



Oando PLC

Stakeholder Engagement Policy

This Stakeholders Engagement Policy was approved by the Board of Directors of Oando Plc at a meeting held on the 27th Day of October 26th 2020.

A handwritten signature in black ink, appearing to read 'A. G. Oando', is written over a horizontal blue line.

Chairman of the Board

OANDO PLC

Stakeholder Engagement Policy Statement

1. Purpose

Oando PLC (“Oando” or the “Company”) pays close attention to the engagement of Stakeholders. This is evident from our corporate philosophy of engaging in business based on responsibility to society as well as being a good corporate citizen. In implementing the Oando Code of Business Conduct and Ethics as a foundation for all Stakeholder engagement and employing good corporate governance principles in our business operations we are confident that this will help build brand loyalty and contribute the long-term sustainability of Oando.

The society is changing, likewise the environment, and business conditions. Groups of stakeholders are getting more vocal and demanding of participation in the process of decision-making, and governance on issues of relevance to them. The engagement of stakeholders is thus more important than ever. This Stakeholder Engagement Policy aims to provide clear guidelines for Oando directors, management and employees on the inclusion of wider stakeholder considerations in business decision-making as well as on the process of engagement with stakeholders in order to achieve the social interest and develop a responsible and sustainable business model.

2. Definition of Stakeholders

Stakeholders are persons or groups of persons who can affect or are directly or indirectly affected by the actions, decisions, policies, practices or goals of the business. They include customers, employees, communities, shareholders, investors, lenders, business partners, government agencies, etc.

3. Policy Statement

Oando is committed to acting as a good corporate citizen in the societies in which it operates. Oando will honor the rights of Stakeholders and treat them fairly, listen to their opinions and concerns, build understanding with Stakeholders, encourage co-operation constructively in matters that interest Stakeholders, and take part in developing society and the environment so that the Company continues to develop its business sustainably.

4. Guidelines on Engagement of Stakeholders

4.1 Stakeholders Identification

Identifying who our key Stakeholders are and their interest, level of expertise, and level of influence is crucial to successful stakeholder engagement and to allocating resources as efficiently and effectively as possible. Therefore, we recommend all business units to assess and prioritise Stakeholders using the following criteria:

- Stakeholder interests
- Stakeholder expertise on material issues
- Stakeholder level of influence
- Stakeholder willingness to engage with the Company
- Stakeholder expectations of engagement with the Company
- Stakeholder dependence on the Company, and
- Value for the Company of engaging with each Stakeholder

Stakeholders can change due to new technologies, regulations, markets, and customers. Stakeholder mappings, therefore, should be conducted regularly in order to understand who the relevant Stakeholders are in order to design appropriate responsiveness and corresponding communication strategies.

4.2 Stakeholder Engagement Risk

It is important to consider potential stakeholder engagement risks prior to selecting the level or method of engagement. Potential risks may include participation fatigue, conflicts of interest, disruptive stakeholders, and an unwillingness to engage.

In some cases, key stakeholder groups may lack the capacity (e.g. financial resources, time, cultural understanding or awareness of issues) to engage with the Company effectively. If Stakeholders lack sufficient capacity but it is critical for the Company to understand their perspective, the Company may consider ways of facilitating the process (e.g. by providing travel support) without introducing over-dependency, undue influence or a potential conflict of interest.

The Company's Corporate Communications Team may provide further support as needed.

4.3 The Duty of Management

The duty of management is to efficiently and effectively provide suitable resources, such as allocating budget, assigning adequate number of dedicated, skilled and knowledgeable staff, and providing systems for collating information from stakeholders, compiling data, monitoring progress, and evaluating results. Stakeholder engagement data should be integrated into organizational governance, strategy and operations at all levels in order to achieve inclusive organizational acceptance and aid the development of an accountable and strategic response to sustainability.

The Company accepts and shall continue to promote the following basic principles to engage and establish a relationship of trust with its stakeholders:

- a) **Responsibility**
Act responsibly and build relationships based on ethics, integrity, sustainable development, and respect for human rights and the communities affected by the various activities of the Group.
- b) **Transparency**
Ensure transparency in relationships, and in financial and non-financial communications, sharing truthful, relevant, complete, clear and useful information.
- c) **Active listening**
Practice active listening, encouraging bi-directional and effective communication, and direct, fluid, constructive, diverse, inclusive and intercultural dialogue.
- d) **Participation**
Encourage the participation of the Stakeholders in all Oando activities, promoting voluntary consultation processes or similar channels of interaction in application of the law of each country, and especially in the planning, construction, operation and decommissioning of the Group's projects.
- e) **Consensus**
Work towards consensus with the Stakeholders, especially with local communities and indigenous populations, taking their viewpoints and expectations into consideration.
- f) **Collaboration**
Promote collaboration with Stakeholders, in order to contribute to compliance with the *Oando Code of Business Conduct and Ethics* and the achievement of the SDGs.
- g) **Continuous improvement**
Seek continuous improvement, regularly reviewing Stakeholder engagement mechanisms to ensure that they respond in the most efficient way possible to the needs of each moment.

5. Policies and Practices toward shareholders

The Company places great importance on its shareholders, who are owners of the business. Accordingly, the executives and employees as well as the Board of Directors, which itself represents shareholders, are committed to carrying out business in line with principles of good corporate governance and Company's own business philosophy of ensuring maximum benefits and long-term economic value for shareholders. To ensure proper treatment of shareholders, the company has set out the following guidelines for all directors, management and employees:

- 5.1. to operate in accordance with Oando's corporate vision and corporate governance principles with honesty and prudence, and without conflict of interest, while creating good returns for every shareholder in a sustainable manner.
- 5.2. to respect the rights of shareholders and provide equitable and fair treatment to every one of them. Accordingly, to not perform any act that might violate or negatively impact on the rights of shareholders.
- 5.3. to provide shareholders with all significant details concerning the Shareholders' meetings and the meeting agenda items to be considered by the shareholders with sufficient time in advance.
- 5.4. to prevent the directors, management, and employees of Oando as well as their spouses and children from making use of inside information for their own personal benefit or that of others before disclosure to the general public.
- 5.5. to establish efficient measures for internal control, internal audit, and risk management.
- 5.6. to disclose the Company's significant information, financial reports, and operating results on an accurate, complete, timely, transparent, and reliable basis through easily accessible channels to consistently keep shareholders abreast of the Company's operating performance.

6. Policies and Practices toward Employees

Oando firmly believes that employees are its most valuable assets and a vital contributing factor to the Company's success. The Company treats employees fairly with concern for their needs. The goals are to foster a good relationship between the Company and employees, to promote ongoing development of employees' skills and potential, and to provide job security and career advancement. The guidelines for practice toward employees are as follows:

- 6.1. to recruit employees through a fair, transparent and efficient selection system with the aim of recruiting "smart and ethical" employees having strong qualifications and exhibiting Oando's core values, to join the Company.
- 6.2. to treat employees with sensitivity and fairness while paying due respect to their personal rights, protecting these rights from being violated. Likewise, to support and respect the right of employees to express their opinions independently.
- 6.3. to provide channels for employees to file grievances and report any act of impropriety in violation of the Company's Code of Conduct & Ethics as well as

to protect the complainant from retribution or penalty related to filing a complaint as highlighted in the Company's Whistleblower Policy.

- 6.4. to provide employees in every field of work and at all levels sufficient and continuous professional development appropriate for their duties and responsibilities and to instill ethical awareness into every employee.
- 6.5. to promote and encourage working as a team to create unity and to raise employees' awareness about work discipline.
- 6.6. to evaluate employees' performance and provide fair remuneration, equivalent to those of leading companies in similar industries, on the basis of the suitability, capability, and competence of each individual.
- 6.7. to raise awareness and promote employees' occupational health and safety while maintaining a congenial work environment that enables employees to feel like they are part of a family.

7. Policies and Practices toward Joint Venture Partners

Oando respects the rights of joint venture partners and treats every partner equitably and fairly. The Company works collaboratively with joint venture partners to ensure that the joint venture achieves its shared goals. The relevant guidelines are as follows:

- 7.1. to collaborate with joint venture partners in supporting and strengthening the joint venture operations.
- 7.2. to encourage the exchange of ideas and suggestions with all joint venture partners and to jointly define the business plans to ensure the sustainable growth and development of the joint venture.
- 7.3. to monitor the operations of the joint venture in order to ascertain that they comply with the law and the sustainable development approach.
- 7.4. to work with the joint venture partners in allocating profits from the joint venture in a fair and transparent manner.
- 7.5. to refrain from taking advantage of the joint venture partners in any way.

8. Policies and Practices toward Creditors

Oando treat its creditors equitably, fairly, and transparently with commitment to strictly comply with all terms and conditions agreed upon. The guidelines are as follows:

- 8.1. to enter into contract with all types of creditors legally, equitably, fairly, and transparently without taking advantage of the contracting party(ies).
- 8.2. to refrain from resorting to dishonest means or concealment of any information that might harm the Company's creditors.
- 8.3. to strictly abide by any term or condition stated in any contract entered into with all types of creditors accurately and straightforwardly.
- 8.4. subject to unforeseen circumstances to endeavor to repay loans and interest in full to all types of creditors on time as agreed upon.

9. Policies and Practices toward the Community

Oando conducts business with commitment to human rights and fairness to all stakeholders, and with concern for social responsibility. The Company provides constant support to activities that contribute to improving the quality of life and development of the communities and societies in which the Company operates. The Company encourages its employees and other concerned parties to be good citizens contributing to their communities and society. The guidelines are as follows:

- 9.1. to support and provide needed assistance to society and communities, especially the communities surrounding Oando's business locations.
- 9.2. to preserve the environment and to control and manage waste from the production process and general consumption as well as contamination released into the atmosphere through the use of efficient technology and close monitoring.
- 9.3. to promote and support the carrying out of activities and projects designed to develop the potential and capabilities of citizens in the areas of education, science and technology.
- 9.4. to support activities/projects dedicated to providing immediate assistance to those affected by disasters and to improve the potential and quality of life of people in society by helping to build strong institutions and communities that enable people to become self-reliant.
- 9.5. to provide support to the Oando Foundation and other charitable organizations that provide opportunities to the disenfranchised in society, empowering them to lead better lives.
- 9.6. To open up opportunities for communities and other stakeholders to take part in the activities/projects, to voice their opinions and suggestions, or to file complaints as a result of the Company's operations, with the goal of allowing industry and the community to co-exist sustainably.

10. Policies and Practices toward Government Agencies

Oando places great importance on government agencies as key stakeholders of the Company. Guidelines for engaging in transactions with government agencies are defined in Oando's Policy on Interaction with Government Officials. The Company also cooperates with government agencies, providing technical assistance and support for capacity building. The guidelines are as follows:

- 10.1. to strictly abide with applicable laws and regulations being cognisant of the fact that laws, regulations, cultures, and traditions in each locale may have different conditions, procedures, or practices.
- 10.2. to refrain from influencing government officers to abet and collude in improper acts.
- 10.3. to provide support to activities undertaken by government agencies.
- 10.4. to participate in meetings to share ideas, and to provide technical assistance on a continuous basis.
- 10.5. to receive comments, suggestions, or complaints from government agencies.

11. Policies and Practices toward Suppliers

Oando always obeys fair competition standards and strictly complies with all contractual obligations, the guidelines are as follows:

- 11.1 to determine and establish fair and reasonable prices by taking into account the reasonableness of the offered prices, quality, and service levels and to be able to provide appropriate reasons during any audit.
- 11.2 to pay suppliers accurately and on time.
- 11.3 to establish clear procurement regulations.
- 11.4 to operate business sustainably and transparently by complying with all the terms and conditions agreed upon in a transaction and treating all involved parties equitably and fairly.
- 11.5 to refrain from demanding or accepting any improper benefits from its suppliers.
- 11.6 to pay regular visits to suppliers in order to exchange ideas and listen to their suggestions or advice on service/product improvement.

- 11.7 to support procurement of eco-friendly and community products.
- 11.8 to refrain from purchasing products from suppliers that violate human rights or intellectual property law.
- 11.9 to refrain from disclosing information of suppliers to others without their prior consent.
- 11.10 to refrain from dealing in any business with any supplier that carries out illegal acts or acts against public order and good morals.
- 11.11 The Company has developed a Code of Conduct for Business Partners and encourages its suppliers to comply with it. Suppliers shall conduct their businesses with societal and environmental concerns and behave as good citizens.

12. Compliance & Monitoring

All employees, directors and management are responsible for the success of this Policy as well as promote best practice in this regard.

The Board of Directors is vested with the power to approve and apply this Policy and to design, approve and supervise the general strategy on stakeholder engagement, ensuring the proper coordination thereof for the Company.

13. Policy Review

This Policy will be reviewed every three (3) years or as may be required due to changes in laws and regulations, business environment and operational updates.