



OANDO PLC

KNOW YOUR CUSTOMER POLICY

The Oando Plc Know Your Customer Policy was approved by the Board of Directors of Oando Plc on August 21, 2023.

A handwritten signature in black ink, appearing to read "A. Costa", is positioned above the title "Chairman, Board of Directors".

Chairman, Board of Directors

1. Definitions

"Business Partners" means all brokers, vendors, finders, dealers, resellers, distributors, bankers, insurers, service providers, teaming partners, joint venture partners, contractors, suppliers, consultants, agents, intermediaries and any other third party with whom or through whom Oando does business.

"CCO&CS" means Chief Compliance Officer & Company Secretary

"Company" or "Oando" means Oando PLC and all its subsidiaries, affiliates, predecessors and successors – in – title

"Due diligence" means the process involved in (a) researching potential business partner in order to identify and deal with ethical risks or areas of uncertainty (b) integrity management of the on – going business relationship.

"KYC" means Know Your Customer.

2. Introduction

Oando PLC (the **"Company"**) is one of Africa's largest integrated energy solutions provider. The Company actively engages the services of business partners from different sectors, backgrounds, economies and countries.

In line with international corporate standards and to ensure compliance with different legislations in the countries in which we operate or may be desirous of operating, and also to conform with the requirements of the stock exchanges on which the company's shares are listed, it has become necessary for the company to conduct due diligence to establish the legal status of business partners engaged by it.

In addition, it has also become necessary to ensure that the Company's business is conducted in an ethical, risk free and profitable manner, including ascertaining the possibility that a potential business partner may be involved in corrupt practices that portend legal, financial and reputational risks for the Company.

The "Know Your Customer" Policy was formulated with the aim of establishing and verifying the identity of our business partners and ensuring that the Company does not engage with any individuals or corporate who are involved in unethical business practices, including money laundering, corruption, and the funding of terrorist activities. The process for identifying and verifying the identity of our business partners will involve global best practices of due diligence including the use of reliable and independent documents, data or information where necessary.

3. Scope & Applicability

- 3.1. This Policy covers all transactions, operations, projects, bid processes, procurement, negotiations, arrangements, documentation processes, applications, activities, agreements, contracts, awards, decisions, practices and other business dealings of the Company with third parties.
- 3.2. To the extent applicable, the provisions of this Policy must be complied with by the directors, managers and employees, including contract staff, third party personnel seconded to Oando, as well as Oando's Business Partners.
- 3.3. This Policy shall be read in conjunction with all related operational guidelines issued from time to time, including but not limited to the Oando Anti Money Laundering Policy, Oando Anti-Corruption Policy, Interaction with Public Official Policy, Vendor Management Procedure and all other related operational guidelines which may be issued from time to time.

4. Objectives

- 4.1. To conduct due diligence and take all necessary precautions to ensure a business relationship is formed with reputable, honest and qualified Business Partners.
- 4.2. To identify areas of risk and reduce the likelihood of corrupt practices and reputational damage.
- 4.3. To evaluate the appropriate balance of skills, knowledge and experience of proposed or potential business partners.
- 4.4. To establish processes and procedures to ensure that all reasonable steps are taken to verify the identity of all its business partners.
- 4.5. To establish a process for the tendering of KYC reports compiled by the Company in the ordinary course of its business, for use by the Company in audit and as evidence in a court of law in defending the business actions and decisions of the Company.

5. Responsibility

- 5.1. It shall be the responsibility of every user department requesting the services of a prospective business partner to ensure that proper due diligence is conducted and maintained. This will include working with the Governance Office to ensure that proper checks are carried out prior to registering such vendors.
- 5.2. Every person to whom this Policy applies is expected to familiarize himself or herself with the provisions, stipulations and commitments stated therein.

Ignorance of any of the provisions of this Policy shall not be an excuse or defense for violation or contravention of any of its provisions.

- 5.3. The Governance and Nominations Committee shall be responsible for ensuring that this Policy and its contents are circulated to members of the Board while the Group Chief Executive shall be responsible for circulating the contents of this Policy to all employees.
- 5.4. All CEOs, Group Leadership Council members, executive management of entities, and the Head Procurement Strategy and Supply Chain Management will be held responsible for non-compliance with the procedures outlined in this Policy.

6. Statement of Principles

- 6.1. The Company shall ensure that the initial due diligence process is completed before commencement of business with any business partner;
- 6.2. The Company may consult a qualified firm of professionals relevant to the matter in question to conduct due diligence on a potential business partner before proceeding with a business transaction or concluding a business relationship;
- 6.3. The Company will ensure that all relevant information to the matter in question and business at hand are reviewed prior to making business decisions; and
- 6.4. The Company shall not engage a potential business partner where the outcome of KYC conducted on it is not consistent with Oando's corporate culture and ethical standards.

7. Due Diligence Procedure

- 7.1. It is the responsibility of the user department or entity to send out the due diligence questionnaire to the prospective business partner.
- 7.2. The user department or entity shall send an information request together with a due diligence questionnaire to the prospective business partner.
- 7.3. The due diligence questionnaire will be completed by the proposed or potential business partner and returned to the Company.
- 7.4. Upon receipt of the due diligence questionnaire the user department will forward it to the Governance Office.
- 7.5. The Governance Office shall review the due diligence questionnaire and send a report to the user department and the procurement unit.
- 7.6. Based on the outcome of the due diligence exercise, the Governance Office shall issue a written authorization for the user department to proceed with the

transaction or otherwise, stating the reason why such a decision was reached and the potential risk to the company.

- 7.7. The Company may request for additional information not contained in the questionnaire if necessary in an effort to clarify all risk areas.
- 7.8. The Company shall ensure that sufficient information is obtained to enable the responsible officer make an informed decision.
- 7.9. The Company may conduct further external verification of information contained in the due diligence questionnaire or submitted by any potential business partner beyond the information supplied.
- 7.10. For transactions or relationships that require extensive or enhanced due diligence, all information gathered during the verification exercise will be analyzed and assessed.
- 7.11. If applicable, the report shall include specific recommendations designed to assist the business unit concerned in managing its relationship with the potential business partner should a business relationship comes to existence with the Company
- 7.12. All stages of the due diligence exercise shall be documented and securely retained. Original documents considered shall be scanned and the original documents returned.

8. Due Diligence for Political Exposed Persons

Politically Exposed Persons (PEPs) refer to individuals who hold or have held prominent public positions or positions influence within a government, government-controlled entity, or international organisation. PEPs may also include individuals closely associated with them, such as family members or close associates.

The Company recognizes that engagements or transactions involving PEPs pose potential risks, including the risk of bribery, corruption, or improper influence and override of controls.

Due diligence is a key source of information for the purpose of determining whether a business partner or vendor is a Politically Exposed Person (PEP). Once a PEP relationship has been positively identified during the course of a due diligence exercise, Enhanced Due Diligence (EDD) measures will be implemented to determine the basis of further interactions with such PEPs to eliminate or mitigate these risks and ensure compliance with all applicable laws and regulations in this respect.

EDD procedures will include a more extensive review of the PEP's background, reputation, and business activities. Additional steps may include verifying the

source of funds, assessing the legitimacy of the proposed transaction(s), and scrutinizing the beneficial ownership structure of all parties to the transaction.

9. Business Partner Checklist

The due diligence questionnaire is a part of the requirement for the registration of business partners. The procurement unit must ensure that the due diligence questionnaire is completed by all potential business partners including but not limited to joint venture partners before registering such a business partner with the company.

10. Exception

- 10.1. In exceptional cases, a written justification for exception from this process may be made to the CCO&CS who will, based on the merit of each case give a permission to proceed with a transaction. Such instances may include confirmation from a regulated professional adviser that they have successfully carried out due-diligence on such Business Partner and are willing and authorized to share such information with the Company whenever it is required.
- 10.2. The CCO&CS must in all cases give a time frame for the completion of the due diligence exercise.
- 10.3. The CCO&CS also has the authority to delegate the approval of exceptions to the Head of Governance and Compliance or any other qualified individuals within the Governance Office who possess the necessary expertise and knowledge to make such decisions.
- 10.4. In the instances where the CO&CS delegates the approval authority, the delegated individuals must adhere to the same evaluation criteria and decision-making principles outlined in this Policy.
- 10.5. The CCO&CS shall be responsible for ensuring that any delegated approvals are appropriately documented and retained for audit or review purposes.

11. Sanction

Contravention of this Policy is deemed a serious offence and appropriate sanctions will apply in accordance with the disciplinary procedure outlined in the Staff Handbook.

12. 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, operational updates and implementation experience.

