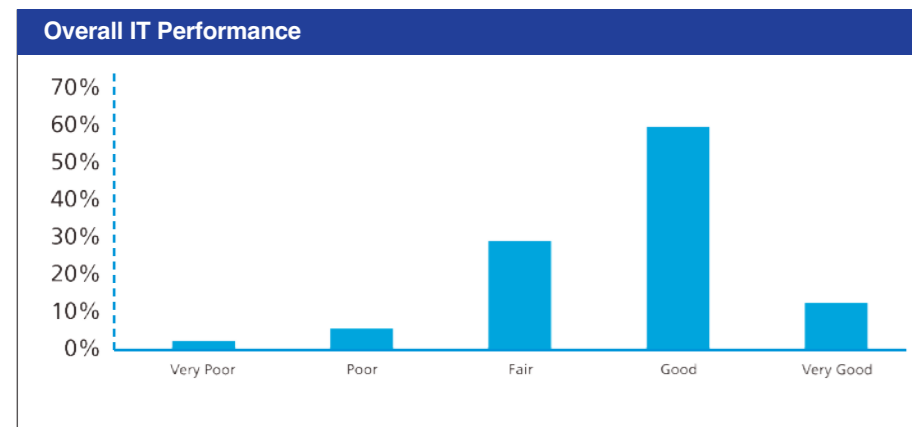
To ensure that employees have dedicated access to ITS resources within the organization, Business Information Coordinators (BICs) were identified for each entity within the Group. More than 84% of the respondents were aware of the respective BICs for their entities, which suggests a high level of direct engagement.

With a weighted average response of 3.89, respondents considered their BICs to be knowledgeable about technology, with a general overview of how it drives their businesses. In addition, they confirmed that BICs displayed excellent customer service in responding to their specific issues. However, the responses also cited the need for an even better understanding of the business engendered by the ability to jump-in to sort out reported IT issues in line with defined SLAs.



Our People

Overall IT performance



Summary of findings

Overall, the following were the findings gathered from the survey;

- Service desk issue-resolution time and the follow-up frequency for issues required improvement.
- Knowledge on the use of the video conferencing facility was limited.
- The ITS Service Level Agreements (SLAs) were not known by all users.
- The Productivity Coaching program had been effective in resolving issues but there was need to expand its reach across the organization. In addition, the one-on-one engagement required improvement, as well as an upgrade of the program-training curriculum to address a wider range of subjects relevant across the various entities and functions within the organization for overall program effectiveness.
- The Business Information Coordinator, whilst considerably knowledgeable about technology, still required a better business understanding for the provision of seamless solutions to business technology issues.

Improvement Plan Action Items

The following action items were identified and have been scheduled for implementation;

- A stronger and more interactive awareness strategy for the PC program which includes remote locations.
- Conduct regular Productivity Training sessions on the basis of relevant business work tools using innovative delivery media.
- Better senior level engagement utilizing improved consulting methodology for customer engagement on the SLAs for the various ITS offerings.
- Information Fact Sheets for frequently used solutions; e.g. Video Conferences, VPN setup etc.
- Improved tracking of user feedback from issue reporting to closure using Helpdesk tools.
- Further engagement of the finance functions to understand the issues faced with their use of the ERP.

IMPROVED USER
FEEDBACK

50

A VENDORS FORUM WAS ORGANIZED BY THE COMPANY'S SUPPLY CHAIN TEAM WITH ABOUT 50 VENDORS IN ATTENDANCE

Communities

Developing Skill and Entrepreneurship

We realize that in order to make our communities sustainable, our development interventions in our host communities must be collaborative social investments designed to empower the members of the community and build their capacity to the point of becoming productive contributors to growth. Against this backdrop and in line with the Oando Community Engagement Strategy (POWERS – Partnership, Ownership, Win-win, Empowerment, Respect and Sustainable Development), ensuring that the development projects we undertake in our host communities will contribute to their sustainable development is a key consideration.

Promoting Inclusion and Diversity

Certain cultural perspectives observed in a large number of African communities (in general) have traditionally relegated certain groups of people from actively participating in activities that promote development for example in some instances, female children are not allowed to get an education or permitted to own land. Such perspectives propagate poverty, illiteracy and under-development in general.

In working with our communities therefore, we also focus on ensuring that under-represented groups within the community are empowered to enable them create reasonable livelihoods for themselves and their dependents.

Supply Chain – Employee, Vendor & Business Partner Engagement

Internal Stakeholders – Employees

In 2015, Company employees, as internal stakeholders, were engaged via the forum of a Town Hall meeting to intimate them about the Company's Supply Chain policies and procedures based on certain observed challenges encountered by a number of employees in completing their transactions in alignment with the P2P (Procure to Pay) process.

This meeting was held to educate them on the right process and to encourage them to be fully acquainted with the company policies in this regard. It was also an opportunity to highlight the consequences of non-compliance with our corporate supply chain standards. Approximately 85% of the entire organisation attended the session in person, however the information shared at the meeting was electronically disseminated for continuous reference.

External Stakeholders – Vendors & Business Partners

A Vendors' Forum was organized by the company's Supply Chain Team with about 50 vendors in attendance. In demonstration of the core value of Teamwork, other teams within Oando also participated in this event including the Governance, Risk & Control and Tax teams. The forum focused on explaining Oando's Governance rules, Business Ethics and expectations from the vendors.

A common issue that resonated during the forum was complaints from some vendors about delayed payment of their undisputed invoices. This complaint was taken onboard and shared with the Finance team to ensure Oando keeps to the agreed payment terms.

Continuous Vendor & Business Partner Assessment

As is standard practice at Oando, vendor appraisal assessments are conducted upon conclusion of every transaction as an integral part of the supply chain function. The requesting or user department carries out the assessment on such areas as technical capability, EHSSQ compliance, ethics and governance compliance, cost optimization, professionalism and quality of service delivery.

At the end of this review the relevant signs offs are secured to confirm if the vendor's output has been satisfactory and as such should be engaged for

Our People

future transactions or unsatisfactory. Where the vendors performance has been unsatisfactorily, such vendor may be blacklisted from participating in future transactions with the organisation in accordance with the Oando Vendor Blacklisting Policy.

Key Supply Chain Drivers in 2015

- Management of recurring costs within the company to maintain them at reasonable levels
- Knowledge gathering and dissemination across the organisation.
- Supporting the businesses to adhere fully to the Oando P2P process by engaging vendors in full compliance with the company's standard contracting terms further to tenders evaluation and negotiation of terms.
- Encouraging participation of local companies in the sector in alignment with the Nigerian Oil and Gas Industry Content Development Act 2010 ("Local Content Act")
- Active participation in all approved Health, Safety & Environment training to ensure that all contracts have the required EHSSQ exhibit as well as ensuring Milestone Zero audits are conducted and documented at the start of each project.
- Ensuring the EHSSQ team participates in all required tenders and sign-off on relevant awards

Improving Vendor Experience

The issues identified through the various stakeholder engagements necessitated the development of the following plan of action to address them:

- Continuous stakeholder education and the enforcement of all relevant sanctions in cases of non-compliance to the Oando P2P process.
- Ensuring budgetary approval and cash-flow alignment before vendor engagement.
- Ensuring all sign-offs are in place before Purchase Orders are issued for any work.

In addition, it is planned that once the identified vendor issues are fully resolved, the current Vendor Appraisal System will evolve into a 360° format so that our vendors can also provide us with immediate feedback on their experiences of working with the company.

In the upstream division the Supply Chain Team undertook a Cost Savings initiative which resulted in approximately \$1 million dollars saving to the company by renegotiating existing contracts.

Customer Relations – Driving Continuous Improvements.

The focal point of our customer engagement mechanisms have primarily been to drive continuous performance improvements in our service delivery to them. We do this first by identifying the issues that matter most to our customers and then employ this vital feedback to drive our decision-making and improve on our accountability to them with the ultimate goal of improved service delivery to satisfied and loyal customers.

As market leaders, the downstream division has the largest customer base within the group because of its position as major marketers, suppliers and distributors of refined petroleum products and with a large number of customers across the industrial, marine and aviation sectors.

The Gas and Power business on the other hand, is the pioneer developer of Nigeria's foremost natural gas distribution network and the leading private sector gas distributor in Nigeria. The gas and power business focuses on developing, generating and distributing power and gas to a wide network of industrial, commercial and residential customers in Nigeria.

This section focuses on the customer relations of the midstream and downstream divisions, their interactions and engagements with customers and the feedback received from these stakeholders during the reporting period.

Customer Care in the Downstream Division

In the downstream division, our business teams developed and conducted about seven (7) surveys on our different customer groups. These surveys were used as a means of determining customer satisfaction in the area of service delivery and were carried out half yearly to account for any changes in customer's feedback within the reporting period. The surveys were based on areas such as Product availability and Delivery, Product Quality, Payment platform, Price competitiveness, Access to Customer Care and more.

An example is the Dealers Survey which was conducted on a total of 217 participating dealers; a 100% response was received and all respondents represented nationwide locations.

Overall, 88% of our customers said that they were satisfied with our products and services. Their responses were generally

very positive, we received very good and even excellent ratings on areas such as prompt attendance to complaints, easy access to customer care unit, friendly and courteous customer agents, as well as easy access to branch managers.

EHSSQ

Customers reported on the company's high commitment and strong adherence to EHSSQ related principles and issues. They also gave an excellent rating on the compliance of Oando trucks to EHSSQ standards and requirements.

Sales

Our downstream customers were of the opinion that factors such as ease of access to branch managers, easy access to friendly and courteous customer care service and speedy resolution of business issues were well resolved by the Company.

Product Quality and Delivery

An overwhelming majority of customers gave our product quality an excellent rating. Our delivery services also received a very good rating, customers reported that the accuracy and timeliness of product delivery was very good, and acknowledged Oando's commitment to keeping its customers satisfied.

Customers also suggested improvement in promptness of payment and suggested a dealer's forum be held bi-annually.

Other Surveys conducted during the year

- Aviation Survey
- Transporters Survey
- Industrial Survey
- VMI Survey
- Marine Survey
- e-VAP Survey

88%

OVERALL, 88% OF OUR CUSTOMERS SAID THAT THEY WERE SATISFIED WITH OUR PRODUCTS AND SERVICES

Our Midstream Customers

The Gas & Power business serves commercial and industrial companies in the Greater Lagos area, Port Harcourt, Lekki, Agbara, Ogun and Oyo states. These companies include producers, processors and manufacturers of food and beverages, chemicals, pharmaceuticals, plastic products, steel, fabricated metal products, pulp, paper, packaging, textiles, furniture and wood products. We supply them natural gas to power their operations.

Our major stakeholders include our customers (potential and existing), gas suppliers, regulators, investors and providers of capital, etc.

We constantly engage our customers through regular customer visits, dedicated account managers and Management Facility Inspections (MFIs). We prioritize our customers and invest a lot of effort in studying their operations so we can understand their energy demands to better meet their needs.

We also prioritize our engagement with our major gas supplier, so we can plan better and manage our customer's expectations.

We employ marketing communications in the print and news media focused on communicating with our target market, particularly our potential customers, to help boost sales and provide necessary information to the market about Oando Gas & Powers' products and services. We also utilize social media channels to build and reinforce relationships with our existing customers and other stakeholders.

In summary, stakeholders are engaged via diverse means, which include but are not limited to physical visits, emails, telephone calls, newsletters, customer satisfaction surveys on an ongoing basis.

Key Customer Concerns & Our Resolution Strategies

The one issue that poses a concern to our customers has been the erratic gas supply or poor gas availability occasioned by the general challenges currently being faced within the oil and gas sector involving pipeline vandalism, militancy, sabotage and a host of other issues. In order to properly manage the situation, we have increased our monitoring and frequency of engagement of the gas supply situation with our main supplier, the Nigeria Gas Company.

Close collaboration through constant visits, calls and frequent correspondence to our Supplier enables us to closely monitor the situation so we could in turn manage our customers' expectations. The gas supply issue also formed part of reports constantly generated and escalated to the company's governing bodies such as the Board of Directors' reports, monthly sales report etc.

The company continues to comply with all State and Federal legislations that affect our operations and we are also guided by the tenets of our ISO 9001, 14001 and 18001 standards.

MANAGING EXPECTATIONS

Partnering for Development

"If you want to go quickly, go alone. If you want to go far, go together." African proverb

The value of effective partnerships cannot be over-emphasized because in the long run, more can be achieved together with effective partnering.

The 17th SDG emphasises on the need to form effective partnerships as critical for achieving the global goals and as a company, we have practiced this concept of partnerships over the years as evidenced by some of our collaborations noted below:

Employee Volunteer Program (EVP)

The Oando Foundation runs an EVP, which provides the opportunity for Oando employees to partner with the Foundation to provide such resources as their time, skills and/or financial support for the achievement of the Foundation's projects. The Foundation is able to meet some of its development objectives on account of this invaluable support such as with the "Voice of the Girl Child Campaign"; a program designed to create awareness about the educational challenges facing the Nigerian Girl Child. Employees joined a professional artist to paint a wall and create a mural for this purpose at Archbishop Taylor Memorial Primary School, Victoria Island Lagos.

In addition, the Foundation engages with a large cross section of partners for the actualization of its objectives such as its funding partners, implementation

partners etc. Details of these partnerships can be found in the subsequent pages of this report under the "Building the Right Foundation for a Sustainable Development" section.

Collaborative Industry Organisations

We have always collaborated with like-minded local and international organisations within and across our sector and/or areas of interest to facilitate the dissemination and establishment of knowledge, innovation and best practices.

Across the group, we collaborate with our industry peers on such platforms as: The Independent Petroleum Producers Group (IPPG) is a group of indigenous petroleum producers that collaborate on issues relevant to the scale of our operations particularly in view of the challenges and benefits associated with being local companies.

The Oil Producing Trade Section (OPTS) of the Lagos Chamber of Commerce and Industry (LCCI)

This is a sub group within the LCCI (the umbrella association of businesses who have come together in order to promote their common interests). Membership of this group includes both local and foreign-owned companies registered in Nigeria who hold an Oil Prospecting License or an Oil Mining License. It's main objective is to strengthen the long-term health of the offshore and onshore oil and gas industry in Nigeria by working closely with companies across the entire sector, government and other stakeholders to address critical industry issues.

In compliance with anti-trust laws however, OPTS does not share, exchange or discuss competitive information such as prices and profits among its members.

The Nigerian Gas Association (NGA) is the group in which our midstream division actively participates. The main focus of the association is clearly defined by its four cardinal points:

1. Anticipate and Drive Legislation and Policies – Influence the formulation of legislation, policies and regulation. Provide effective advocacy to stimulate new thinking about Nigeria's natural gas resources
2. Promote investment in the Nigerian Gas Sector – Provide the platform for sharing points-of-view on industry opportunities in interactive settings and by participation in gas related trade mission including World Gas Conference.
3. Encourage Best Practice and Acceptable Standards – Towards optimizing the economics of the entire gas value chain while emphasizing environmental sustainability and safety
4. Be the Industry Resource Center of Choice – Authority for information in the industry thought knowledge exchange and constituted Study Group.

The Major Oil Marketers Association of Nigeria (MOMAN)

is the platform in which our downstream division actively participates. This interest group functions with a view to addressing problems common to its subscribers and works towards collaboratively improving the downstream sector of the petroleum industry in Nigeria.

Governance Best Practice Platforms

Our collaboration with like-minded organisations has not been limited to industry-specific entities as mentioned in the foregoing. As a group, Oando also participates in a number of good governance organisations on the global and local fronts as an avenue to learn from global industry leaders across sectorial divides and stages of growth, share our unique experiences and perspectives, and collaborate on issues common to us all. These attributes characterize our engagements with such organisations, which include:

- The United Nations Global Compact (UNGC)

– the world's largest corporate sustainability initiative focused on helping companies meet our commitment to operating responsibly and supporting society. As part of our commitment to the UNGC, Oando functions as a member of the steering committee of the Global Compact Network Nigeria. This affords us the opportunity to work with other companies to drive development locally in alignment with the global development targets.

The World Economic Forum (WEF) – is a global non-profit organization whose objective is stated in its mission as "committed to improving the state of the world by engaging business, political, academic, and other leaders of society to shape global, regional, and industry agendas"

The WEF holds its annual meeting in Davos, Switzerland, at the end of January each year, which brings together up to 2,500 global business and political leaders, economists, celebrities and journalists to engage in discussions on the most pressing issues facing the world.

We also engage with the Convention on Business Integrity (CBI), which is a Nigerian-based Integrity organization.

Dealing with Governments

As a key stakeholder in our business, we engage with Government on many fronts and at differing levels. On the 4th and 5th of March 2015, in collaboration with the UN Global Compact, the Global Compact Network Nigeria and Nigerian Economic Summit Group, a course on corruption risk assessment for Government Ministries Departments and Agencies (MD&As) was held in Abuja, the nation's capital and seat of Government, as a part of the final phase of the Siemens Integrity Project; a collective action initiative against corruption in Nigeria.

Oando's Chief Compliance Officer & Company Secretary delivered the course material in conjunction with the Chief Executive Officer of the Convention on Business Integrity (CBI). Other facilitators were drawn from the Lagos Business School (LBS), Emmanuel Akomaye and Co (Attorneys and Solicitors) and the Economic and Financial Crimes Commission (EFCC). The 2-day session brought together 87 public sector officials from several MD&As to undertake the training, intended to equip participants with the requisite skills to identify corruption risks, schemes as well as assist them to develop a plan to mitigate corruption in their various agencies.

Across the Oando group, our engagement with the government also occurred through our liaison with the Department of Petroleum Resources (DPR) for the renewal of our licenses and permits on company assets in compliance with our obligations. This ensures that we do not incur liabilities and/or lose value through payments of fines or penalties for late filings and/or renewals.

In the upstream division, our engagement with the government is primarily through the National Petroleum Investment Management Services (NAPIMS) who are our Joint Venture (JV) partners along with the Nigerian Agip Oil Company (NAOC). NAPIMS is charged with managing the government's stake in the JV in line with oil and gas industry regulations in Nigeria. In this regard we partner with the government towards the development of our asset and thereby contribute to economic growth at national level.

Oando has also made several contributions to the development of the industry through our policy advocacy. We make submissions to the government on our findings and experience within the industry in order to improve the entire energy landscape.



Our People

STAKEHOLDER GROUP	POSSIBLE IDENTIFIED IMPACT	ENGAGEMENT METHOD	PRINCIPAL ISSUES AND CONCERNS	RESOLUTION STRATEGIES
Investors and shareholders	<ul style="list-style-type: none"> Owners of significant shares can influence key decisions, strategy and approach through which business objectives are carried out. i.e. selection of board members. Investors serve as a source of financial accountability, their expectations drive management to make logical decisions increase share value and ability to raise finance. 	<ul style="list-style-type: none"> Annual General Meeting (AGM) Extra Ordinary General Meeting (EGM) Investor Roadshows Investor calls Media announcements Company Website Communication with executive members of shareholder associations. 	<ul style="list-style-type: none"> Prompt communication on Company Business Growth opportunities Dividend opportunities Going Concern 	<ul style="list-style-type: none"> Investor calls and publications Development of dividend policy Implementation of business diversification plan
Business Partners and Vendors	<ul style="list-style-type: none"> Important source of business resources required for operation Impact on company's reputation Value creation through payment for goods and services 	<ul style="list-style-type: none"> Vendors Forum Due Diligence and Know Your Customer (KYC) procedures Communication of policies like the Code of Business Conduct & Ethics Supplier trainings Supplier performance evaluation Attendance at Conferences and Trade Shows 	<ul style="list-style-type: none"> Delayed payment of undisputed invoices Staff engaging vendors without following due Procurement process Unavailability of cash as a result of budget shortcomings 	<ul style="list-style-type: none"> Full implementation of Oando KYC policy Enforcement of all sanctions to continually remind staff and/or vendors of the dangers of not following business ethics and procurement process Confirmation of cash-flow to meet orders for goods and services to manage vendor expectations.
Employees	<ul style="list-style-type: none"> Employee wellness and capability affects our operational performance and ultimately share capital A motivated work force leads to the growth of the company We depend on our employees to deliver on our promise of excellent good and services We rely on our employees to be loyal representatives of the company, to promote the best interests of the company, thereby protecting our image and reputation 	<ul style="list-style-type: none"> Newsletter, intranet and emails Town Hall Meetings Employee surveys Presentation and Seminars Talent review and calibration sessions Communication with union representatives 	<ul style="list-style-type: none"> Salary and benefits Working Conditions Health and Safety Career growth opportunities 	<ul style="list-style-type: none"> Maintenance of competitive remuneration packages in alignment with industry practice Improving and implementing measures that ensure the maintenance of our zero LTIs and fatality records Researching and implementing strategies that improve working conditions Increasing employee training opportunities

STAKEHOLDER GROUP	POSSIBLE IDENTIFIED IMPACT	ENGAGEMENT METHOD	PRINCIPAL ISSUES AND CONCERNS	RESOLUTION STRATEGIES
Government and Regulators	<ul style="list-style-type: none"> Government economic policies and market regulations have an influence on the competitiveness and profitability of the company Good relationships can lead to influence on policy and initiatives within the energy sector Compliance with industry regulations raises and maintains the reputation and credibility of the company. 	<ul style="list-style-type: none"> Attendance at conferences Attendance at forums Face to face meetings Participating in government consultations and discussions Submission of statutory returns Audits 	<ul style="list-style-type: none"> Compliance with regulatory requirements Participation in national and international initiatives and organizations in relation to economic development (education and job creation) 	<ul style="list-style-type: none"> Engagement with government to ensure that favourable industry policies and regulations are enacted. Collaborate with government to drive development sectorally and nationally. Ensure timely compliance with all relevant regulatory requirements to build trust and good reputation.
Customers	<ul style="list-style-type: none"> Loyal and satisfied customers contribute immensely to the revenue and cash flow that our business needs to operate and ultimately earn a profit Understanding our customers' needs provides us with a metric through which we can develop and improve our goods and services to the satisfaction of customers Customer satisfaction serves as a source of free advertising whilst eliminating negative word of mouth. 	<ul style="list-style-type: none"> Letters, emails and meetings Information presentations, seminars and newsletters Invitations to forums and conferences Feedback from questionnaires and surveys 	<ul style="list-style-type: none"> Reliability of service Value for money Operational effectiveness Innovative products 	<ul style="list-style-type: none"> Promote engagement with customers to derive feedback for development of mutually beneficial initiatives
Communities	<ul style="list-style-type: none"> Local and sustainable employment pool Information resource Community acceptance can impact significantly on success of operations Community acceptance is crucial to the reputation of the company 	<ul style="list-style-type: none"> Committees and Town hall sessions Surveys Memorandum of understanding with community leaders 	<ul style="list-style-type: none"> Creation of sustainable community development projects Transparency and accountability Safety, environment, social and economic impact on the community Access to jobs and vendor opportunities Skills development and education 	<ul style="list-style-type: none"> Implementing the Oando Community Relations Strategy, Power, Ownership, Win-win, Empowerment, Respect, Sustainable Development (POWERS) for the achievement of community development in all our host communities.
Lenders/Creditors	<ul style="list-style-type: none"> Enable the company with financial resources needed to fund operations, increase capital and thereby make profit Provide the company with resources needed to expand the business. 	<ul style="list-style-type: none"> Face to face meetings Financial reports 	<ul style="list-style-type: none"> Timely repayment of loans Paying down debt 	<ul style="list-style-type: none"> Raising capital to pay down loans Divestment of unprofitable businesses to generate capital to pay down loans

Our Environment

87%

87% OF THE WORLD'S
ENERGY WILL BE SUPPLIED
FROM FOSSIL FUELS

Environmental Impact (Managing our Impacts)

Across the globe, energy is a key requirement for modern living across all sizes of human settlements - from large metropolis to small towns and even rural dwellings. Energy is a key factor of production and the demand for cheaper and cleaner energy keeps rising. Most of the world's energy has historically been obtained from fossil fuels. It is estimated that 87% of the world's energy will be supplied from fossil fuels with hydrocarbons accounting for over 50% of the global energy demand.

A lot of activity has emerged in the alternative energy space as an alternative to fossil fuels, primarily centered around solar power, marine energy, hydroelectric, wind and geothermal energy, but hydrocarbons are still very relevant to our world today and probably will be for the next decade.

We strive to provide sufficient oil, gas and other energy resources to support the increasing requirements of our society but also recognise that our operations have potentially adverse impacts on the natural and human environment around us. This underscores the need for extreme caution through responsible operations to mitigate the potential negative impact our quest to meet our energy demands may have on the environment.

At Oando, the Board, through the Risk, Environmental, Health, Safety, Security and Quality (R,EHSSQ) Committee, have oversight over our environmental practices. The Board and Management are aware that responsible environmental practices are a key factor critical to the long-term sustainability of our business and priority is given to environmental considerations in decision-making and our day-to-day operations.

ALTERNATIVE ENERGY



Our Environment

Maintaining compliance with local environmental legislation such as the Environmental Impact Assessment Decree is key across all our divisions. Our Environmental Health and Safety (EHS) Policy sets out the minimum acceptable standards regarding our operations with regard to the environment. Our aim every year is to achieve zero spills, zero gas leakages, zero fires, accidents or incidents. The company has a number of other environmental policies which underpin our activities such as:

- Business Continuity Policy
- Smoking Policy
- Environmental Assessment Policy
- Quality Policy Statement
- Security Mission Statement
- Security Policy Statement
- Spill Control
- Transport Policy
- Waste Management Policy
- Quality Objectives
- Permit To Work-Work-Ethics Policy
- Ionizing Radiation Policy Statement
- Emergency Response Policy
- Community Relations Policy Statement
- Personal Protective Equipment (Ppe) Policy
- Medical Care
- Biodiversity Policy

EHS Trainings and Awareness

Regular trainings and awareness sessions are conducted across all company operations to ensure that all employees, consultants and/or third party entities working within our operational environment are fully aware of our EHS policies as the first line of managing our environment responsibly. In addition, these resources are readily available on the Company intranet site and other readily accessible locations to ensure ease of reference.

Environmental Impact Monitoring & Reporting

Our corporate philosophy regarding environmental matters is simply “taking all action to avoid, minimise and compensate for any impacts identified”. All actions are reported to management and recorded. There is an Oando Incident Review Panel that reviews all EHSSQ incidents and provides quarterly reports to the R,EHSSQ committee who report as appropriate to the Board.

The company also fully adheres to all legislative requirements on our projects such as the requirement to conduct Environmental Impact Assessments (EIAs) throughout the life cycle of projects.

Finally, established reporting and escalation lines are available to internal and external stakeholders for reporting on our environmental performance.

Waste Management

At Oando, we have defined the philosophy and overarching guidelines that govern the management of all wastes generated by any of our operations in our Waste Management policy. The policy provides that all practical and reasonable measures must be taken to minimize the generation of all forms of wastes across all our activities.

Furthermore, all waste management and disposal must be conducted in line with stipulated regulatory guidelines, in an environmentally responsible manner. This implies that every action must be taken to avoid the contamination or degradation of the natural environment by the entire process of our waste generation, handling and finally disposal.

In addition, the tracking and maintenance of records of the life cycle of all waste streams generated shall be kept in a verifiable manner in accordance with the Oando waste management plan.

Our waste management policy has therefore provided the backdrop against which we have conducted all our activities within the year under review.

Water

The use, management and treatment of water resources within our organization has also been based on the general principles of our environmental stewardship which requires in general that we “do no harm” to the natural environment.

As a key component of life, water is required for a host of human and animal activities and supports all forms of life that depend on it for survival, hence the appropriate management and protection

of usable or potable water resources is an important aspect to our organization. In some settlements or communities, access to potable water resources has been quite challenging and where such communities are within our areas of operation, we have contributed to their development by providing the necessary infrastructure to enable them access this resource. In the midstream division, the Independent Power Plant for the Lagos State Water Corporation was installed to also enable it provide constant supply of this resource to the residents it serviced.

In our host communities in the Niger Delta, the provision of access to potable water has also been one of our notable projects dependent on the needs of each individual community.

In conjunction with our Joint Venture partners, we have always ensured that produced water from our operations are appropriately treated and managed to the point of disposal in line with regulatory requirements.

We have constantly educated our employees on the relevance and management of this resource in the course of our operational activities and personal lives.

Air Quality

The maintenance of good air quality in accordance with established regulatory limits is of importance to us at Oando. Like water, air is an important natural resource in the environment that supports most life forms – plants and animals – hence its appropriate management to prevent and ensure its quality is key.

Air pollution could easily occur from most accidents within our industry either as particulate matter from fires, vapours from spills or product exposure, improper waste management, leaks or discharges from faulty equipment etc. Our key to maintaining air quality is to ensure that we are fully aware and adequately manage all possible sources of air quality degradation. In addition, levels of indicator substances are monitored in and around facilities from which these gases, vapours and volatile liquids could enter the atmosphere.

Biodiversity

The Oando Biodiversity Policy captures our essence regarding this subject. We recognise the importance of maintaining natural habitats; keeping the species of flora and fauna intact as they improve the ecosystem and increase its productivity as a result of the role which every organism in the system plays. Maintaining that delicate but intricate balance of life within an ecosystem is a function of biodiversity.

We also realize that a number of our activities pose significant risks which could alter the delicate balance of ecosystems irreparably. As a result, care is taken to ensure that we identify all the factors that could affect the ecosystems where we operate.

Stakeholder consultations which focus on biodiversity are a key component in the conduct of Environmental Impact Assessments (EIAs) and Environmental Evaluation Reviews (EERs).

The use of the minimum surface area required for any operation, maintenance of regulatory limits, full adherence with our EHS-MS (Environmental Health & Safety Management System) and continuous monitoring are all elements of our actions at maintaining biodiversity within a given location.

Energy Management

Responsible generation and consumption of energy is the central theme of the principle of energy management. Energy generation in Nigeria has remained a challenge because the country has consistently produced and distributed electric power far below its requirement. In 2014, the Energy intensity of Nigeria was put at 5.64MJ per dollar of GDP.

As a result of the energy deficit from the national grid, (fired by hydro-electric and gas power plants), alternative energy sources which burn mainly fossil fuels in power generators are employed across the country by households and corporate organisations alike.

Our midstream division has been involved in providing a solution to this national problem by building captive power plants to improve energy generation using gas power generators over the years. In addition, its supply of gas to industrial customers enables them power their operations with a cleaner energy source.

Our Safety Priority – Occupational Health and Safety

The health and safety of our employees is of paramount importance to us as a company. Generally speaking, a healthy workforce is a more productive workforce but beyond productivity, we care about the wellbeing of our employees and wish to see them healthy and empowered to make meaningful contributions to the larger society beyond their productive years at Oando.

We understand that the workplace is an important determinant of health as the majority of an employee's time is spent in the workplace. Therefore, a number of programmes and initiatives have been designed and implemented to ensure that our employees maintain good health and are safe whilst carrying out their activities in and out of the workplace.

Our vision across the group is to ensure that our employees as well as contractors and other third parties engaged in the provision of goods or services to the Company are safe from harm and that no damage arises to the environment, Company assets or other third party assets in the process of carrying out our operations.

In order to achieve this, a good number of EHSSQ awareness, trainings and meetings are undertaken to instill and promote a positive Environmental Health and Safety (EHS) culture within the organization.

In 2015, we focused on holding town hall sessions to promote our EHSSQ culture

while providing insight for employees on various issues that are also of benefit to them as individuals. A total of twelve (12) town hall sessions were held this year, which were educative, informative and interactive.

Topics covered included:

- Causes of Malaria and prevention
- Oando's 14 Lifesaving rules
- Security tips regarding ember months
- Types & causes of Cancer

Several seminars and talks were also held to educate employees on issues such as nutrition, exercise, wellbeing, disease management etc. More intense classroom trainings were carried out, focusing on specific health and safety issues in the areas of:

- Prevention of Road Traffic Accidents
- Viral Hepatitis
- Vector Borne Diseases – Mosquitoes
- Vehicle Tyre Safety
- Wellness – The Benefits of Massages for Stress Management
- Emergency Response
- Cancer Awareness
- September-October-November-December (SOND) awareness campaign & assets security session
- Non-Destructive Testing (NDT) II Training
- Quality Management System (QMS) Mandatory Steps
- Time Management: A measure of Quality Delivery
- QMS & Integrated Management System (IMS) Management Systems Requirement

The EHSSQ Experience bulletin was published monthly to provide information, tips and guidance on Health, Safety, Security and Quality issues in the company.

A September-October-November-December (SOND) awareness campaign and assets security session was held to equip our employees with vital security knowledge and tips. This was necessitated by the high security risks that generally exist in our environment at this time of the year.

Building the Right Foundation for Sustainable DevelopmentTransforming Lives through Education

Oando Foundation (OF) was established in 2011 by Oando Plc as an independent foundation to support the Nigerian Government in achieving its Universal Basic Education goals. OF's mission is to ensure access and improve the quality of teaching and learning outcomes in schools with a focus on the girl child. OF's vision is to create sustainable and equitable educational systems in communities that empower every child.

The Foundation intervenes primarily in the field of basic education, with its signature project, the Adopt-a-School-Initiative (AASI), which holistically addresses the needs of students, teachers, school leaders and the education community. OF realises that education as a human right has not been realised by all children and that children should not be deprived of educational opportunities because of poverty. Oando Foundation is also registered as a 501C3 organisation in the United States and as a registered charity with the UK Charity Commission.

Stakeholder Engagement

At the Foundation, engagement goes beyond simply consulting our stakeholders on issues or informing them of our activities. It necessitates active involvement and participation from all relevant parties to ensure that we are focused and committed in striving for the improvement of the overall outcome of the Adopt-A-School Programme.

UNIVERSAL BASIC EDUCATION



INDEPENDENT FOUNDATION

Oando Foundation

Identification & Prioritization of Stakeholders

A detailed overview of our identified stakeholders is highlighted in the Stakeholder Identification Table:

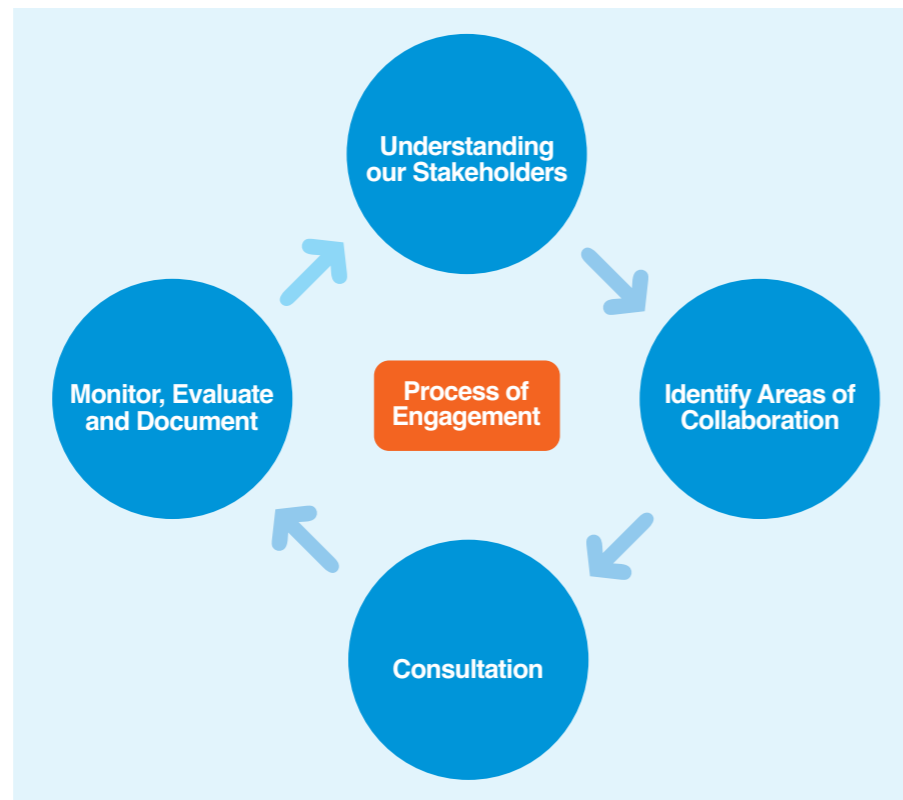
Stakeholders	Organisation	Description	Main Role
Funders	Oando PLC	Oando PLC established the Oando Foundation in a bid to extend its Corporate Social Responsibility mandate. The organization currently provides 1% of its PBT to the Foundation	Funding and in-kind support
	Organised Private Sector	Private sector organisations able to offer supplementary and complimentary funding and support	Funding and in-kind support
	External Support Agencies and International NGOs	International donor agencies and development partners willing to commit funds and technical expertise to supporting basic education reform.	Funding and Technical Assistance
Delivery/Implementation Partners	Non-Governmental Organisations (Implementing Partners)	OF selects community-based NGOs which are responsible for programme implementation at the state and community level.	Manage CBR projects, SBMC development and oversee scholarship process
	Federal Ministry of Education	Overall responsibility for developing national policies and guidelines for uniform standards at all levels of education in Nigeria as enshrined in various statutory instruments, including the 1999 Constitution of the Federal Republic of Nigeria and National Policy on Education.	Provide necessary approvals and regulatory guidelines
	Universal Basic Education Board	UBEC ensures unfettered access to nine (9) years of formal basic education; that is, qualitative universal basic education for every Nigerian child of school-going age. It has the mandate to drastically reduce the incidence of drop-outs from the formal school system, through improved relevance, quality and efficiency.	Provide necessary approvals and regulatory guidelines
	State Universal Basic Education Boards (SUBEB)	The Boards are established by the Federal government to remove distortions and inconsistencies in basic education delivery and reinforce the implementation of the National Policy on Education as well as to ensure access, equity and quality of basic education throughout the country. This government agency is responsible for the implementation of basic education programmes at the state and local government levels.	Provide necessary approvals and regulatory guidelines
	Local Government Education Authority	At the primary level, Local Governments share responsibilities with the federal and state governments. They have direct responsibility for overseeing primary schools within their local government areas.	Direct oversight of development programmes, local level monitoring

Stakeholders	Organisation	Description	Main Role
Delivery/Implementation Partners	Communities	These represent an array of local level education stakeholders including School Based Management Committees, Community Based Organisations, and Traditional Leaders. They have deep understanding of the local operating environments and the capacity to support programme implementation. They are the Foundation's key sustainability stakeholders.	Implement CBR and ensure accountability at school level
	Media	These include representatives of print, digital and social media who partner with OF to create awareness and showcase projects in line with our overarching communication strategy	Provide visibility and highlight impact of programmes
	Board of Trustees	The Board of Trustees are the governing body who responsible for decision making on behalf of the Foundation.	Oversight of OF activities. Ensure proper corporate governance.
	Oando PLC Employees	Members of Oando PLC staff who sign up to contribute their time, skills and resources to the Employee Volunteer Programme	Contributing financial resources, time and skills
Project Beneficiaries	Learners	These are the major beneficiaries of the Foundation's interventions and are at pre-primary and primary levels of education	Attendance and cooperation
	Teachers	Teaching staff in adopted schools	Collaboration and cooperation
	Headteachers	Headteachers of adopted schools	Collaboration and cooperation
	Parents	These are the parents, guardians and caregivers of pupils in our adopted schools	Reinforce learning initiatives by supporting learners
Evaluation Partners	Monitoring and Evaluation Consultants	Consultants that work with the Foundation to implement and oversee monitoring and evaluation of all OF's programmes	Monitoring and evaluation; routine assessments

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OANDO FOUNDATION'S INTERVENTIONS SPAN 58 SCHOOLS ACROSS 23 STATES AND THE FCT IN NIGERIA

Figure 1: Oando Foundation Process of Stakeholder Engagement



Oando Foundation's interventions span 58 schools across 23 states and the FCT in Nigeria. The diversity in our areas of operation makes it imperative to cultivate and sustain relationships with relevant stakeholders.

We have determined that our stakeholders are crucial to the success of our programmes, particularly in the Education sector. These stakeholders are therefore central to our project development and implementation. Our stakeholders have been broadly grouped into four categories: Funding, Delivery/Implementation, Beneficiaries and Evaluation Partners.

Our significant stakeholders include our Board of Trustees, scholarship beneficiaries, communities, State and Local Governments, employees, implementing partners, the media and our industry peers.

Stakeholder Engagement Modes & Frequency

The Foundation actively engages with its stakeholders using different means and frequency.

On a quarterly basis, the Foundation engages with representatives from the SUBEB, LGEA, teachers, scholars and their parents to discuss scholar performance, needs requirements and overall performance of the schools.

Quarterly meetings of the Board of Trustees are also held at which members are updated on ongoing activities and they cease the opportunity the meetings offer to provide strategic technical and advisory input to the running of our programmes.

Community members in areas where OF adopted schools are domiciled are incorporated into school management and governance process through the School Based Management Committee (SBMC). The SBMC concept is enshrined in Nigeria's education policy and OF is actively involved in building the capacity of the SBMC members in all our adopted schools and engaging them in all school improvement initiatives to ensure local ownership of all our projects.

Our Board of Trustees remain vital to our operations as they provide direct strategic, technical and funding support that enable programmes run smoothly. Our engagement with State and Local Government Education Authorities ensures that all planned programme activities receive the requisite support to succeed.

We recognize the community as the backbone of our advocacy efforts, so we focus on building the capacity of SBMC members. The involvement of the community in our interventions, has led the AASI to record massive success in terms of increased enrolment of pupils, improved learning outcomes and greater community buy-in.

OF garners community involvement through a number of methods including:

- Advocacy
- Mentorship programmes
- Capacity building for teachers, SBMC, LGEA
- Stakeholder engagement sessions with parents, members of School Based Management Committee

Our engagement with stakeholders encompasses a series of activities and interactions including regular meetings, focus group discussions, one-on-one engagements, consultations and information disclosures.

The direct beneficiaries of our programmes are our adopted schools and in particular, the pupils, their parents and the school management. They are all fully involved and updated through regular Stakeholders forums held once a term.

OF also has a robust teacher engagement structure. Teachers are an integral component of the school system and because capacity building is at the core of what we do, OF conducts regular capacity building sessions to build a cadre of in-service teachers that are knowledgeable in modern pedagogical practices.

We have also formed strategic alliances with key government institutions and pay quarterly visits to all State and Local Government Education actors with a view to ensuring that all our programmes in those locations run sustainably.

Interactions with our Implementing Partners are an on-going occurrence. The partners in turn interact with beneficiaries of our programmes on a day-to-day basis. Implementing partners submit standardised quarterly activity reports, monitor progress of interventions, troubleshoot and provide updates from the field.

OF also meets regularly with State and National Governments to design relevant and appropriate strategies to address education challenges in Nigeria.

COLLABORATION

Key Stakeholder Concerns & Resolution Strategies

S/No.	Key Stakeholder Issue/Concern	Description of Issue/Concern	Resolution Strategy
1	Media	The communities have raised concerns about the pace of work regarding infrastructure development in schools.	To ensure sustainability of interventions, the Foundation engages government agencies to assist in defraying costs of renovation thereby promoting local ownership. MoUs signed with State Universal Basic Education Boards (SUBEBs) have led to SUBEBs donating furniture to some adopted schools. Experience has shown us that securing government commitment helps move the project forward and ensure sustainability.
2	Community Ownership	Communities want to take ownership of school projects and be carried along in programme interventions.	To ensure community ownership, return on investment and sustainability of AAS projects, Oando Foundation adopts best procurement practices in selection of contractors through transparent open competitive bidding processes and a Community Based Renovation (CBR) Strategy. CBR involves working directly with the local community through the SBMCs, SUBEBs, and Local Governments Education Authorities for school renovation. This empowers engaged local hires from the communities, whilst reducing renovation costs without compromising on quality
3	Out-of-School Children Enrolment	Implementing partners have noted that the major challenge encountered in increasing access to basic education is getting students back to school, retaining them in school and motivating them to further their education beyond the basic primary school level.	OF has adopted a multi-faceted approach to sustain the process. This includes creating a conducive environment; building the capacity of the teachers; promoting community participation, monitoring and evaluation; building the capacity of relevant government agencies particularly the LGEAs.
4	Securing Counterpart Contributions	Our Board of Trustees have raised the issue of huge financial implications for programme activities and the need to diversify sources of funding	In view of the huge financial requirement due to long years of neglect and the resultant state of dilapidation in a number of our adopted schools, Oando Foundation pursues a Private-Private-Partnership PPP approach, and acts as a hub that other likeminded corporate organizations willing to implement components of the holistic approach can plug into for greater educational outcomes. Developing and strengthening strategic partnerships with various development partners has served as a formidable model for successful project implementation and monitoring.

Foundation Governance, Ethics & Integrity

Oando Foundation employees are bound by the Oando Code of Business Conduct and Ethics. All staff play their critical part of maintaining the organization's corporate reputation as an ethical and compliant company. Where there are any concerns, the Code provides a detailed procedure for reporting and escalation of such concerns.

The Foundation is also bound by the Oando Plc Whistle Blowing Policy, which is applicable to all Employees, Managers, Executive Management, Contract Staff and other third parties. This provides the opportunity for employees and third parties with whom the Foundation engages to raise concerns in a confidential manner and receive feedback on any actions taken in this regard.

Impacts of the Infrastructure Investments Development

The AASI improves learning outcomes and girl child enrolment by creating superior learning environments in adopted schools nationwide. We achieve this through renovation of existing structures, building of new structures, and provision of water and toilet facilities which improve hygiene and sanitation levels in all adopted schools. Through our renovation projects, we have enhanced educational infrastructure and improved learning environments for over 60,000 children in public primary schools.

The Foundation has successfully supported community involvement by strengthening the capacity of over 300 School Based Management Committee (SBMC) members, awarded scholarships to over 850 pupils transiting to secondary education and facilitated training of 500 teachers in 23 adopted schools across 12 States.

Apart from direct programme implementation, OF's role is to continually support the achievement of the SDGs on basic education and advocate on behalf of these marginalized schools and communities that would otherwise have gone unnoticed, thereby perpetuating underdevelopment and its attendant vices. It is our firm conviction, based on our experience with working in this sector, that each school is also a potential crucible for partnership.

Indirect Economic Impacts

From a management standpoint, it is anticipated that for each educated child per household, multiple beneficiaries are recorded over time. Education broadens the recipients' horizons and provides the natural link to the achievement of other sustainable developmental goals, such as, poverty reduction, health and nutrition, women and girls' equality and ending gender violence etc.

Initial findings from a monitoring survey carried out by SAA Education Consultants on behalf of the Foundation, helps management monitor statewide progress towards the attainment of OF's targets. A major pre-occupation of this research was to provide robust baseline information and data for future evaluations and record of events. It also identified implementation problems and helped to properly document the status of human resources within the Oando Foundation's adopted schools and Local Government Education Authorities (LGEAs).

Economic development in areas of high poverty

Our projects empower the immediate community in which our adopted schools are located and also improve community ownership and school governance by deploying the Community Based Renovation (CBR) approach. The CBR approach is an innovative way of ensuring Value for Money on infrastructural improvement. The CBR approach seeks the participation of community members in all stages of planning and implementation. Community involvement increases local ownership, empowers local artisans, improves the planning process, ensures local priorities are addressed, provides oversight and promotes better maintenance. This approach affords the Foundation an opportunity to curtail the rising cost of renovation and embed sustainability in the process.

Economic impact of improving or deteriorating social or environmental conditions

Poor sanitation, water scarcity, inferior water quality and inappropriate hygiene behaviour pose a great challenge to school communities across our project implementation states. These conditions are also detrimental to the health of school-aged children, who spend long hours in schools. OF is working to make all adopted schools child friendly schools by providing Water, Sanitation and Health facilities in schools. WASH facilities not only promotes hygiene and increase access to quality education but they also support national and local interventions to establish equitable, sustainable access to safe water and basic sanitation services in schools.

Enhancing skills and knowledge amongst a professional community or in a geographical region

OF works to strengthen the capacity of SBMC members, a body of community members that act as an essential link between schools and the communities they serve. OF's SBMC capacity strengthening programme is aimed at:

- Creating awareness and promoting community participation in education;
- Promoting the understanding of the concept of inclusive education;
- Prioritizing the most effective means of schools becoming safer and communities more protective environments in which all children can learn and develop;
- Promoting community ownership, accountability and governance of schools.

SBMCs are taught and mentored in the areas of enrolment of out of school children in the community, school development planning, resource mobilization, accountability and monitoring. They work in close collaboration with head teachers, women leaders, community and religious heads (across intervention communities) to enrol and retain marginalized and internally displaced children in school.

Oando Foundation Teacher Training Programme builds a cadre of in-service teachers in all Oando adopted schools. Teacher training equips teachers with relevant skills to become more knowledgeable, competent and better able to use participatory methodologies in their pedagogical practices. To date, 507 teachers and head teachers have been trained.

Monitoring and Evaluation Reports

Monitoring and Evaluation (M & E) of all programme components are integral parts of the AASI initiative as it helps us improve the efficiency and effectiveness of our organization. Oando Foundation works through select local NGO partners to effectively implement and administer all components of the AASI programme

Our comprehensive M&E framework adopts a participatory approach including Focus Group Discussion (FGD), individual interviews, in-depth discussions and consultations to gather information from different groups of people including community and SBMC members, Women & Youth Groups, teachers, head teachers and Oando scholars. To date, the Foundation has acquired the following monitoring tools including baseline surveys, school monitoring forms, stakeholder contact forms, progress reports.

Donor & Partner Engagements

Donor and Partner Engagement remains a key focus area for the Foundation. This entails identifying potential partners and donors, setting up meetings with prospective donors, and selling the Foundation's story to funders (national and international) willing to partner in this laudable cause. The Foundation's targeted donor engagement strategy has led to more exposure about the work we do. It has also helped reduce programme costs and provided necessary technical expertise to grow our programs

Educate a Child (EAC) Partnership

Oando Foundation's proposal to Educate A Child (EAC), a global initiative launched by Her Highness Sheikhha Moza Bint Nasser of Qatar was approved for funding. The three-year grant aims to provide 60,000 out of school children with quality basic education.

Our Other Activities

In 2015, the Foundation set up a Three Million Naira Ebola Education Support Fund. The Ebola Education Support Fund supports the education of five children who lost their parents to the dreaded Ebola Virus Disease outbreak in Nigeria. The Education fund covers school fees and other ancillary education costs.

With the support of its employee volunteers, the Foundation donated learning materials, school supplies, clothing items and gift items to students and teachers of Z.I Primary School, Ogun State in May 2015.

In the reporting period, Oando Foundation was sanctioned for late tax filing and paid the statutory fees

Our Achievements

In over 5 years of operation, Oando Foundation continues to raise the bar for itself and its stakeholders. While the external environment for nonprofit and philanthropic organizations in Nigeria remains challenging, OF has shown resilience and determination, working effectively to transform the lives of Nigerian children.

As part of activities to commemorate the International Day of the African Child (16th June) and Girl Child (11th October), Oando Foundation launched the Voices of the Girl Child Campaign. The campaign Captured previously unheard voices of over 15,000 girls in 23 states and advocated for girls at international platforms in line with the sustainable development goals.

In the reporting year, 5 schools were renovated and 845 scholarships were awarded.

Awards and recognition

In recognition of our contribution to the achievement of quality education in Nigerian primary schools, in 2015 OF was recognized by the Lagos and Enugu State Governments with the following awards:

- Enugu State Award for "Contributing to the improvement of the Primary School System"
- Lagos State Merit Awards for "Supporting the Primary Education Sector in Lagos State" Category A



Feedback from Stakeholders including Partners & Beneficiaries

"I believe that when people have the power to make others happy, they should not lose the chance to. This is why I opted to be a volunteer. Volunteering with Oando Foundation has been a great way to put a smile on the faces of Nigerian Children and that for me is the true meaning of selflessness"

Tunde Ayeni, Oando Plc Employee Volunteer

"We thank God for what Oando has done for us here in Ikot Okoro, they have given our children scholarships and we thank them. Now other kids are enrolling in this school and increasing the population of children here. May God give Oando the power and strength to do more for us."

Ubom Akpanike, Head Teacher (Oruk Anam Primary School) Ikot Okoro

"I'll like to thank Oando Foundation greatly for their intervention in our public schools. When in 2006, the then Minister for Education madam Oby Ezekwesili brought the concept of "Operation Adopt -A-School" we all thought it was a mirage that it will not come to stay but today, corporate bodies like Oando Foundation has displayed their Corporate Social Responsibility, Oando in Akwa Ibom State has adopted 9 public primary schools. They have done renovation, fresh building in their schools and now they have gone a step further to award scholarship to 10 benefitting students from each of these schools."

Director Social Mobilization and Advocacy, State Universal Basic Education Board (Akwa Ibom)

Blessing is presently a JS2 student at Sacred Heart Secondary School, Ubiaja Edo state and is excelling in her academics while constantly maintaining the first position in School. Mrs. Aghama expressed her joy and appreciation to Oando Foundation for their benevolence and promised that her daughter will live up to expectation. She summed it up by saying ""Blessing gave me hope to live again, all thanks to Oando Foundation"

Roseline Aghama (Scholar's Parent)



Our Performance - Targets & Data

23%

OANDO GAS AND POWER
MADE A TURNOVER OF
N38.05 BILLION,
REPRESENTING A 23%
INCREASE

Economic (Financial)

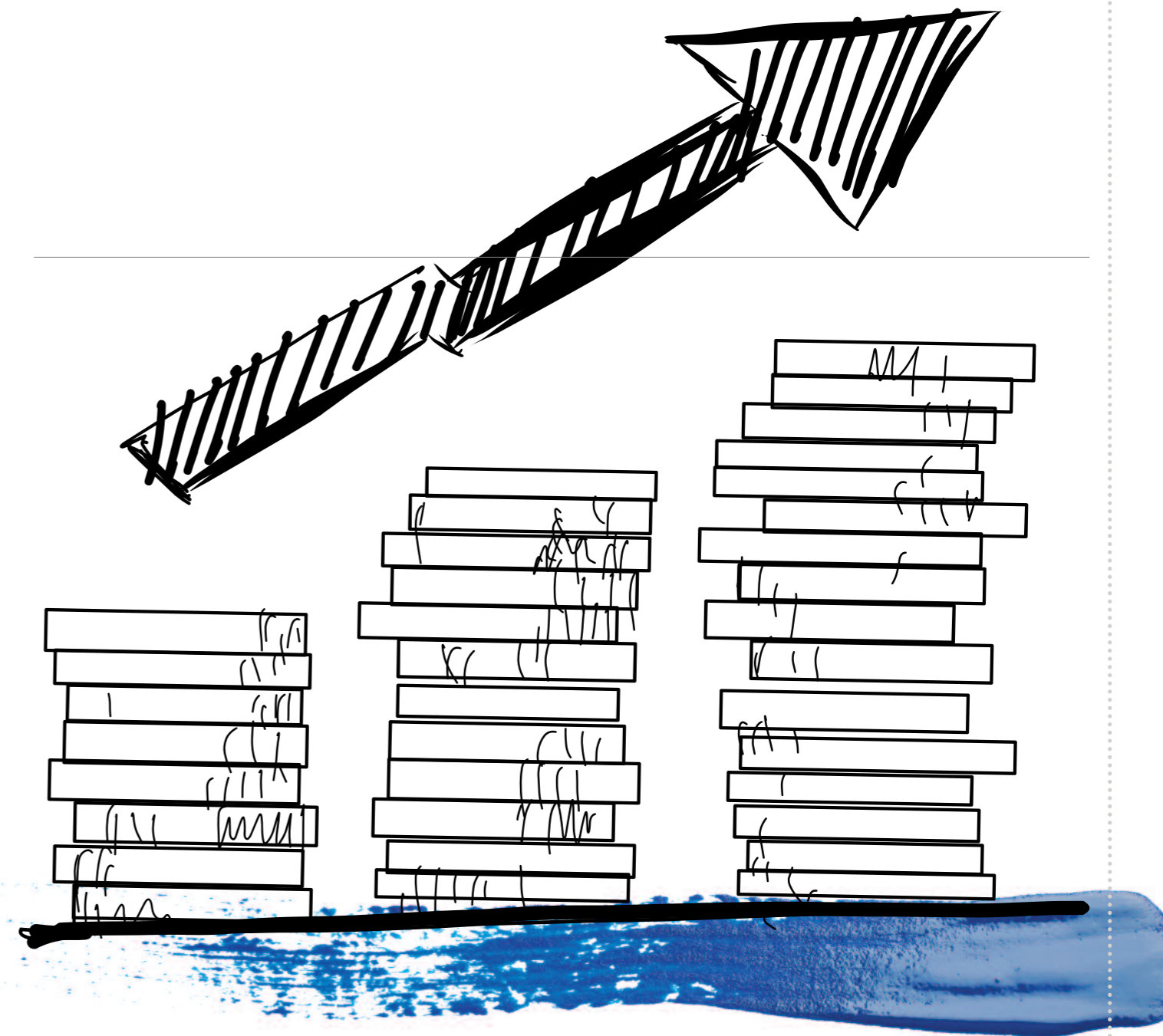
In 2015, the Group continued to face economic challenges as a result of the crash in oil prices that started in the previous year. As did most companies in the oil and gas industry, the Group was compelled to focus on restructuring our business models to provide more high-margin energy solutions in order to survive the ripple effect of dwindling oil prices. A range of other factors also led to price volatility. The Group recorded a non-profitable year.

In the Upstream, the significant drop in both crude oil and natural gas prices across the year coupled with a high level of uncertainty about their future trajectory challenged oil and gas players in 2015. This unexpected price drop created a new dawn of adversity within the industry as projects which were once economically viable were suspended and global oil companies and services companies, experienced significant asset write downs and impairments totaling billions of dollars.

The rig business; OESL was affected by the downturn in the oil and gas industry. Drilling operations reduced significantly within the country throughout the reporting year due to the fact that the Nigerian government budgetary allocation for Joint Venture Operators was drastically reduced. OESL's profitability was negatively impacted by the severe drop in drilling activity. The company commenced and concluded the divestment of its shareholding in OESL by way of a management buyout.

The midstream business on the other hand, made a more positive performance, the business was able to grow and create value. Oando Gas and Power made a turnover of N33.56 billion, representing a 11.8% increase over previous year's turn over of N30.01 billion.

The downstream business also recorded a non-profitable year, due to the global fall in oil prices and general downturn in the Nigerian economy. One of such effects on Oando was the perennial issue of delayed subsidy payments. This became worse during the year, with the government owing backlogs of up to 199 days. There was an increase of 73% from an average of 115 days in 2014. The resultant effect of this was an increase in the interest payable to banks for trade finance by the company.



ECONOMIC PERFORMANCE

Our Performance - Targets & Data

Direct Economic Value Generated and Distributed

Company	OER	OMP	OST	OGP	OES	GROUP
	N'000,000	N'000,000	N'000,000	N'000,000	N'000,000	N'000,000
Economic value generated	89,688	153,853	180,861	33,563	6,664	161,490
Economic value distributed:						
Operating Costs	51,298	23,379	3,476	6,109	15,353	75,395
Payment to government	8,378	391	669	2,753	11	12,449
Employee wages and benefits	4,011	4,256	417	988	1,415	13,174
Providers of Capital	35,591	765	556	1,509	5,197	54,011
Community Investments	-	-	-	-	-	94
Economic value retained	5,987	(5,232)	3,992	5,674	(17,098)	(49,690)
Economic value retained	Gain	Loss	Gain	Gain	Loss	Loss

Coverage of The Organization's Defined Benefit Plan Obligations

The Oando Group operates a contributory pension scheme in line with the Pension Reform Act 2004. The employee contributes 8% of their gross annual salary while the employer makes a 14.2% contribution. Pension fund administrators are chosen by individual employees to ensure optimal use of their pensions.

The Oando Group has a total liability of Billion Naira for outstanding defined benefit plan obligations. The plan's liabilities are met by the organization's general resources.

However, commencing from 1st January 2012, the Oando Group discontinued the defined benefit scheme for management and senior staff. The downstream division (OMP) curtailed the scheme on 1st January 2015.

Oando Energy Services (OES) had a defined benefit scheme (Gratuity) which was curtailed in 2013. The balance of the scheme was N177.07 million at the end of 2015. The obligation is due for payment at an employee's exit and interest accrues at 9.5% per annum on the balance at curtailment. The plan's liabilities are met by the organization's general resources.

Financial Assistance From Government

The group gets no financial assistance from the government.

The downstream division however receives subsidies which is paid by the federal government to major oil marketers in the country based on the amount of subsidized products each marketer supplies into the local market. The company received a total sum of 25 Billion Naira in 2015 financial year.

The Government of Nigeria has no major stake in the Oando Group with the exception of Central Horizon Gas Company (a subsidiary of the gas and Power business) in which the Rivers State governments owns a 20% stake.

2015 Targets

2015 Outcome & Comments

2016 Targets

Profitability

Return to profitability by year end 2017

Return to profitability by year end 2017

Capital Structure

Gearing ratio of 60% by 2020

On going

Gearing ratio of 60% by 2020

Dividend

Return the company to profitability to resume payment of dividends by 2018 year end

Target was not met. The group recorded a loss in the 2015 financial year and therefore, no dividend was declared or paid to shareholders

Return the company to profitability to resume payment of dividends by 2018 year end

Growth & Recapitalisation

Growth in the Upstream

On going

The dollar earning upstream & Trading businesses main focus for growth. Partial Divestment from Downstream & Midstream businesses to result in Capital injection to the group

Community – 2014/15

2015 Targets

Education

Increase the number of our adopted schools to 75 by 2015 year end.

2015 Outcome and Comments

Target unmet. Suspension of planned school adoption due to continued unrest in some Northern states where majority of the proposed schools are located.

In addition, the Foundation witnessed a leadership transition, and review of its strategic objectives to prioritize direct school improvement interventions and enrolment of out-of-school children over new adoption in 2015.

2016 Targets

To adopt 22 schools in 2016; increasing the total number of schools adopted and supported to 80.

To increase host community participation in Oando Foundation's programme interventions across adopted schools.

Establish strategic partnerships with key actors to deepen quality of AASI programme implementation.

Employee Volunteering

To increase the number of Volunteers from the current 80 to 100 and increase their level of engagement with the Foundation's activities.

Target met.

The Foundation formally inaugurated the Employee Volunteer Programme (EVP) and signed on 106 volunteers. One volunteer-led activity was successfully executed in 2015

To increase number of employee-led volunteer activities by 20% in 2016.



Our Performance - Targets & Data

HCM TARGETS AND DATA 2015

TOTAL EMPLOYEE	OES	OGP	DOWNSTREAM	OER	GROUP	TOTAL
Full Time	46	53	312	97	82	590
Contract	230	25	374	30	71	730
Consultant	32	0	14	12	3	61
Industrial Trainee	0	2	18	4	1	25
Total	308	80	718	143	157	1406

FT BY GENDER	OES	OGP	DOWNSTREAM	OER	GROUP	TOTAL
Male	37	39	229	61	46	412
Female	9	14	83	36	36	178
Total	46	53	312	97	82	590

WORK CATEGORY BY GENDER	OES	OGP	DOWNSTREAM	OER	GROUP	TOTAL
Mgt Male	17	13	39	30	21	120
Mgt Female	2	4	8	14	10	38
Senior Male	20	26	190	31	25	292
Senior Female	7	10	75	22	26	140
Total	46	53	312	97	82	590

NEW EMPLOYEES AGE & GENDER	OES	OGP	DOWNSTREAM	OER	GROUP	TOTAL
Below 35 Male	0	3	3	2	3	11
Below 35 Female	0	1	2	7	0	10
36-45 Male	0	2	1	1	1	5
36-45 Female	0	0	0	1	1	2
46 & Above Male	0	0	0	0	0	0
46 & Above Female	0	0	0	0	0	0
Total	0	6	6	11	5	28

TURNOVER BY AGE & GENDER	OES	OGP	DOWNSTREAM	OER	GROUP	TOTAL
Below 35 Male	2	2	7	4	0	15
Below 35 Female	2	0	3	4	1	10
36-45 Male	4	1	11	2	4	22
36-45 Female	2	0	3	4	2	11
46 & Above Male	2	0	17	0	0	19
46 & Above Female	1	0	2	0	1	4
Total	13	3	43	14	8	81

EHSSQ TAREGET AND DATA 2015

Year	Oando Energy Service		Oando Energy Resources		Oando Gas Power		Oando Downstream		Total (Oando PLC)	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Fatalities (Staff/Contractor)	0	0	0	0	0	0	0	0	0	0
Exposure man hours	1,158,395	517,747	658,041	241,837	581,483	913,459	2,066,293.00	1,272,017	4,464,212	2,945,060
Lost Time Injury	0	0	0	0	0	0	0	0	0	0
Lost Time Injury Frequency	0	0	0	0	0	0	0	0	0	0
Medical Treated Case	1	0	0	0	0	0	3	2	4	2
Lost Workday Case	0	0	0	0	0	0	0	0	0	0
Total Recordable Incident	1	0	0	0	0	0	3	2	4	2
Total Recordable Incident Frequency	0.86	0	0	0	0	0	1.45	1.57	0.9	0.68
Environmental Spill	0	2	0	0	0	0	0	9	0	11
Hazard Identification Reporting	NR	6,895	NR	91	NR	1,325	NR	435	NR	8,746
Fire incidents	NR	0	NR	0	NR	0	NR	5	NR	5
Gas leaks	NR	0	NR	0	NR	2	NR	0	NR	2

NR - Not Reported

EHSSQ TAREGET AND DATA 2016

Year	Oando Energy Service		Oando Energy Resources		Oando Gas Power		Oando Downstream		Total (Oando PLC)	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Fatalities (Staff/Contractor)	0	0	0	0	0	0	0	0	0	0
Exposure man hours	517,747	112,525	241,837	175,365	913,459	810,979	1,272,017	2,915,582	2,945,060	4,014,451
Lost Time Injury	0	0	0	0	0	0	0	0	0	0
Lost Time Injury Frequency	0.00	0.00	0.00	0.00	0	0	0.00	0.00	0	0
Medical Treated Case	0	0	0	0	0	0	2	2	2	2
Lost Workday Case	0	0	0	0	0	0	0	0	0	0
Total Recordable Incident	0	0	0	0	0	0	2	3	2	3
Total Recordable Incident Frequency	0.00	0.00	0.00	0.00	0.00	0.00	1.57	1.03	0.68	0.75
Environmental Spill	2	0	0	0	0	0	9	9	0	0
Hazard Identification Reporting	6,895	15,458	91	137	1,325	841	435	489	8,746	16,925
Fire incidents	0	0	0	0	0	0	5	5	5	5
Gas leaks	0	0	0	0	2	3	0	0	2	3

2015 Consolidated Gas Utilization Table

Asset	Total Gas Produced	Total Gas Produced	Total Gas Utilized	Total Gas Flared	Total line loss	% Gas Utilized
	(JV) MMSCF	(OER) MMSCF	(OER) MMSCF	(OER) MMSCF	(OER) MMSCF	(OER) MMSCF
NAOC JV	399,515	79,903	69,955	4,360	5,588	87.5
Ebendo	8,902	4,006	650	3,356	-	16.2
Qua lboe	1,628	651	6	64	-	0.9

GRI Content Index

KEY

SR 2014	2014 Sustainability Report
SR 2015	2015 Sustainability Report
AR 2015	2015 Annual Report

GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	GENERAL STANDARD DISCLOSURES	EXTERNAL ASSURANCE
	Information related to Standard Disclosures require by the 'in accordance' options may already be included in other reports prepared by organizations. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.

STRATEGY AND ANALYSIS

G4-1	SR 2015 - Page 10 - 13	Not Applicable
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ORGANIZATIONAL PROFILE

G4-3	SR 2015 - Page 5	Not Applicable
G4-4	SR 2015 - Page 8 - 9	Not Applicable
G4-5	SR 2015 - Page 7	Not Applicable
G4-6	SR 2015 - Page 7	Not Applicable
G4-7	Omitted	Not Applicable
G4-8	SR 2015 - Page 8, Page 45	Not Applicable
G4-9	SR 2015 - Page 36, AR 2015 - Page 104 & 8	Not Applicable
G4-10	SR 2015 - Page 36 - 39	Not Applicable
G4-11	SR 2014 - Page 30	Not Applicable
G4-12	SR 2014 - Page 47	Not Applicable
G4-13	SR 2015 - Page 9, 14, 21	Not Applicable
G4-14	SR 2015 - Page 16 - 17	Not Applicable
G4-15	SR 2015 - Page 25, 46 - 47	Not Applicable
G4-16	SR 2015 - Page 25, 46- 47	Not Applicable

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	SR 2015 - Page 9	Not Applicable
G4-18	SR 2015 - Page 26	Not Applicable
G4-19	SR 2015 - Page 26 - 29	Not Applicable
G4-20	SR 2015 - Page 26 - 29	Not Applicable
G4-21	SR 2015 - Page 26 - 29	Not Applicable
G4-22	Omitted	Not Applicable
G4-23	Omitted	Not Applicable

STAKEHOLDER MANAGEMENT

G4-24	SR 2014 - Page 29	Not Applicable
G4-25	SR 2014 - Page 29	Not Applicable
G4-26	SR 2014 - Page 29 - 30, SR 2015 - Page36	Not Applicable
G4-27	SR 2015 - Page 48	Not Applicable

GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES	PAGE NUMBER (OR LINK)	EXTERNAL ASSURANCE
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REPORT PROFILE

G4-28	SR 2015 - Page 20	Not Applicable
G4-29	SR 2015 - Page 20	Not Applicable
G4-30	SR 2015 - Page 20	Not Applicable
G4-31	SR 2015 - Page 72	Not Applicable
G4-32	SR 2015 - Page 26	Not Applicable
G4-33	Omitted	Not Applicable

GOVERNANCE

G4-34	SR 2015 - Page 30 - 32	Not Applicable
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ETHICS AND INTEGRITY

G4-56	SR 2015 - Page 32 - 33	Not Applicable
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SPECIFIC STANDARD DISCLOSURES

DMA AND INDICATORS	PAGE NUMBER (OR LINK)	IDENTIFIED OMISSION(S)	REASONS FOR OMISSION(S)	EXPLANATION FOR OMISSION(S)	EXTERNAL ASSURANCE
	Information related to Standard Disclosures require by the 'in accordance' options may already be included in other reports prepared by organizations. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	In exceptional cases, if it is not possible to disclose certain required information, explain the reason why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.

CATEGORY: ECONOMIC

MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-DMA	SR 2015 - Page 64	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC1	SR 2015 - Page 66	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC2	SR 2014 - Page 18	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC3	SR 2015 - Page 66	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC4	SR 2015 - Page 66	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: MARKET PRESENCE

G4-DMA	SR 2015 - Page 9, AR 2015, Page 12, 13, 27	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC5	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC6	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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SPECIFIC STANDARD DISCLOSURES

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MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA	SR 2015 - Page 26 - 28	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC7	SR 2015 - Page 22 - 25 & 43	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC8	SR 2015 - Page 22 - 25, 55 - 63	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: PROCUREMENT PRACTICES

G4-DMA	SR 2015 - Page 43 - 44	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EC9	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

CATEGORY: ENVIRONMENTAL

MATERIAL ASPECT: MATERIALS

G4-DMA	SR 2015 - Page 27 & 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN1	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN2	SR 2015 - Page 28	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: ENERGY

G4-DMA	SR 2015 - Page 5, 10 & 50	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN3	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN4	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN5	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN6	SR 2015 - Page 50 & 53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN7	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: WATER

G4-DMA	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN8	Omitted	Not Applicable	Cannot be measured	SR 2014 - Page 42	Not Applicable
G4-EN9	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN10	Omitted	Not Applicable	Not Applicable	SR 2014 - Page 42	Not Applicable

MATERIAL ASPECT: BIODIVERSITY

G4-DMA	SR 2015 - Page 53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN11	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN12	SR 2015 - Page 50 & 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN13	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN14	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

SPECIFIC STANDARD DISCLOSURES

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MATERIAL ASPECT: EMISSIONS

G4-DMA	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN15	SR 2015 - Page 67	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN16	SR 2015 - Page 67	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN17	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN18	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN19	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN20	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN21	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: EFFLUENTS AND WASTE

G4-DMA	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN22	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN23	SR 2015 - Page 28	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN24	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN25	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN26	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: PRODUCTS AND SERVICES

G4-DMA	SR 2015 - Page 8 & 11	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN27	SR 2015 - Page 27	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN28	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: COMPLIANCE

G4-DMA	SR 2015 - Page 28 & 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN29	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: TRANSPORT

G4-DMA	SR 2015 - Page 44 & 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN30	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: OVERALL

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN31	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN32	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN33	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISM

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-EN34	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

CATEGORY: SOCIAL

SUB CATEGORY: LABOR PRACTICES AND DECENT WORK

MATERIAL ASPECT: EMPLOYMENT

G4-DMA	SR 2015 - Page 27	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA1	SR 2015 - Page 38 & 68	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA2	SR 2015 - Page 37	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA3	SR 2015 - Page 37	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA4	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA	SR 2015 - Page 27, 52 & 53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA5	SR 2015 - Page 50	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA6	SR 2015 - Page 68	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA7	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA8	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: TRAINING AND EDUCATION

G4-DMA	SR 2015 - Page 11, 25, 33 & 37	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA9	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA10	SR 2015 - Page 37 & 41	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA11	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITIES

G4-DMA	SR 2015 - Page 11 & 36	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA12	SR 2015 - Page 68	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN

G4-DMA	SR 2015 - Page 56	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA13	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: SUPPLIER ASSESMENT FOR LABOR PRACTICES

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA14	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA15	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

SPECIFIC STANDARD DISCLOSURES

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MATERIAL ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISM

G4-DMA	SR 2015 - Page 36	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-LA16	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

SUB CATEGORY: HUMAN RIGHTS

MATERIAL ASPECT: INVESTMENT

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR1	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR2	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: NON-DISCRIMINATION

G4-DMA	SR 2014 - Page 44	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR3	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

G4-DMA	SR 2014 - Page 30	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR4	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: CHILD LABOR

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR5	Omitted	Not Applicable	Information currently unavailable	Not Applicable	Not Applicable

MATERIAL ASPECT: FORCED OR COMPULSORY LABOR

G4-DMA	SR 2014 - Page 50	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR6	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: SECURITY PRACTICES

G4-DMA	SR 2015 - Page 53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR7	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: INDIGENOUS RIGHTS

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR8	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: ASSESSMENT

G4-DMA	SR 2015 - Page 52	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR9	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESMENTS

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR10	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-HR11	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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MATERIAL ASPECT: HUMAN RIGHT GRIEVANCE MECHANISM

G4-DMA	SR 2014 - Page 50, SR 2015 - Page 53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-XHR12	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

SUB CATEGORY: SOCIETY

MATERIAL ASPECT: LOCAL COMMUNITIES

G4-DMA	SR 2015 - Page 43	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO1	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO2	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: ANTI-CORRUPTION

G4-DMA	SR 2015 - Page 32 - 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO3	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO4	SR 2015 - Page 32 - 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO5	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: PUBLIC POLICY

G4-DMA	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO6	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOUR

G4-DMA	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO7	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: COMPLIANCE

G4-DMA	SR 2015 - Page 32 - 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO8	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: SUPPLIER ASSESMENT FOR IMPACTS ON SOCIETY

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO9	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO10	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: GRIEVANCE MECHANISM FOR IMPACTS ON SOCIETY

G4-DMA	SR 2015 - Page 32 - 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-SO11	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

SPECIFIC STANDARD DISCLOSURES

DMA AND INDICATORS	PAGE NUMBER (OR LINK) Information related to Standard Disclosures require by the 'in accordance' options may already be included in other reports prepared by organizations. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	IDENTIFIED OMISSION(S) In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	REASONS FOR OMISSION(S) In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	EXPLANATION FOR OMISSION(S) In exceptional cases, if it is not possible to disclose certain required information, explain the reason why the information has been omitted.	EXTERNAL ASSURANCE Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
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SUB CATEGORY: PRODUCT RESPONSIBILITY

MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA	SR 2015 - Page 45	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR1	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR2	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: PRODUCT AND SERVICE LABELLING

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR3	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR4	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR5	SR 2015 - Page 44 & 45	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: MARKETING COMMUNICATIONS

G4-DMA	SR 2015 - Page 44	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR6	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR7	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: CUSTOMER PRIVACY

G4-DMA	Omitted	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-XPR8	-	Not Applicable	Not Applicable	Not Applicable	Not Applicable

MATERIAL ASPECT: COMPLIANCE

G4-DMA	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable
G4-PR9	SR 2015 - Page 33	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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, please contact the following:

Ayotola Jagun
Chief Compliance Officer and
Company Secretary
ajagun@oandopl.com

or

Alero Balogun
Head of Corporate Communications
albalogun@Oandopl.com

