AFRICA OIL CORP.

SUSTAINABILITY REPORT

FOR THE YEAR ENDED DECEMBER 31, 2023

AFRICAOILCORP.COM

TABLE OF CONTENTS

BASIS OF **PREPARATION**

This Sustainability Report outlines the approach Africa Oil Corp. ("Africa Oil" or "the Company") takes to ESG management and provides an overview of the related ESG performance for 1st January to 31st December 2023.

This report has been developed in line with several globally recognised ESG frameworks. We have reported all available key performance metrics and information identified as material to our business by the Sustainability Accounting Standards Board (SASB) standard for Oil & Gas: Exploration & Production and the Global Reporting Initiative (GRI) Oil and Gas Sector Standard 2021 (GRI 11). Additionally, our climate disclosures are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Due to its secondary listing on the Swedish Nasdaq, Africa Oil will in the future be required to disclose in line with the European Sustainability Reporting Standards (ESRS) under the EU Corporate Sustainability Reporting Directive (CSRD). In order to prepare for compliance under CSRD, Africa Oil has commenced consideration of these reporting standards, particularly with respect to conducting a Double Materiality Assessment.

Africa Oil is a supporting company to the Extractive Industries Transparency Initiative (EITI). The EITI is the global standard for the good governance of oil, gas and mineral resources. We endorse the EITI Principles, including the view that natural resource wealth should be an important engine for sustainable economic growth, and that transparency around revenues and expenditures is essential to enhancing public financial management and accountability, and informing debate on options for sustainable development. As such, we support the objective of the EITI Association to make the EITI Principles and the EITI Standard the internationally accepted standard for transparency in the oil, gas and mining sectors. Information pertaining to Africa Oil's alignment with the expectations of the EITI can be found throughout this Sustainability Report, in our Annual Information Form and associated Financial Statements and in our Annual Reports under the Canadian Extractive Sector Transparency Measures Act (ESTMA), all of which can be found on our website. Additionally, the EITI conducts an independent assessment of supporting companies' alignment with the EITI Principles every two years. Results of the 2023 assessment, both aggregate and individual, can be found on EITI's website: https://eiti.org/documents/2023-assessment-eiti-supporting-companies.

In 2021 Africa Oil became a signatory to the UN Global Compact (UNGC), a multisector compact to support businesses of all sizes and sectors to align their strategies and operations with sustainable principles across human rights, labour, environment, and anti-corruption, and to take action to advance the UN Sustainable Development Goals (SDGs). This Sustainability Report describes our efforts to integrate the Ten Principles of the UNGC into our strategy, culture and governance mechanisms, as well as our alignment with the SDGs.

Africa Oil submits to several ESG ratings providers, including Ecovadis, MSCI, Refinitiv, S&P and Sustainalytics. The Company received a Gold Medal from EcoVadis for 2023, putting us in the top 5% of companies assessed by EcoVadis in the past 12 months.

GOLD | Top 5%
ecovadis
Sustainability Rating
FEB 2024

INTRODUCTION

Roger Tucker
Chief Executive Officer

LETTER FROM CEO

Thank you for reading this report, which is the first published since I assumed the position of as Chief Executive Officer of Africa Oil in July last year.

2023 has been an important year, operationally and strategically for the business as we have built capacity across numerous business functions, strengthened our sustainability governance, and commenced our double materiality programme in preparation for new sustainability disclosure regulations.

This year, we formalised our Environmental and Social Management System (ESMS) framework. Through the ESMS, we can effectively operationalise our corporate ESG policies and associated Standards of Operation, ensuring adherence to high standards and best practices across all activities, including those conducted on our behalf.

During 2023, we have made strategic appointments to strengthen our management team and enhance operational efficiency. This includes the appointment of an HR Director, a new General Counsel, and a Chief Commercial Officer. These individuals bring valuable expertise and experience, better positioning the business to achieve our strategic objectives as we continue to grow.

In Equatorial Guinea, we created a Country Manager position; the individual is an Equatoguinean national, who brings extensive experience and an established network in country. This strategic decision ensures that we are well-positioned to foster constructive relationships with local and national stakeholders, and contribute positively to the socio-economic development of Equatorial Guinea.

To deliver greater value to local communities we have developed a Social Investment Framework. This framework delineates priority areas for future social investments across all operational locations, offering clear guidelines for engagement with regulators, communities, and potential partners. Aligned with the UN's Sustainable Development Goals, it focuses on education, community health, and access to clean energy. In Equatorial Guinea, we have completed an initial scoping exercise to identify projects aligned with the government priorities and look forward to updating our stakeholders on the projects that we elect to take forward.

As a non-operator, it is important that we work closely with our partners to drive continuous improvement in Environmental, Social, and Governance (ESG) performance, particularly as it relates to decarbonisation initiatives. We fully endorse and actively support the progress against ESG objectives that has been achieved throughout the year. In Nigeria, Prime Energy has demonstrated its ongoing commitment to enhancing its ESG management practices by adopting revised emissions targets and continuing to actively engage and influence the operating partners to address and enhance ESG performance. Moreover, in 2024, TotalEnergies announced its intention to achieve near-zero methane leakages by 2030.

In preparation for new ESG disclosure requirements under the European Union Corporate Sustainability Reporting Directive (CSRD), we have conducted a double materiality assessment of the risks, opportunities, and financial and non-financial impacts related to ESG issues across the business. This first phase was focused on educating the business on this process, undertaking analysis with stakeholders from across the organisation, and building the requisite documentation for future audit purposes. We have mapped out a programme of work ahead to ensure full compliance with CSRD requirements by the time Africa Oil is legally mandated to respond.

To maintain strong ESG performance, it is imperative we engage high-calibre suppliers and contractors who align with our ethical standards. Following a structured market review and bid process, we completed the onboarding of a new supplier due diligence platform in May 2024, which includes assessment of ESG risks across our supply chain. This implementation marks a significant step forward in enhancing our due diligence procedures, ensuring that we engage solely industry leading vendors.

Signed for and on behalf of the Board of Africa Oil.

Roger Tucker
Chief Executive Officer

2023 PERFORMANCE HIGHLIGHTS

Net Scope 1 and 2 emissions
REDUCED BY 9%
year-over-year to 106,582 tCO_2e

Net flaring
REDUCED BY 31%
year-over-year.

ZERO
Fatalities and Lost Time Injuries

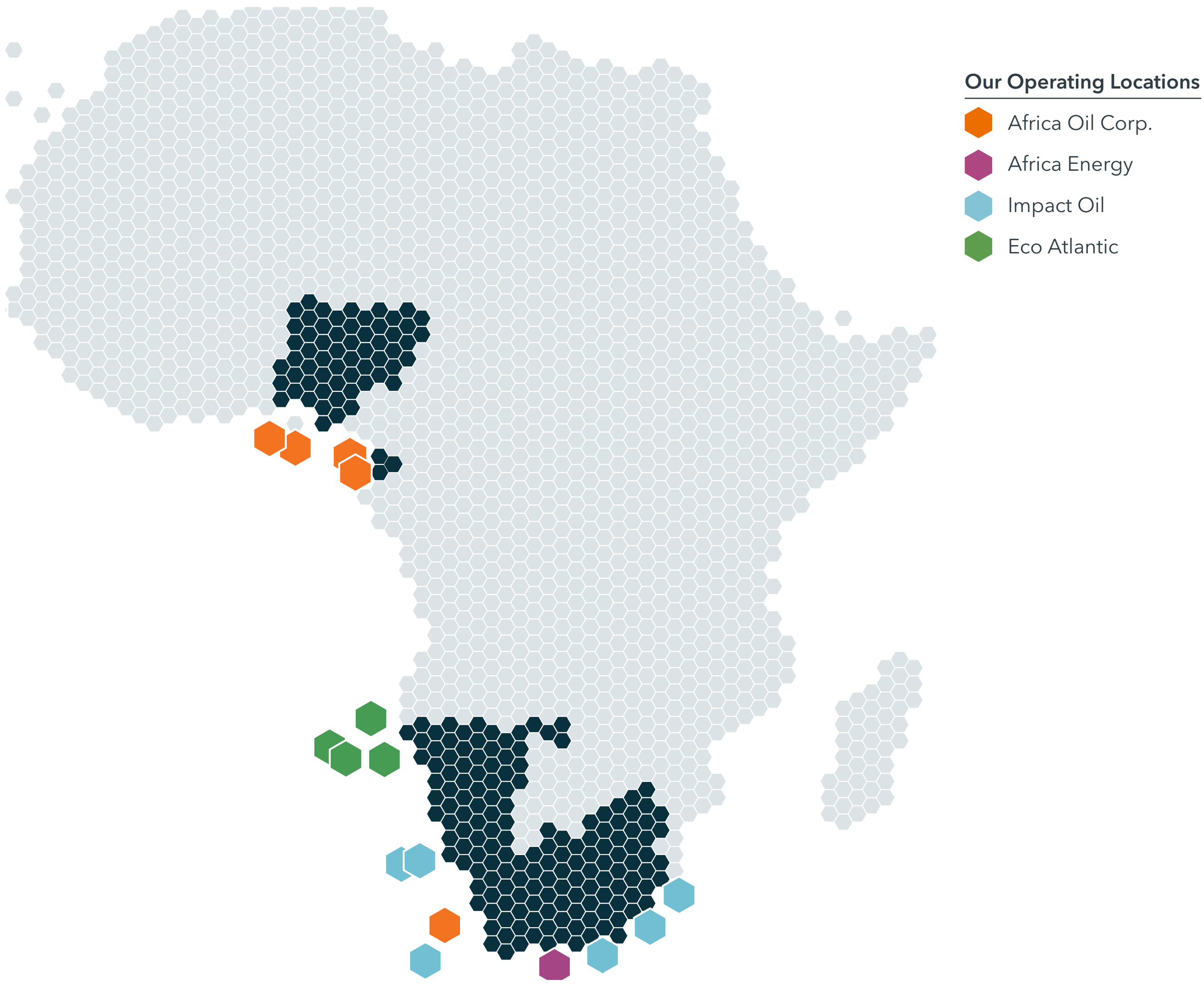
New Social Investment Framework adopted, prioritising access to
EDUCATION, HEALTHCARE AND CLEAN ENERGY
in the communities where we operate

Continue to progress disclosures with
DOUBLE MATERIALITY ASSESSMENT
in preparation for EU CSRD

ABOUT AFRICA OIL CORP.

Africa Oil is a Canadian oil and gas company with producing and development assets in deepwater Nigeria, and a portfolio of exploration and appraisal assets in various countries in West and Southern Africa, as well as Guyana. Notably, the Company has a significant opportunity set in the emerging Orange Basin that lies offshore Namibia and South Africa.

The Company's portfolio consists of direct ownership interests in petroleum exploration and production concessions, as well as shareholdings in investee companies including Prime Oil & Gas Coöperatief U.A, Africa Energy Corp., Eco (Atlantic) Oil & Gas Ltd. and Impact Oil and Gas Ltd. Africa Oil's long-term plan is to deliver sustainable shareholder value through the development and production associated with its existing asset portfolio, acquisition of producing assets, exploration, and monetizing value from its shareholdings in its investee companies.



ABOUT AFRICA OIL CORP. - CONTINUED

OUR VISION

To be a full-cycle exploration and production growth vehicle that integrates sustainability considerations throughout decision-making and operational management. We will work with our partners to support the transition to a less carbon-intensive business.

OUR VALUES

We strive for operational excellence safeguarding the health and safety of people and protecting the environment

We adopt the highest standards of professional integrity and comply with national and international laws and regulation

We act in a fair, honest and non-discriminatory way in all our business activities

We promote a culture of open and honest dialogue with stakeholders

KEY DRIVERS FOR ESG PERFORMANCE

We are focused on the efficient and responsible exploration, development and production of oil and gas resources in compliance with host country laws and good international practice (as defined by IFC Performance Standards).

We support the transition to a less carbon-intensive global economy, recognising the ongoing role for oil and gas in the energy balance until cleaner forms of energy are available at the scale needed.

We recognise the challenge, which is especially acute in Africa, in how to meet the world's increasing demand for energy and economic development whilst minimising environmental and social impacts.

SUSTAINABILITY GOALS

Africa Oil's approach to sustainability is focused on the effective identification and management of risk in relation to both our operated and non-operated assets. Our operating partners are selected in part on their ability and commitment to manage ESG risks effectively. We monitor operator performance and work with operators where possible and necessary to improve performance. Our role as the custodians of our shareholders' capital is to ensure robust governance systems are in place to deliver our sustainability goals.

We aim to:

- Provide a safe and healthy working environment for our employees and contractors, with the objective of zero harm in the workplace
- Minimize the impact of our activities on the natural environment
- Integrate the monitoring, management and reporting of greenhouse gas emissions into our activities, strategy and decision-making
- Assist the social and economic development of communities associated with our activities
- Ensure that activities for which we are responsible respect and protect human rights
- Operate to the highest standards of ethical conduct and corporate governance

OUR APPROACH

STAKEHOLDER ENGAGEMENT

The value of our global network of stakeholders cannot be overstated. It encompasses various key groups vital to our operations, from our employees, who play a pivotal role in driving our growth and innovation; to local communities who support our license to operate; to our investors, who provide capital and guidance. The crucial role stakeholders play in our long-term success and resilience underscores the importance of fostering productive relationships with all.

Table 1. Stakeholder Engagement

	Why we engage	How we engage
EMPLOYEES AND CONTRACTORS	To deliver upon our corporate aims, it is essential that our employees and full-time contractors are engaged and aligned with our corporate objectives. We also want to attract and retain high-calibre talent to drive our business forward. It is therefore key that we engage with our workforce regularly, ensure that they are receiving the support required, and offer opportunities to develop their skillsets and enhance their experience.	As a small organisation, we engage with our employees via one-on-one, as well as group, meetings, training sessions and company updates.
PARTNERS	Productive working relationships with our partners are critical to the seamless running of our business. Furthermore, we must maintain open channels of communication to ensure continued compliance with our Standards of Operation.	We engage with our operating partners in Operating and Technical Committee Meetings (OCMs/TCMs) and through joint technical work, audits, monitoring and reporting.
INVESTORS	We rely upon the support and direction of our investors. We therefore have a responsibility to ensure that they are well-informed on the performance and management of the business, as well as to provide opportunity for feedback.	To maintain transparency with our investors, we engage through meetings, conferences, our website and shareholder reporting. Africa Oil's largest shareholder Helios Investment Partners, expanded its ESG audit process in 2022, as part of which we participate in an annual independent audit of our performance.
ASSOCIATE COMPANIES	Our Nigerian joint venture and equity investments in listed companies drive value for the business through their own activities. Strong governance practices are critical for ensuring those activities adhere to our Standards of Operation.	We engage with our JV company and listed associates through meetings (Board Meetings/ OCMs/TCMs), joint technical work audits, monitoring and reporting. Additionally, we have weekly operational checks with Prime.
GOVERNMENTS AND REGULATORS	Developing and sustaining positive and transparent relationships with governments and regulators is crucial to our license to operate, helping to maintain confidence in our management capacity and performance, and ensuring we are in compliance with the law and regulations of the jurisdictions in which we operate.	Communications with governments and regulators are maintained through meetings and regulatory and legal filings.
LOCAL COMMUNITY / INTEREST GROUPS	We depend on the support of local communities for operational continuity and aim to conduct our activities sustainably and to the benefit of the locality.	We seek to maintain positive relationships with communities via project-specific engagement teams that organise community meetings, distribute relevant informational materials, provide grievance mechanisms and develop social programmes based on community needs and requirements.

OUR APPROACH - CONTINUED

MATERIALITY

The new EU Corporate Sustainability Reporting Directive (CSRD), which came into force on 5th January 2023, mandates that reporting companies consider the materiality of sustainability issues from both an impact materiality and financial materiality perspective. Specifically, businesses must consider the impacts they have on the environment, society and economy, as well as the impact an environmental, social, policy or economic issue has on the business. Though Africa Oil does not yet have disclosure obligations under CSRD, the Company conducted a double materiality exercise in preparation for the new regulations and in line with best practice.

This double materiality process was informed by our previous materiality assessment, market developments, and global industry standards on ESG disclosure. Moreover, it was aligned with the Company's corporate risk register to ensure that the existing process of identifying and categorising risk fed into the materiality process.

Led by our ESG consultant, the process involved members of the Executive team. Individuals within the organisation were required to review those risks, opportunities, and impacts relevant to their area of the business. They also took into consideration their engagements with all external parties throughout the year to ensure that the matters most important to stakeholders external to the business factored into the assessment. The impact and financial materiality rating assigned to each issue was discussed and debated during workshops to reach consensus on materiality.

This process ultimately resulted in a framework that will serve as a valuable management tool moving forwards. This comprehensive approach positions the Company to effectively address regulatory requirements under CSRD and enhances our ability to manage sustainability risks, seize opportunities and either mitigate or maximise our impacts.

The graphic below shows the 24 material issues we assessed. Against each issue, the actual and potential risks, opportunities, and impacts, both positive and negative, were considered based on their implications financially for the business as well as their impact externally on the environment, society, or economy. The impact rating of each issue represents a summary of the ratings of each underlying risk, opportunity, or impact.

SUMMARY IMPACT RATING	MATERIAL ISSUE			
HIGH	Climate Change Risks and Management	GHG Emissions and Reductions	JV Partner Engagement	Board Effectiveness
HIGH	Community Engagement & Support	Compliance Management	Human rights	Long-Term Value Creation, Solvency, and Financial Management
HIGH	Process Safety and Asset Integrity	Occupational Health and Safety	Business Ethics	
MEDIUM	Labour Rights	Supply Chain Management	Biodiversity Management	Political and Societal Risk
MEDIUM	Employee Engagement and Wellbeing	Energy use, Conservation, and Reductions	Responsible Tax Practices	Employee Acquisition, Development, and Retention
LOW	Air Emissions Management	Water Management	Waste Management	Public Health Risks
LOW	Cybersecurity and Information Security			

OUR APPROACH - CONTINUED

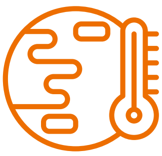
Twelve of the issues were determined as being the most material to the business. The table below demonstrates the identified underlying actual and potential risks, opportunities, or impacts that were rated as 'high'.

Table 2: Double Materiality Assessment

ACTUAL

MATERIAL ISSUE	RISK, OPPORTUNITY OR IMPACT	MANAGEMENT
GHG EMISSIONS AND REDUCTIONS 	**Actual negative:** GHG emissions are produced and emitted into the atmosphere through the extraction and processing (including venting and flaring) of hydrocarbon products. Net Scope 1 and 2 emissions in 2023 totalled 106,582 ktCO_2e vs. 117,165 ktCO_2e in 2022. Emissions from flaring, in particular, declined 31% to 25,327 ktCO_2e. However, emissions intensity increased to 14.3 kgCO_2e/boe from 13.2 kgCO_2e/boe due to production decline. There were no material actual financial impacts related to GHG emissions during the course of the year.	We have strong management and mitigation measures in place to minimise our impact. Our Environment and Emissions Policy is available on our website.

POTENTIAL

MATERIAL ISSUE	RISK, OPPORTUNITY OR IMPACT	MANAGEMENT	IMPACT TIMEFRAME
CLIMATE CHANGE RISKS AND MANAGEMENT 	**Potential negative:** Demand for oil and gas may erode as clean alternatives come to market and gain scale. Reduced demand for oil and gas may result in stranded reserves or resources and negatively impact the Company's valuation and share price. Please see Pages 24 to 32 for our climate-related reporting in line with the TCFD, including potential financial and reserve impacts under low carbon scenarios	Our Environment and Emissions Policy is available on our website.	M-L
PROCESS SAFETY AND ASSET INTEGRITY 	**Potential negative:** An unintended release of oil, natural gas or other pollutants could result in fines, legal liabilities, clean-up costs and potential loss of license in the case of large and uncontained releases.	Our expectations with respect to process safety are enshrined in our Standards of Operation, which includes Emergency Preparedness & Response and Performance Monitoring & Reporting. These apply to both operated assets and our operating partners at non-operated assets.	S-L

OUR APPROACH - CONTINUED

POTENTIAL - CONTINUED

MATERIAL ISSUE	RISK, OPPORTUNITY OR IMPACT	MANAGEMENT	IMPACT TIMEFRAME
COMMUNITY ENGAGEMENT AND SUPPORT	**Potential negative:** Opposition from communities affects the ability of the business to achieve its strategic goals.	For all proposed projects, an ESIA process is undertaken, during which we engage communities through public participation processes. Please see Page 36 for more information on our approach to community engagement.	S-L
HUMAN RIGHTS	**Potential negative:** Complicity in human rights violations, whether advertent or inadvertent through contracted labour or supply chain, could result in legal action against the Company and reputational damage, including loss of license to operate.	Our Community Relations and Human Rights Policy is available on our website. Please see Page 35 for more information on our approach to human rights.	S-L
OCCUPATIONAL HEALTH AND SAFETY	**Potential negative:** EHS incidents resulting in injuries, fatalities or damage to employees, contractors, equipment, communities or the environment could result in fines, legal action and/or reputational damage, including potential loss of license in the case of severe incidents..	Our Health & Safety Policy is available on our website. Please see Page 34 for more information on our approach to occupational health and safety.	S-L
JV PARTNER ENGAGEMENT	**Potential negative:** Ineffective partner engagement, including oversight of financial, technical, environmental and social performance, could result in an inability to meet operational, strategic, legislative, and financial obligations.	Our investment engagement practices ensure that our standards for responsible and sustainable business practices are upheld. Please see Pages 20 to 21 for more information on our commitment to being a Trusted Partner.	S-L

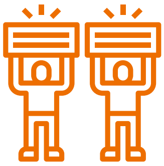
OUR APPROACH - CONTINUED

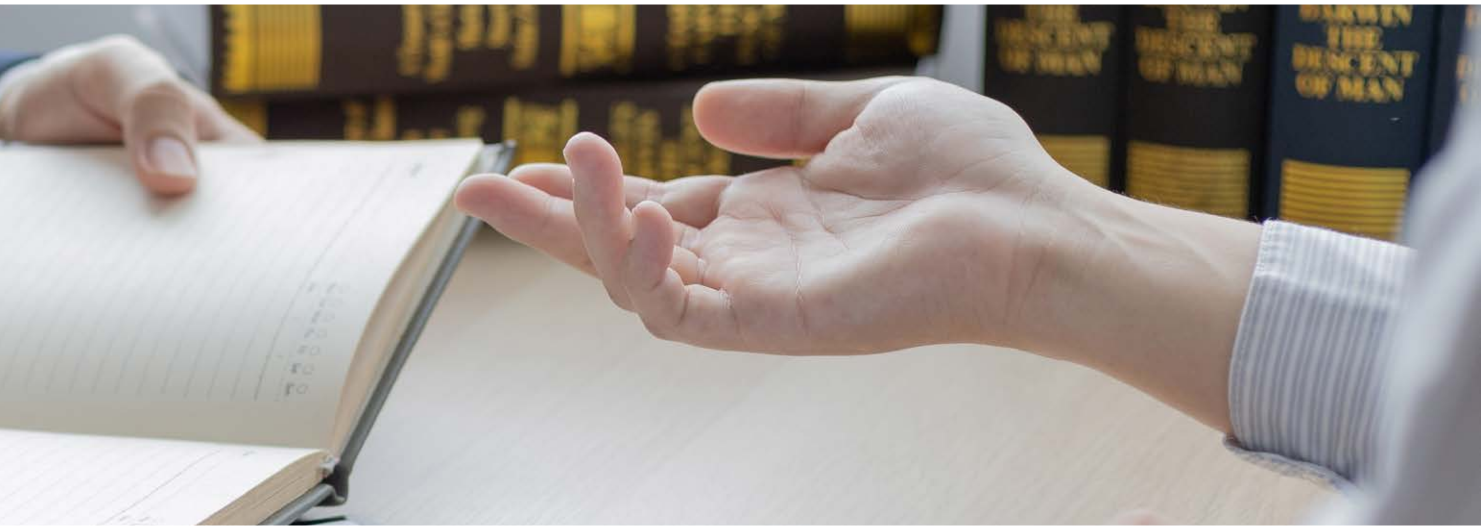
POTENTIAL - CONTINUED

MATERIAL ISSUE	RISK, OPPORTUNITY OR IMPACT	MANAGEMENT	IMPACT TIMEFRAME
LONG-TERM VALUE CREATION, SOLVENCY, AND FINANCIAL MANAGEMENT	**Potential positive:** Future exploration and development projects and monetisation of existing assets could generate substantial revenue and returns for the Company and shareholders, and tax revenues for host countries. **Potential negative:** Financial mismanagement; inability to maximise recovery / monetise existing or new discoveries; or failure to convince shareholders of the corporate value proposition could erode the Company's valuation. Similarly, inability to manage financial commitments and/or respond/adapt to external factors, including FX fluctuations and commodity price movements, could lead to loss of revenue or shareholder returns.	Please see our Annual Information Form for information on our approach to long-term value creation, solvency, and financial management.	M-L
BUSINESS ETHICS	**Potential negative:** Any complicity in bribery or corruption, insider trading or fraud could expose the Company to significant corporate fines and other financial losses, prosecution and incarceration of management and board,loss of license to operate and irreparable damage to the Company's reputation.	Our commitment to the highest standards of ethical behaviour is outlined in our Code of Business Conduct and Ethics and other corporate policies. Please see Pages 18 to 19 for more information on our approach to business ethics.	S-L
COMPLIANCE MANAGEMENT	**Potential negative:** Violation of securities and other government financial and tax regulation could expose the Company to fines, prosecution and reputational damage.	The Audit Committee reviews financial statements, audits, and disclosures, ensuring compliance with accounting principles and reporting standards. The Committee Mandate is available on our website.	S-L

OUR APPROACH - CONTINUED

POTENTIAL - CONTINUED

MATERIAL ISSUE	RISK, OPPORTUNITY OR IMPACT	MANAGEMENT	IMPACT TIMEFRAME
BOARD EFFECTIVENESS 	**Potential negative:** Ineffective board oversight, whether as a result of ineffective governance practices, lack of diversity of experience or perspective, or insufficient independence can result in poor business management and ultimately erode business value. **Potential positive:** A strong board can help to defend against a non-value accretive takeover and enhance the company's actual and perceived value in the market by guiding strategic decisions, including business development opportunities, that increase value.	The Corporate Governance and Nominating Committee is responsible for assessing the effectiveness of the board of directors. The Committee Mandate is available on our website.	M-L
POLITICAL AND SOCIETAL RISK 	**Potential negative:** Change of government or eruption of political unrest could result in physical damage to property, endanger staff and contractors and / or cause business disruption, including loss of license.	The Company continues to monitor political and social risk in order to appropriately respond in the event of political or societal upheaval.	S-L



OUR APPROACH - CONTINUED

ESG STRATEGIC FRAMEWORK

Being a **Trusted Partner**, acting as a **Responsible Steward** of the environment, and supporting **Strong Communities**; these three pillars form the bedrock of the Company's approach to ESG management. Developed as a result of our materiality assessment, they comprise three key areas of focus for the business.

PILLAR 1: **TRUSTED PARTNER**

Being a **"Trusted Partner"** to all those we engage with, including governments, operating partners, communities, employees, and investors, by maintaining open communications, productive relationships, and honest reporting.

Relevant SDG targets

16. Peace, Justice and Strong Institutions:
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Targets

16.5: Substantially reduce corruption and bribery in all their forms

17. Partnership for the goals:
Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Targets

17.1: Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection.

17.B: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020.

17.G: Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.

PILLAR 2: **RESPONSIBLE STEWARD**

Acting as a "**Responsible Steward"** by effectively navigating energy transition while ensuring energy security, and supporting our operating partners to invest to reduce their environmental impact.

Relevant SDG targets

12. Responsible Consumption and Production:
Ensure sustainable consumption and production patterns.

Targets

12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

PILLAR 3: **STRONG COMMUNITIES**

Enabling **"Strong Communities"** by investing in the development of our people and supporting the communities in which we operate.

Relevant SDG targets

3. Good Health and Well-being:
Ensure healthy lives and promote well-being for all at all ages.

Targets

3.2: By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under 5 mortality to at least as low as 25 per 1,000 live births.

4. Quality Education:
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Targets

4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

4.9: By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries.

7. Affordable and Clean Energy:
Ensure access to affordable, reliable, sustainable and modern energy for all.

Targets

7.1: By 2030, ensure universal access to affordable, reliable and modern energy services.

7.3: By 2030, double the global rate of improvement in energy efficiency.

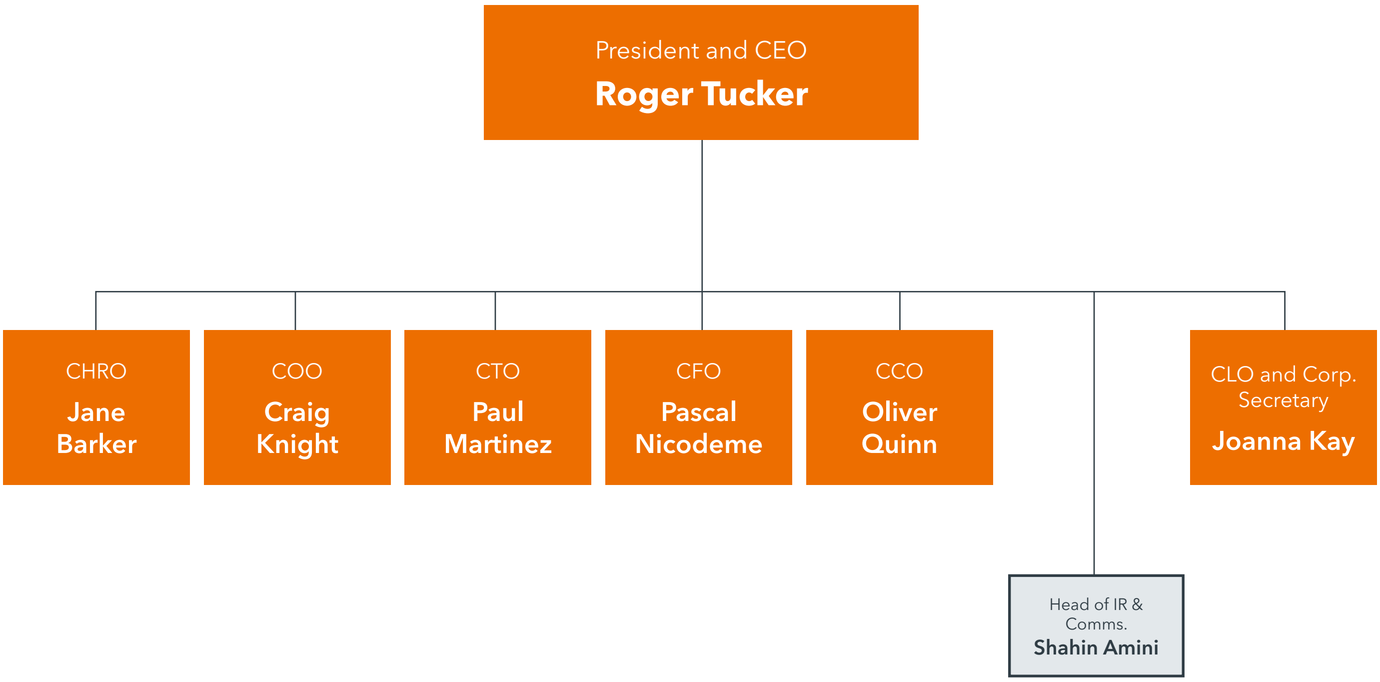
7.5: By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States and landlocked developing countries, in accordance with their respective programmes of support.

TRUSTED **PARTNER**

Being a **Trusted Partner** means establishing transparent and productive relationships with governments, communities, operators, and other collaborating companies. As a non-operator, it is imperative that we maintain robust governance policies and processes and clearly communicate with our partners to ensure alignment with our expectations. This section outlines our governance and risk management approach, ethical behaviour policies, responsibilities of Board committees, and investment practices.

GOVERNANCE AND RISK MANAGEMENT

Graphic 1. Organisational Chart



Key

Exective Committee

TRUSTED PARTNER - CONTINUED

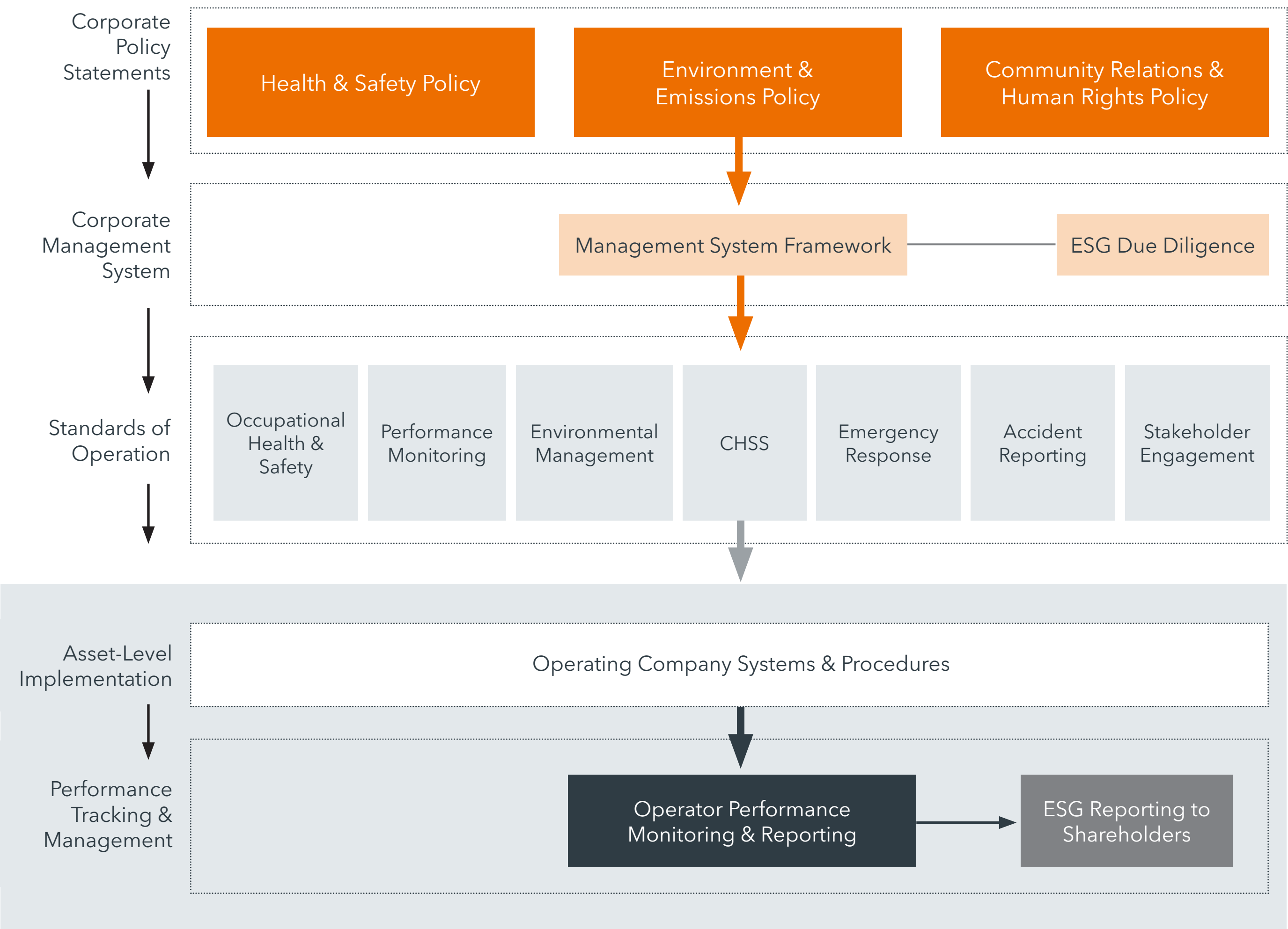
Our corporate ESG policies govern the way we run our business; these include the Health & Safety, Community Relations and Human Rights, and Environment and Emissions Policies. These policies encompass our employees, as well as the consultants and suppliers we employ.

The Standards of Operation, meanwhile, delineate performance expectations for both operated and non-operated assets. These standards include Occupational Health and Safety, Environmental Management, Emergency Response, Stakeholder Engagement, Performance Monitoring, Community Health, Safety and Security (CHSS), and Accident Reporting. Additionally, we promote adherence to our Standards of Operation amongst our equity associates and asset operators.

In order to operationalise the ESG Policies, we have formalised an Environmental and Social Management System (ESMS) framework. The ESMS framework aims to ensure that all our activities adhere to high standards and internationally recognised best practices. This covers both operated and non-operated assets, including our London office and activities conducted on our behalf. Developing and implementing the ESMS and its associated Procedures represented a critical step in strengthening our governance processes.

Both the Board and Management are responsible for overseeing and enforcing our ESG Policies, Standards of Operation and Procedures. Senior Management and the Board of Directors at Africa Oil supervise corporate environmental and social governance, as well as health and safety risks. The Board-level Environmental, Social, Governance, and Health and Safety (ESGHS) Committee plays a pivotal role in implementing Board-level supervision of ESG risks in relation to the Company's business.

Graphics 2. ESG Governance System



TRUSTED PARTNER - CONTINUED

ESGHS Committee

The Board maintains visibility of ESGHS matters via the ESGHS Committee, which receives regular updates on the strategic initiatives and day-to-day ESGHS performance from management and provides feedback and direction on the same. The Committee oversees the Company's performance in these areas, including climate-related risks. The Committee also evaluates risk management processes, investigates significant incidents, monitors external reporting and disclosures and examines the Company's response to emerging trends and regulations, including climate-related issues. Three independent, non-management Board members sit on the ESGHS Committee, which meets at least once every quarter.

In 2023, as well as overseeing regular audits and reporting, the ESGHS Committee oversaw a number of strategic and asset-level initiatives. This included development of a new Social Investment Framework, the ESMS Framework, asset-specific risk assessment and preparation of the Environmental Impact Assessment (EIA) for South Africa Block 3B/4B.

BUSINESS ETHICS

Africa Oil is dedicated to conducting its business in an ethical and transparent manner. We believe that when managed properly, natural resource development can have a positive impact on host economies by generating tax revenues, creating employment opportunities, and supporting local businesses. To achieve these goals, we foster trusted relationships with both national and local governments through honest and open communication channels, while also advocating for high standards of transparency and accountability from our government and commercial counterparts.

At Africa Oil, all employees and contractors are expected to adhere to the highest standards of ethical behaviour, as outlined in our Code of Business Conduct and Ethics and other corporate policies. New employees are provided with and required to acknowledge receipt and knowledge of the Company's core policies (including the Anti-Corruption Policy and Code of Business Conduct and Ethics). New hires are also provided with and required to read the Company's Compliance Guideline and Third-Party Due Diligence Procedures and the Whistleblower Policy.

In 2023, the Company's Compliance Guidelines and Third-Party Due Diligence Procedures were codified and the Delegation of Authority was updated. In May 2023, the Corporate Governance and Nominating Committee (CGNC) met and reviewed the following policies: Board Mandate, CGNC Mandate, Majority Voting Policy, Diversity, Equity and Inclusion Policy, and Succession Policy. The CGNC was satisfied with the form and content of those mandates and policies and no additional changes were proposed to them.

Code of Business Conduct and Ethics

The Code of Business Conduct and Ethics outlines the fundamental principles guiding the conduct of Africa Oil and its subsidiaries and affiliates, including its employees, directors, and officers. The Code covers a range of business practices and procedures including legal and regulatory compliance, insider trading, conflicts of interest, confidentiality, treatment of entertainment, gifts and favours and respect for all employees. While it may not cover every possible scenario, the Code emphasises honest and ethical behaviour, the avoidance of conflicts of interest, transparent disclosure, ensuring a safe and healthy workplace, adherence to international HSE standards and best practices, compliance with laws and regulations, prompt reporting of violations, and accountability for adherence to the Code.

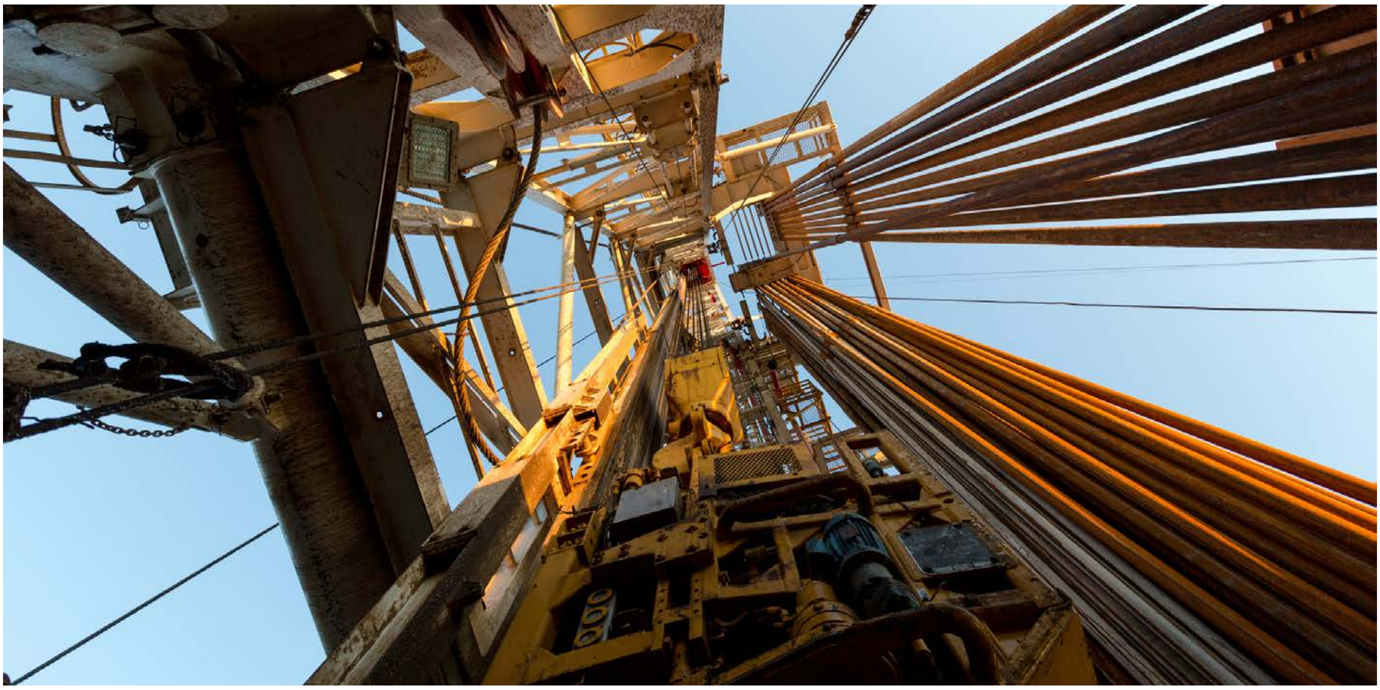
All individuals employed by the Company or operating on its behalf are expected to comply with the Code at all times, with directors and officers additionally owing a fiduciary duty to act in the best interests of the Company. Judgement is required in applying the Code to individual situations. The maintenance of this Code and monitoring of compliance is designated to the Audit Committee. In addition to understanding and behaving within the Code, employees are required to re-read and sign the Code annually as acknowledgement of the expectations for behaviour and repercussions if the Code is violated. There were no reported breaches of the Code during the year.

> Africa Oil's Anti-Corruption Policy imposes compliance requirements for employees, consultants, contractors, and suppliers

Anti-Corruption Policy

We maintain a firm stance against bribery and corruption, committing to conduct all business affairs with honesty and integrity and in compliance with applicable laws. The company has established a comprehensive Anti-Corruption Policy. This Policy extends to all employees, consultants, officers, and directors, with violations considered serious misconduct and subject to disciplinary action, including termination. Additionally, any business partner failing to adhere to these standards may face termination of engagement. The Policy underscores that corrupt payments to government officials or commercial parties are criminal offences in many jurisdictions, and the company could face severe consequences, including legal action and substantial fines, for violations. To ensure compliance, all personnel are required to understand and abide by the Policy and required to complete anti-corruption training. This Policy operates in conjunction with the Code of Business Conduct and Ethics and any supplementary policies developed by the Company, with guidance available from the Chief Financial Officer for any uncertainties regarding its application. There were no reported breaches of the Policy during the year.

TRUSTED PARTNER - CONTINUED



Corporate Disclosure Policy

We are dedicated to ensuring transparent, timely, and accurate disclosure of material information to the public, adhering to all relevant laws and regulations. Our Corporate Disclosure Policy, under the oversight of the Board of Directors, is applicable to all personnel and covers all methods of communication by the Company with the public, both written and oral. This comprehensive approach ensures equal access to information for stakeholders and reinforces the Company's commitment to transparency and accountability. It also specifies what types of information must not be disclosed or publicly addressed and defines restrictions around trading of shares by employees with material undisclosed information. The Policy is circulated to all employees on an annual basis or whenever material changes are made. The consequence for violation of this Policy may include disciplinary action, immediate termination, or, if securities laws have been violated, referral to the appropriate regulatory authorities. The Policy was updated in December 2023. There were no reported breaches of the Policy during the year.

Whistleblowing Policy

Recognising the potential for misconduct, the Company fosters a culture of openness and accountability to prevent and address wrongdoing. Our Whistleblowing Policy aims to encourage reporting of wrongdoing promptly, providing guidance on reporting procedures and ensuring protection for whistleblowers acting in good faith. Individuals can make a report orally or in writing either via an anonymous or non-anonymous communication through our third-party Whistleblower Security System, or via communication to the Company's Chief Executive Officer, Chief Financial Officer, and/ or Whistleblowing Officer.

Disciplinary measures will be imposed if wrongdoing is substantiated, with actions ranging from warnings and reprimands to termination of employment. It is emphasised that reports must be made in good faith, and disciplinary measures may be taken against whistleblowers if reports are found to be baseless or malicious. The Whistleblowing Officer maintains records of reports and investigations to ensure transparency and accountability throughout the process. The Whistleblowing Officer will use reasonable efforts to protect the confidentiality and anonymity of the Whistleblower, subject to the need to conduct a thorough investigation of the complaint. The Audit Committee has overall responsibility for the Policy and for reviewing the effectiveness of actions taken in response to reported concerns. There were no reported breaches of the Policy during the year.

Commitment to Transparency

Africa Oil is a supporting company to the Extractive Industry Transparency Initiative (EITI). In line with the EITI Principles, we support public disclosure of oil and gas contracts and make details regarding our material contracts available in our Annual Information Form (AIF). Likewise, we report on our financial performance and payments to governments through quarterly and annual regulatory filings, including annually audited Financial Statements and disclosures under the Canadian Extractive Sector Transparency Measures Act. We similarly support transparency regarding beneficial ownership. As a publicly listed company, information regarding Africa Oil's shareholders is available via multiple public sources, and we disclose our beneficial ownership in subsidiaries and affiliate companies in our AIF. In 2023, EITI conducted an assessment of 62 of its supporting companies against the nine Principles they are required to uphold https://eiti.org/documents/expectations-eiti-supporting-companies. Of the eight expectations that were applicable to the Company, Africa Oil 'Met' seven expectations and 'Partially met' one.

FINANCIAL RESILIENCE

Compensation Committee

The Compensation Committee's role is to implement and oversee compensation practices approved by the Board of Directors, assisting the Board in human resource and compensation matters, and ensuring continuity and development of senior management. Its responsibilities include reviewing and recommending executive compensation policies, evaluating CEO performance, and monitoring the risk implications of compensation policies. Additionally, it assesses non-CEO officer compensation, directors' compensation, and benefit plans, ensuring total pay aligns with relevant regulatory requirements and is competitive in the market. The Committee also oversees programmes for management attraction and succession planning, regularly monitors executive compensation disclosure, and engages independent counsel or consultants as needed.

Meetings are held as necessary, with at least annual reports provided to the Board. The Committee comprises three independent members who are appointed by the Board from its members.

Audit Committee

The Audit Committee's purpose is to ensure effective internal financial controls, review the integrity of financial statements, and monitor compliance with regulatory requirements. It identifies and reports principal risks to the Board, ensuring systems are in place to manage these risks for the long-term viability and strategic objectives of the Company. The Committee oversees accounting processes, audits, and internal controls, ensuring financial reporting accuracy and adherence to standards.

Composed of three independent directors, the Audit Committee meets quarterly and holds special meetings as needed. It appoints auditors, reviews their performance and compensation, and oversees their work. The Committee reviews financial statements, audits, and disclosures, ensuring compliance with accounting principles and reporting standards. It monitors public disclosure of financial information, reviews audit engagements, assesses internal controls, and oversees the Corporate Risk Register. Additionally, the Committee ensures compliance with governance Policies, addresses complaints, and reviews hiring practices and related party transactions. The Committee has authority to engage advisors, access company records, and communicate directly with auditors to fulfil its duties effectively.

INVESTMENT GOVERNANCE

"Our approach to ESG has matured significantly. Every member of our management team is aware of our ESG approach and how that impacts our strategy. I would say that ESG is firmly embedded within our business – it's second nature to us to do consider ESG in M&A assessment and it informs the way do business."

Pascal Nicodeme, Chief Financial Officer

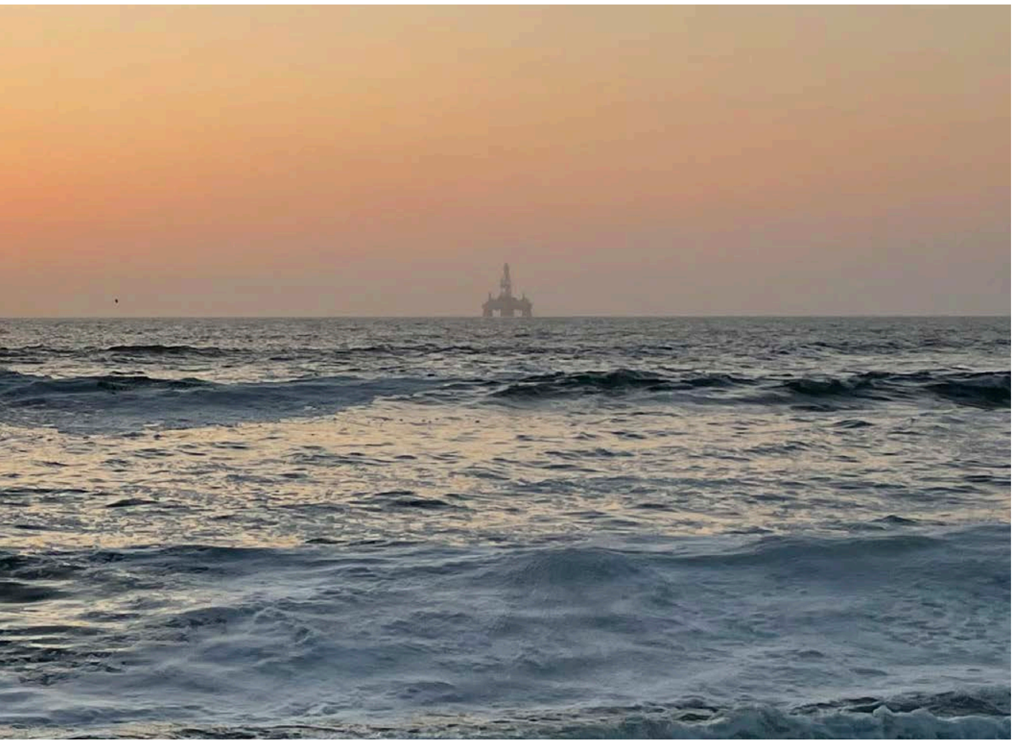
Investment due diligence

The importance of good environmental, social, health and safety (ESHS) governance extends beyond our existing portfolio to potential new investments to ensure they would not expose the Company to undue risks. Our ESG Due Diligence Procedure, developed in 2020, aims to confirm that any new investments adhere to our strategic priorities and ESG Policies and criteria. It outlines the scope of ESG due diligence required for different types of transactions and defines roles and responsibilities.

All potential acquisitions require fiduciary due diligence and ESG red flag screening, including consideration of aboveground risks and GHG emissions in the case of development or producing assets. More material acquisitions including production or operatorship require more thorough ESG due diligence, including potential site visits and preparation of Environmental and Social Action Plans to address any gaps identified relative to International Finance Corporation (IFC) Performance Standards and Equator Principles. All business development activities during the year have included ESG as part of the due diligence conducted.

Above ground risk evaluation begins with a high-level, internal screening, using a standardised methodology that allows for quantitative rating and comparison of above ground risk across countries. Should the opportunity advance to submission of a binding offer, this internal screening is supplemented with an in-depth, independent assessment from a credible above ground risk consultancy, which covers scenarios for the political and security outlook for the country, background on key government stakeholders and relationships and the extent to which the potential target company, associated principals or key counter parties might have been implicated in corruption or allegations of human rights abuses.

TRUSTED PARTNER - CONTINUED



Similarly, acquisition targets are initially screened based on emissions intensity. If the emissions intensity is above the global average, we need to have confidence in the ability to reduce the intensity in order to consider a bid. More detailed phases of due diligence include a thorough assessment of emissions, including the forward profile, emissions drivers and mitigation options. Project economics are also run under a $40/tonne and $100/tonne CO_2 price to assess sensitivity to carbon pricing. In addition to emissions, material acquisitions are subjected to detailed due diligence to assess alignment with IFC Performance Standards and Equator Principles, including risk management practices, labour rights, community relations, human rights, biodiversity and waste management. Independent experts are contracted to perform this analysis.

Should the acquisition proceed, a detailed Environmental and Social Action Plan would be prepared to address any performance gaps identified. Adequately integrating ESG considerations into the due diligence process improves decision-making, provides internal assurance, and ensures alignment with internal ESG Policies. We review the process on a biannual basis, with leadership and guidance provided by the COO and HSEC Manager to ensure we can effectively evaluate the ESG implications of potential investments.

During the course of 2023, Africa Oil did not progress any transactions that did not meet the ESG criteria as defined in our ESG Due Diligence Procedure.

Investment engagement

Following the completion of the due diligence phase, we continue to monitor performance. Post-investment, we maintain a commitment to good governance, ensuring that our standards for responsible and sustainable business practices are upheld.

As a joint venture partner in Prime, we exert influence through our Board positions, which grant us direct engagement, voting rights, and active participation in relevant operational and technical oversight meetings and budget reviews. Prime provides regular updates on key performance metrics through weekly and quarterly reporting. Additionally, we conduct weekly operational updates with the General Manager, offering an opportunity for queries to be raised, feedback given, and guidance provided.

For Africa Oil's equity holdings, the Company maintains governance of sustainability and other matters via positions on the investee companies' Boards. Similar to Prime, the assets held via equity affiliates are operated by experienced and reputable Majors, with strong operational and governance controls. ESG issues are reported to Africa Oil through the board on a case-by-case basis as they arise. Post-year end, Oliver Quinn succeeded Paul Martinez as a non-executive director on the Board of Impact Oil and Gas.

Supplier due diligence

We engage contractors and suppliers across the countries in which we have a presence, covering various services from security to accounting. As part of its procurement process, the Company conducts thorough due diligence assessments to ensure that all third parties meet its high standards of governance and business ethics. This process screens for modern slavery and anti-bribery and corruption (ABC), informed by relevant legislation in the jurisdictions where we operate, including the UK Bribery Act, the Corruption of Foreign Public Officials Act in Canada, and the Foreign Corrupt Practices Act in the US.

Due to the Company's growth agenda and the potential increase in the number of third parties that we may engage, we decided to implement a due diligence platform to screen potential supply and commercial partners, particularly with respect to ESG risks. Following a comprehensive competitive sourcing process, we selected Ethixbase360 to support our third-party due diligence processes. The methodology enables companies to manage their supply chain based on risk exposure from low-touch automated screening across the entire network to enhanced due diligence and hands-on engagement with high-risk suppliers and intermediaries.

This approach was a part of our procurement transformation project which includes an integrated procurement and contract management solution, which will also interface with Ethixbase360. Through this transformation project we expect to see increased efficiency, improved risk management, and cost reductions in the supply chain as our third-party base grows, and further assurance for shareholders in entering commercial and similar agreements.

> The new supplier due diligence process was formally rolled out in **May 2024**.

TRUSTED PARTNER - CONTINUED

CASE STUDY

ENHANCING PRIME'S ESG MANAGEMENT

50%

REDUCTION IN GROSS FLARING EMISSIONS

Africa Oil has a 50% equity interest in Prime Oil & Gas Coöperatief U.A. ("Prime"), which has producing assets in Nigeria's deepwater Niger Delta Basin, operated by Chevron and TotalEnergies.

Prime is committed to enhancing its management of ESG issues. This process of improvement commenced in 2021 when we collaborated with Prime to develop their ESG strategy, including establishing compliance, performance and reporting requirements. In 2022, Prime engaged an independent third party to conduct an Environmental, Social, Health, and Safety (ESHS) assessment in support of its Reserves Based Lending (RBL) facility. Overall, the assessment found ESG management at Prime to be highly effective, and the business commenced addressing the action items that were identified to further strengthen its approach.

To evaluate progress, in 2023 Prime commissioned an ESHS review of the developments made against the recommendations. Foremost, by taking an approach of continuous improvement, ensuring all processes are updated as required and fit-for-purpose, the review recognised the strength of the standards and policies in place. There is a robust risk management process in place, with monthly risk register reviews and monthly meetings of the Ethics and Compliance Committee, wherein new and emerging risks are discussed and assessed.

The 2023 ESHS review reaffirmed the focus areas for Prime and its operators: greenhouse gas (GHG) emissions reduction and facilities integrity management. To progress decarbonisation of operations, Africa Oil has been working with and through Prime to influence the operators to reduce flaring. Notably, changes in operational management in 2023 included commitments to reduce production to prevent flaring during unexpected events. This approach has resulted in a significant reduction in gross flaring from 33.7 mmcf/d to 17.0 mmcf/d. Similarly, Prime has helped focus attention on facility integrity, which is critical for operational efficiency and preventing loss of primary containment (LOPC). Improved management of the facilities has also meant greater production efficiency.

In 2023, there were two reportable spills, one minor and one major. The latter required the deployment of the Oil Spill Contingency Plan. The operator promptly reported the LOPC to the regulator and began the necessary actions to mediate the impacts of the spill, preventing any oil from reaching the shore. Though the final report on the incident has yet to be completed, the operator has already identified the issue that led to the spill and proposed a resolution to avoid a reoccurrence.

Post-year end, TotalEnergies announced its intention to reduce methane leakages to near zero from its operated assets by 2030. The decarbonisation of the O&G industry's operating base is critical to meet the long-term demand outlook. We therefore fully support Total's target of zero methane emissions, which supports the wider industry's efforts on producing O&G responsibly.

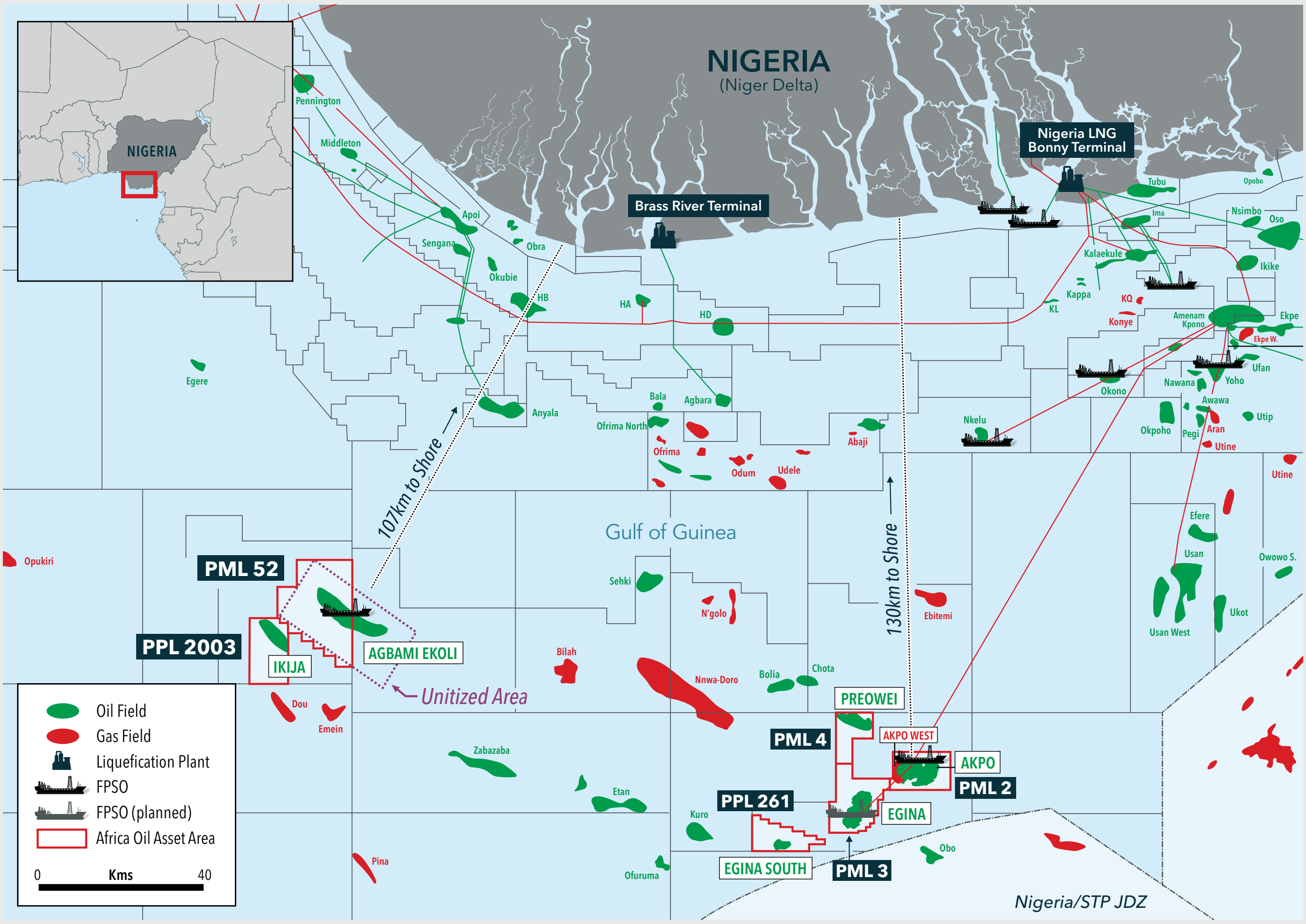
the **focus areas** for Prime and its operators: greenhouse gas (GHG) emissions reduction and facilities integrity management.

Table 3: Prime Health, Safety and Environment Performance

METRIC	2023	2022	2021
Fatalities	0	0	0
Lost Time Injuries	0	0	0
Recordable Injuries	1	6	3
Lost Time Injury Rate	0.00	0.00	0.00
Total Recordable Injury Rate	0.07	0.30	0.18
Spills	2	2	4
GHG Emissions (Scope 1, net to AOC, tCO_2e)	106,578	117,048	126,920
Emissions intensity (Scope 1, $kgCO_2e$/boe)	14.3	13.2	12.4
Production (net to AOC, kboe/d)	19.9	23.5	27.3
Social investment (net to AOC, US$)	58,961*	624,373	915,491

* Host Community Development Trust contributions under PIA only commenced in Q4 2023.

TRUSTED PARTNER - CONTINUED



RESPONSIBLE **STEWARD**

Through our commitment to being a **Responsible Steward** of the environment, it is imperative that we uphold and promote good environmental practices, including with respect to integrating the risks posed by climate change into our strategic decisions. The subsequent section describes our environmental management practices, placing particular emphasis on our approach to assessing climate-related risks, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD).

CLIMATE RESILIENCE

Ensuring access to affordable and cleaner energy sources is crucial for addressing global challenges such as poverty and climate change. We acknowledge the direct and indirect environmental impacts of oil and gas activities, including the release of greenhouse gas emissions through operations. Although our influence at non-operated assets is limited, we collaborate with partners to promote emissions mitigation measures. We continue to disclose our approach to managing climate-related risks in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

> The purpose of the **Governance Pillar** is to disclose the organization's governance around climate-related risks and opportunities.

The Board of Africa Oil recognises climate change presents a range of risks and opportunities that are critical for the business to address. The Company's double materiality assessment reinforced the importance of climate change management to both internal and external stakeholders. Our commitment to managing and mitigating climate risk is codified within our Environment and Emissions Policy, which is available on our website for review.

The Board has oversight of all climate-related issues through the ESGHS Committee, which reports to the Board on a quarterly basis. Climate-related metrics are presented to the Board on a quarterly basis as part of an ESG performance scorecard. The Board also reviews the risk register, which incorporates ESG risks, including climate-related risks.

At executive-level, our CEO is ultimately responsible and accountable for the Company's approach to environmental and climate change management. Following organisational changes in the business, the COO is now responsible for supporting on environmental and climate change management, including maintaining responsibility for ESG strategy, which is embedded into the corporate strategy. Our COO is responsible for identifying and assessing climate change-related business risks and opportunities, defining the Company's emissions management approach and developing and approving action plans suitable to control and mitigate any identified risks. Additionally, our HSEC Manager tracks ESG performance and reporting.

Management is informed of climate-related matters through their participation in Board meetings, attendance at weekly Management Meetings, and interim informal exchanges of information.

All business development activity the Company has undertaken in 2023 has included rigorous ESG due diligence, including an assessment of emissions at the acquisition target, mitigation options and the implications for Africa Oil's climate commitments.

Strategy

> The purpose of the **Strategy Pillar** is to disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Climate change presents both direct and indirect risks to our business via changing weather patterns, local and global policy responses, changing consumer preferences and social action. At the same time, technology evolution, innovation and market developments can offer opportunities for differentiation and growth.

At the 28th Conference of the Parties to the UN Convention on Climate Change (COP28), which took place in Dubai in December 2023, signatories to the Paris Agreement reaffirmed commitment to limiting global warming to 'well below 2°C' above pre-industrial levels by 2050 and pursuing efforts to limit global warming to less than 1.5°C. Countries also called for the first time for "transitioning away from fossil fuels in energy systems in a just, orderly and equitable manner." These commitments increase the macroeconomic uncertainty for companies in the oil and gas sector, emphasising the importance of placing climate change risk at the heart of our strategic decision-making, and of minimising our climate impact.

At the same time, global energy demand is projected to continue growing, and emerging economies in Africa and other geographies are looking to their fossil resources to underpin economic growth, meet underserved domestic demand, finance their own energy transition, and help to pay for urgently needed climate adaptation measures. Our strategy therefore aims to balance environmental, energy security and economic objectives by investing in efficient producing assets and working with our partners to minimise emissions.

The tables on the next page identify the climate-related risks and opportunities facing the business, together with the time period in which they are likely to affect the business and the actions we are taking to mitigate them. We define the short-, medium-, and long-term time horizons as 2025, 2030, and 2050 respectively. Though the long-term time horizon as defined may exceed some of the current assets' anticipated lifetimes, it accounts for business development activities such as potential asset acquisitions and other investment decisions that may extend the Company's activities beyond the timelines currently associated with the existing portfolio.

RESPONSIBLE STEWARD - CONTINUED

Table 4: Climate-Related Risks and Opportunities

Transition: Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change.

TYPE	RISK	POTENTIAL OUTCOMES	MITIGATING ACTIVITIES	TIMEFRAME*
MARKET	**Changing consumer preferences for low carbon sources of energy, transport and products and services.**	Demand for oil and gas may erode as clean alternatives come to market and gain scale. Reduced demand for oil and gas may result in stranded reserves or resources and negatively impact the Company's valuation and share price.	The Company will work with and through our partners to reduce operational costs as much as possible without sacrificing health and safety or longer-term efficiency and environmental goals to ensure they remain resilient in a low demand, low oil price environment. Scenario analysis suggests our current assets remain relatively competitive in a low demand environment (see Scenario Analysis section on Page 30). We will update the analysis on a regular basis and ahead of new project sanction to minimise the risk of stranded assets.	M-L
	Commodity price volatility	Unbalanced investment in traditional vs. new energy technologies and sources, combined with uncertain demand dynamics, may lead to commodity price volatility. Volatile commodity prices, particularly sharp declines in oil or gas prices, may negatively impact the Company's earnings, cash flow, valuation and share price, as well as our ability to pay down debt. In a worst-case scenario, the company could become insolvent and have its assets repossessed.	The Company via Prime maintains an active hedging strategy to manage oil price volatility and regularly reassesses the appropriateness of the strategy relative to market conditions. Additionally, the Company maintains a prudent budget and financial strategy to ensure the business remains resilient in a low oil price environment. All investment opportunities are evaluated against a range of commodity price cases and timed with consideration for commodity price cycles.	S-M
	Increased cost of goods and services	Supply chains may become constrained, as suppliers adjust their strategies and product mix in response to the energy transition, resulting in increasing costs for some goods and services.	As a primarily non-operating partner, Africa Oil does not directly control procurement decisions associated with our assets. The Company will work with our partners to ensure adequate contingency for cost inflation is incorporated into capital and operating budgets and that costs are controlled within budget. For the supplies Africa Oil does procure, the Company has introduced ESG factors into supplier due diligence procedures starting in 2024, which will allow for monitoring of climate risks within our supply chain.	L
	Decreased access to capital	Increasing investor and lender concerns regarding climate resilience could limit access to capital, increase the cost of that capital via higher interest rates or result in direct costs associated with new measures to meet investor expectations.	In addition to publishing public climate disclosures, Africa Oil regularly engages with investors and lenders to understand their climate policies and requirements and to inform them about the steps the Company is taking to manage climate risks.	M-L
LEGAL	**Litigation related to the Company's contribution to climate change based on our involvement in oil and gas extraction**	Climate-related litigation could result in liabilities or loss of license related to current or historical activities' contribution to global emissions. Even if the Company is not directly targeted by litigation, operations may be indirectly impacted by outcomes in related cases involving other oil and gas companies in jurisdictions where we operate.	We do not consider Africa Oil at immediate risk of climate litigation but are monitoring developments closely and will seek legal counsel as required to remain abreast of potential legal action against the Company or industry more broadly and its implications for our business.	S-M

RESPONSIBLE STEWARD - CONTINUED

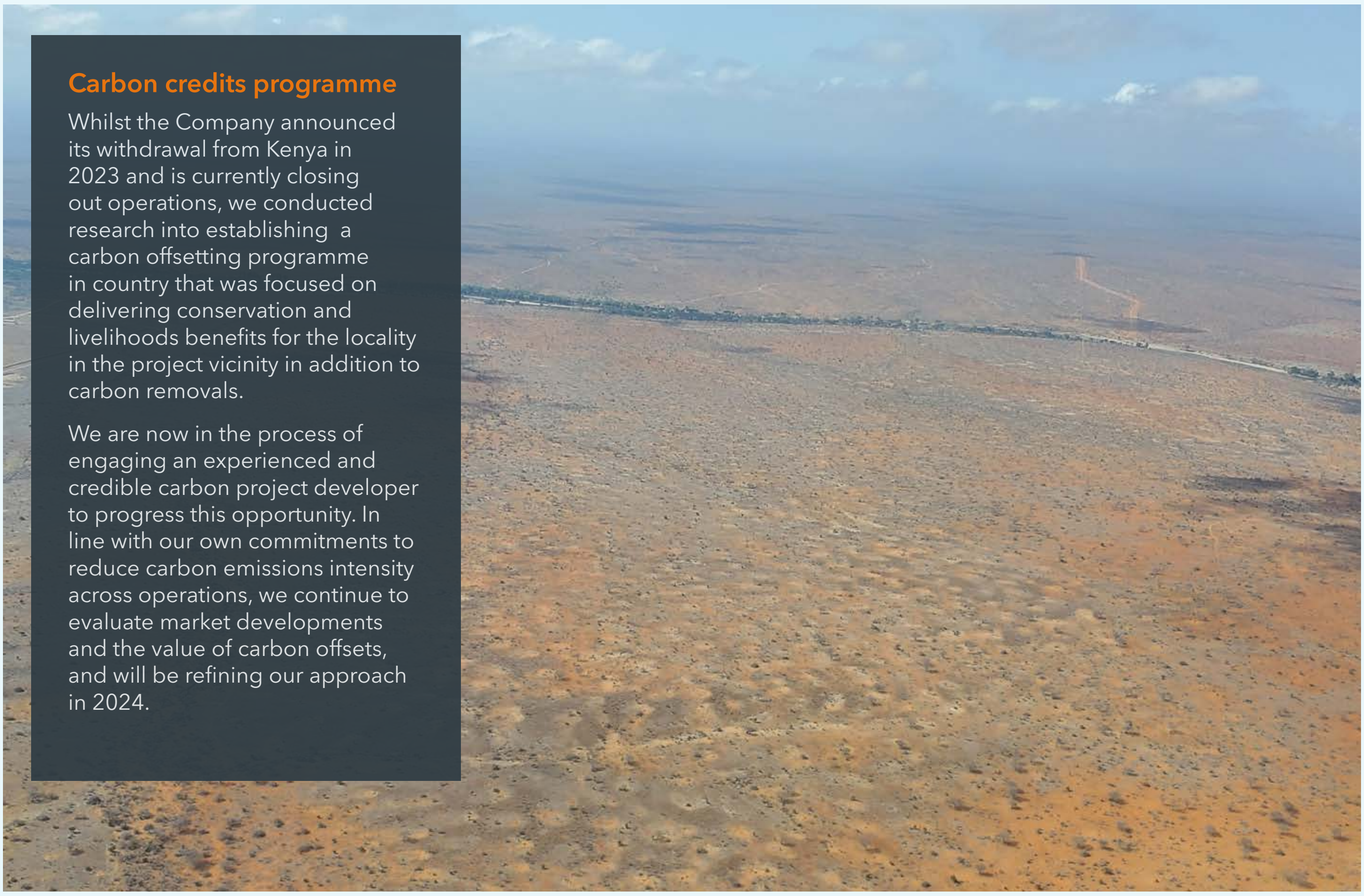
TYPE	RISK	POTENTIAL OUTCOMES	MITIGATING ACTIVITIES	TIMEFRAME*
REPUTATION	**Environmental activism**	Increased scrutiny, pressure and action by environmental activists, non-governmental organisations and other stakeholders may result in disruption to operations or loss of license to operate. Such disruption may negatively impact cash flows, returns or the value of our portfolio. Similarly, companies within the sector and our supply chain may make emissions performance and climate risk management explicit in partner or contract decisions, restricting our ability to operate or increasing costs.	Africa Oil proactively engages with the communities and other stakeholders where we operate to keep them informed about the impact of our operations on the environment and their livelihoods. The Company also ensures proper security is in place to minimise the impact of any potential disruptions and prevent harm to staff, bystanders and assets.	S-L
	Increasing scrutiny on nature-related impacts	Climate and biodiversity are inextricably linked. Increasingly companies are required to consider their broader nature-related impacts and dependencies. Business activities that negatively impact biodiversity might lead to reputational damage or loss of license to operate. Reliance on ecosystem services that may be disrupted in the future due to changes in weather patterns and biodiversity could expose the company to operational delays and cost increases.	For any proposed project, Africa Oil ensures that an ESIA is developed. This includes an assessment of the nature-related impacts and dependencies of the project, and the necessary steps to reduce negative impacts on the local environment. An environmental management plan is then developed to ensure that, in the delivery of the project, risks are managed appropriately so as to prevent or mitigate impact.	S-L
POLICY	**Increased regulation related to climate change**	Since the Paris Agreement was signed in 2015, countries have steadily enacted policies to enable the transition to a low carbon future and meet their Nationally Determined Contributions (NDCs). This includes the governments of countries where Africa Oil conducts business. These policies may directly or indirectly increase the cost of doing business in these countries, including through the introduction of carbon taxation or other pricing schemes and fines for flaring or excess emissions, or potentially restrict our ability to operate.	Africa Oil regularly monitors the evolving regulatory landscape, both globally and in our countries of operation, to anticipate the impact of new climate-related measures and ensure we remain compliant. Additionally, the Company works with our JV and operating partners to minimise operational emissions, which should help to remain aligned with evolving regulatory requirements and minimise negative impacts. Finally, the Company tests the economics of all new business development opportunities under $40/tonne and $100/tonne carbon pricing scenarios.	S-M

RESPONSIBLE STEWARD - CONTINUED

Physical: Physical risks to existing operations resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns.

TYPE	RISK	TIMEFRAME*
Physical risk to offshore facilities due to extreme weather events like storms	We recognise that all countries in which we operate have already experienced and may be vulnerable to future direct physical impacts from increasing temperatures and changing weather patterns. Scenario analysis suggests exposure to future changes in physical climate hazards is relatively minimal compared to the historical baseline (see Scenario Analysis section on Page 31). We will continue to monitor our assets' exposure to physical climate risks as our portfolio and the global scientific community's understanding of changing climate patterns evolves.	L

TYPE	OPPORTUNITY	POTENTIAL OUTCOMES	TIMEFRAME*
Technology	Evolution of clean energy technologies	These technologies present opportunities for integration with our operations to lower our own emissions footprint.	S-L



Carbon credits programme

Whilst the Company announced its withdrawal from Kenya in 2023 and is currently closing out operations, we conducted research into establishing a carbon offsetting programme in country that was focused on delivering conservation and livelihoods benefits for the locality in the project vicinity in addition to carbon removals.

We are now in the process of engaging an experienced and credible carbon project developer to progress this opportunity. In line with our own commitments to reduce carbon emissions intensity across operations, we continue to evaluate market developments and the value of carbon offsets, and will be refining our approach in 2024.

RESPONSIBLE STEWARD - CONTINUED

Transition Risk

Africa Oil first conducted scenario analysis in 2021 to understand the risks to our portfolio from the transition to a low carbon future. Since that time, the Company's portfolio has evolved significantly, including discovery of the Venus oil field in Namibia, exit from Kenya and award of Blocks 18 and 31 in Equatorial Guinea. Given these changes, we updated the scenario analysis this year using the three scenarios of future energy demand and supply published by the International Energy Agency (IEA) in the 2023 World Energy Outlook: Net Zero Emissions by 2050, Announced Pledges, and Stated Policies.

Net Zero Emissions by 2050 Scenario (NZE):

NZE is consistent with limiting global warming to 1.5°C (with at least 50% probability and limited overshoot) and also meeting the energy-related UN Sustainable Development Goals, including universal access to modern energy services. Under this scenario, global greenhouse gas (GHG) emissions would fall 35% by 2030, 65% by 2035, ~80% by 2040 and reach net zero by 2050. Achieving these reductions implies a rapid drop in oil and gas consumption, a massive push into renewable energy, large gains in energy efficiency, and rapid development and scaling of new technologies, including carbon capture. Another major focus is reducing methane emissions from fossil fuel operations. Oil demand in NZE falls to 77 mmb/d in 2030, 41 mmb/d in 2040 and 22 mmb/d by 2050. The decline is led by road transport, where 60% of all passenger cars sold globally are electric by 2030, and no new combustion engine cars are sold anywhere after 2035. Petrochemicals are the only area where demand increases and by 2050 account for 70% of all oil consumed, together with other products like paraffin waxes and asphalt where oil is not combusted. Prices fall along with demand, to $42/bbl in 2030 and $25/bbl in 2050. Natural gas consumption also declines, though at a slower pace than oil demand, falling 18% by 2030, 63% by 2040 and 78% by 2050. Despite rapid growth in renewables, natural gas continues to provide flexible back-up power generation until battery storage and demand response technologies scale. Gas prices fall faster than demand, dropping rapidly from the highs experienced over the last two years to reach $4.3/Mbtu in 2030, but then more or less remain in that price range through 2050.

Announced Pledges Scenario (APS):

APS assumes that governments will meet the climate change targets and related pledges contained in their Nationally Determined Contributions (NDCs) under the Paris Agreement. The scenario also takes into account corporate, industry and sub-national net zero targets and climate commitments, such that global warming is limited to 1.7°C above pre-industrial levels. Similar to NZE, global liquids and natural gas demand is assumed to have already peaked, though the rate of decline is slower, falling only ~45% by 2050 vs. ~80% in the NZE. Though EV penetration reaches 75% of passenger vehicle sales by 2050, fuel substitution for maritime shipping and aviation progresses more slowly in the APS. Natural gas demand persists for longer, especially in developing economies, where there is slower renewable penetration. Oil prices decline to $74/bbl in 2030 and $60/bbl in 2050, while natural gas prices slide to $6.5/Mbtu by 2030 and $5.4/Mbtu in 2050.

Stated Policies Scenario (STEPS):

Whereas APS is based on policy ambitions, STEPS projects forward the policies currently in place. Under this scenario, oil demand would continue to increase until 2030 before gradually declining again to near 2023 levels by 2050, with expanded EV penetration offset by growing petrochemical and aviation demand. Natural gas demand follows a similar trajectory, with a 40% reduction in demand in advanced economies offset by increased demand from developing countries. As a result, oil prices remain robust, averaging $84/bbl across 2030-2050. Natural gas prices similarly decline over the remainder of the decade and then hover around $7/Mbtu through 2050.

RESPONSIBLE STEWARD - CONTINUED

Carbon pricing:

The IEA anticipates carbon prices being introduced at different levels and at different speeds based on geography and stage of economic development. In the NZE, carbon prices are needed in all regions, rising by 2050 to an average of \$250/ tonne of CO_2 (tCO_2) in advanced economies, \$200/tCO_2 in other economies with net zero pledges, including South Africa, and \$55/tCO_2 in other emerging economies. Under the APS, the carbon price for emerging economies with net zero targets is \$160/ tCO_2 in 2050 and \$47/tCO_2 for other emerging economies. In the STEPS, on the other hand, only existing and planned carbon pricing schemes are included, such as the EU's and China's emission trading systems. Though South Africa has an existing carbon price, this is not reflected in the STEPS. For Africa Oil's purposes, we have used South African government projections for the CO_2 price in the STEPS scenario.

The analysis looked at the impact of these scenarios on the economic viability of Africa Oil's producing assets in Nigeria, discovered resources in Namibia and potential discoveries in a success scenario at our exploration licenses in South Africa and Equatorial Guinea. Under all three IEA scenarios, including the NZE, the portfolio remains relatively resilient to projected changes in demand and commodity and carbon prices. Though declining oil prices under the APS and NZE would negatively impact asset NPVs, those NPVs remain positive under all scenarios with only one exception. Moreover, our assets remain competitively positioned relative to other sources of supply in terms of both the field economics and emissions profiles, such that we would expect minimal risk of stranded reserves. This is especially true for our Nigerian assets, which are already producing and benefit from low operating costs, such that their breakeven costs are well below the commodity prices forecast under these scenarios. As a result, we would expect these assets to continue producing to meet residual oil demand. Though the breakeven prices associated with potential greenfield development opportunities in Namibia, South Africa and Equatorial Guinea are higher, they are still aligned with the oil prices prevailing at the anticipated time of development under the NZE.

The following table illustrates the impact of the projected future oil prices and carbon prices used in each scenario on the Net Present Value (NPV) and reserves associated with our producing portfolio, which are the only assets with which the Company has recognised reserves. The majority of impact results from changes in oil demand and associated oil price movements. Carbon prices have a relatively minor impact on NPV. Though portfolio NPV remains positive under all scenarios, there is a significant decrease in NPV in the NZE in particular. Understanding this risk places increased emphasis on working to reduce both emissions and costs across our portfolio to ensure our assets remain resilient as the world transitions to a lower carbon future.

Table 5. Scenario Analysis Impact Summary

	NZE	SDS	STEPS
Impact on NPV from oil price changes	>35%	6-20%	≤5%
Impact on NPV adjusted for carbon prices	≤5%	≤5%	≤5%
Impact on reserves from oil and carbon price changes	6-20%	≤5%	≤5%

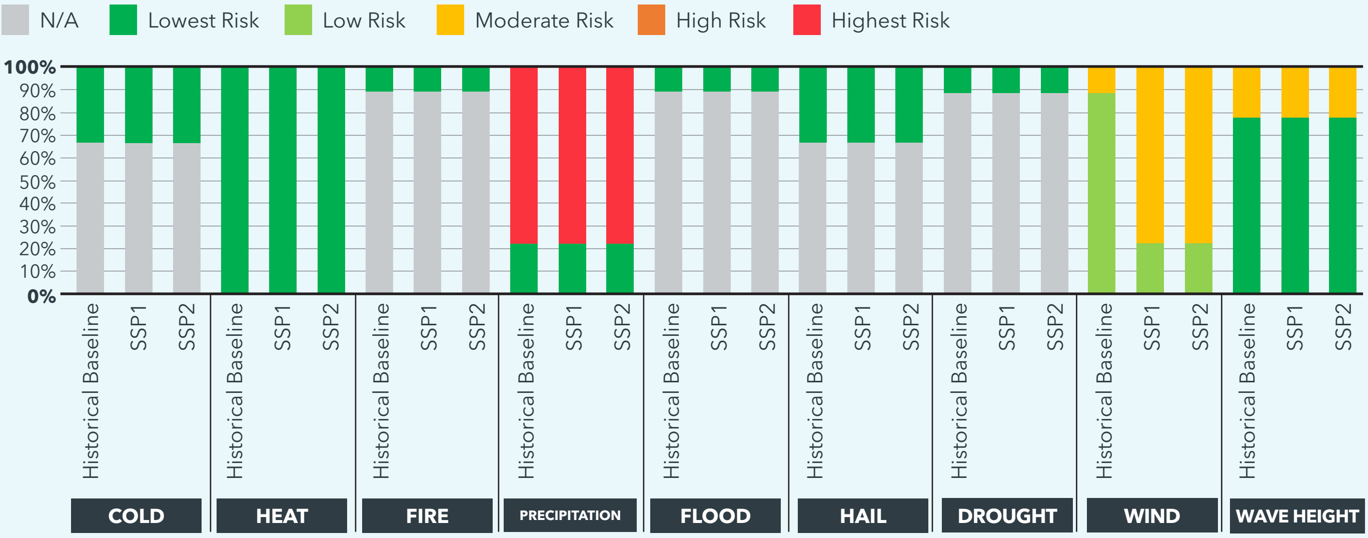
RESPONSIBLE STEWARD - CONTINUED

Physical Risk

In addition to understanding the risks to the Company's business posed by changing demand patterns, in 2022, we engaged global climate risk analytics company Jupiter Intelligence to provide a detailed assessment of the Company's exposure to physical climate risks. We have likewise updated that analysis to reflect the geographic composition of the current portfolio.

Nine climate hazards were assessed under two IPCC climate scenarios: SSP1-2.6, consistent with <2˚C global warming and the IEA APS used to assess transition risks, and SSP2-4.5, consistent with 2˚C-3˚C global warming and the IEA STEPS. Each asset location was assessed for exposure to projected changes in heat, cold, fire, precipitation, flood, drought, wind, hail and wave height. The results are shown in the chart below.

Chart 1. Physical Climate Risk Scenarios



Not all hazards are relevant for all asset locations. Specifically, fire, flood and drought are not relevant to the offshore assets. Additionally, cold and hail are deemed irrelevant for all equatorial asset locations.

Exposure to the other hazards is projected to remain relatively consistent across both the <2˚C scenario and 2-3˚C scenario. The only exception is wind, where the number of assets exposed to moderately high wind speeds (~155-180 km/h) in a 100-year event would be expected to increase in both SSP1 and SSP2, compared to the historical baseline. Though nearly 80% of assets might be expected to experience extreme precipitation levels during a 100-year event across all scenarios, including historically, the risk of flooding remains very low, given the predominately offshore locations. Similarly, the equatorial asset locations are all exposed to >150 days per year where the wet-bulb globe temperature (which factors in humidity, as well as heat) exceeds 32˚C; however, in no location are temperatures expected to reach dangerous levels.

Based on this analysis, we would expect our assets to remain resilient to future changes in physical climate patterns.

Risk management

> The purpose of the **Risk Management Pillar** is to disclose how the organization identifies, assesses, and manages climate-related risks.

Our risk management framework ensures we effectively and appropriately identify, monitor and address climate risks to our business and investments, in addition to identifying and capitalising on potential opportunities. The Company maintains a risk register by which it monitors financial, operational and ESGHS risks to the company, including climate-related risks. All risks on the register are allocated a Risk Level (denoting the level of risk that would be present if no action was taken to reduce the likelihood or severity) and a Residual Risk Level (after preventative and mitigating actions). Risks are reviewed quarterly by the responsible member of the Management team, as well as the Audit Committee, and the full Management team conducts a comprehensive review of all risks and their relative ratings annually.

Climate-related risks account for a significant proportion of the ESG risks included in the register and have been assessed in the same way as all other risks, including considering the preventative and mitigating actions necessary to contain the risks. For climate-related risks, mitigation actions include frequent review of the international regulatory landscape, alignment with TCFD recommendations and identification and implementation of emissions reduction measures.

When conducting investment due diligence, we put particular focus on understanding the potential climate risks associated with the investment and how Africa Oil would manage those risks. All potential investments are initially screened based on their emissions intensity. Advanced stages of due diligence include a detailed assessment of emissions mitigation opportunities. Additionally, the economics of all potential acquisitions are evaluated for sensitivity to carbon pricing, under both a $40/tonne and $100/tonne carbon price assumption.

Metrics and Targets

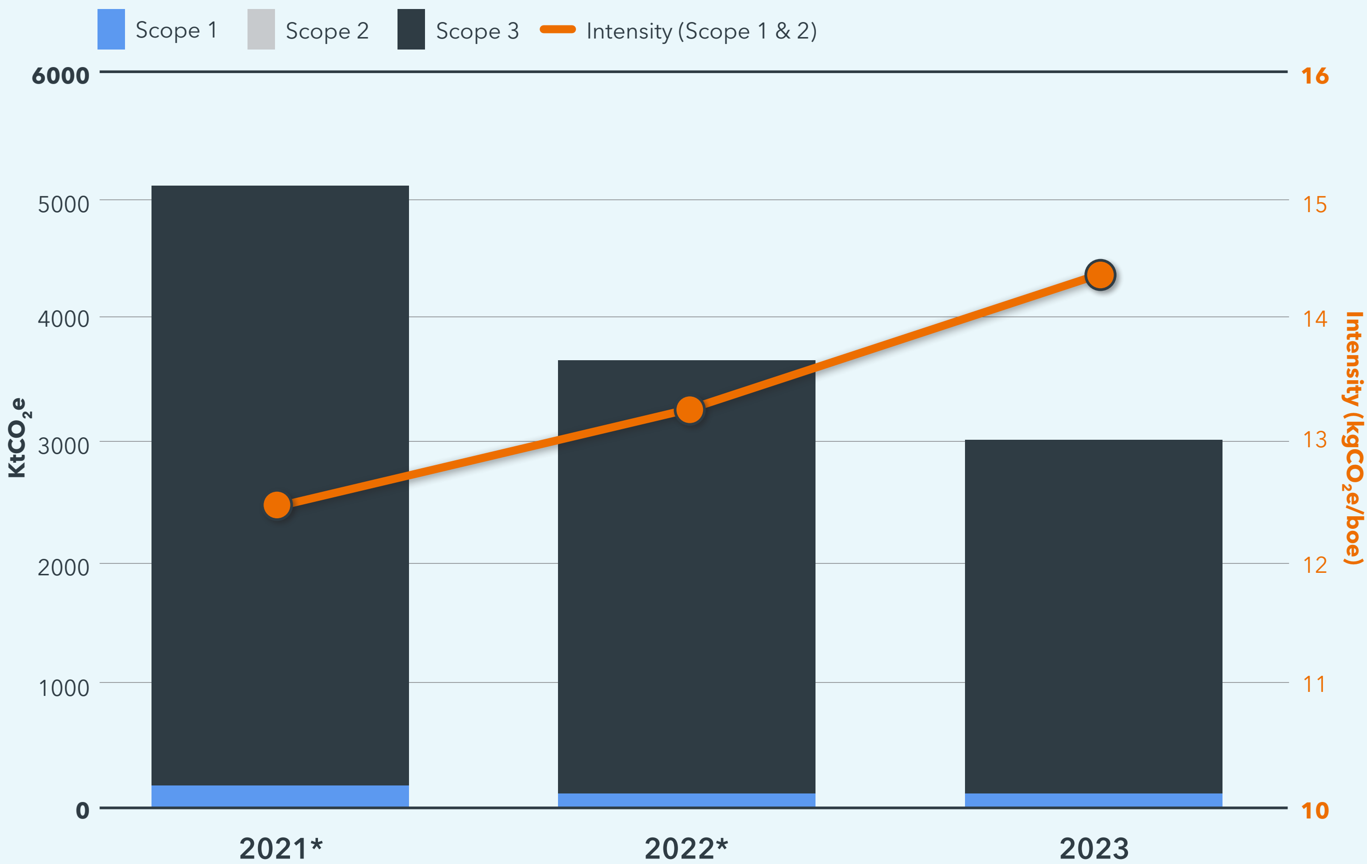
> The purpose of the **Metrics and Targets Pillar** is to disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

The key metrics used to measure climate-related risks and opportunities are Scope 1, 2 and 3 emissions, Scope 1 emissions intensity and value-at-risk due to carbon pricing and changes in demand under low carbon scenarios.

Net Scope 1 and 2 emissions in 2023 totalled 106.6 ktCO_2e vs. 117.2 ktCO_2e in 2022. Emissions from flaring, in particular, declined 31% to 25.3 ktCO_2e. However, emissions intensity increased to 14.3 kgCO_2e/boe from 13.2 kgCO_2e/boe due to production decline. Scope 3 emissions associated with business travel and use of the crude and natural gas sold totalled 2,938 ktCO_2e, with end-use emissions accounting for 98% of the total.

In 2023, 7.5% of executive compensation was linked to emissions performance, specifically continued progress on development of the Company's climate change strategy and minimization of flaring related emissions. The level of linked compensation and relevant metrics will be reassessed annually.

Chart 2. Emissions Trends 2021-2023



By the end of 2023 we had achieved a 17.5% reduction in our absolute emissions since first reporting our emissions in our 2020 ESG Review. Our short-term ambition is to achieve a 25% reduction in absolute emissions on our existing portfolio of non-operated producing assets by the end of 2025 compared to the 2020 base line. In the medium term, we will continue to support our operating partners as they work towards zero routine flaring and further absolute emissions reductions.

RESPONSIBLE STEWARD - CONTINUED

ENVIRONMENTAL MANAGEMENT

As responsible stewards of our investments, we are committed to minimising the environmental impact of our oil and gas activities. We act in compliance with applicable environmental laws and regulations in the countries where we hold assets, and we manage our activities according to international industry best practice.

Our approach

The performance expectations that we set are embedded in our ESG Policies and Standards of Operation and apply to all our assets irrespective of operatorship. In cases where operational control sits with our partners, we liaise with them to align performance expectations. Our approach to environmental management includes identifying all potential environmental risks and impacts of our operations, engaging with relevant stakeholders on perceived or actual impacts, obtaining all necessary permits and licenses for our activities, rigorously investigating all environmental incidents and maintaining emergency response procedures to limit the risk to the operating environment. Africa Oil's Environment and Emissions Policy contains specific considerations for water, waste and biodiversity management. Our water management plan emphasises minimising consumption, mitigating our impact upon associated water bodies, and monitoring and safely disposing our waste streams.

Likewise, we rely on the mitigation hierarchy to manage biodiversity and ecosystem impacts. The Company aims to achieve no net loss of biodiversity or, where feasible, a net positive impact. In 2023, we updated the Environmental Policy (now, the Environment and Emissions Policy) to include commitments to avoid exploration or development in UNESCO World Heritage sites, Strict Nature Reserves or Wilderness Areas. The Company also committed to identify nature dependencies and impacts, risks and opportunities, and set biodiversity targets by 2025.

Owing to the size of our employee base, the company office is a small, modern, and appropriately sized workspace. Our underlying direct carbon emissions are therefore minimal. Being located in Central London also allows our employees to make convenient use of public transport links.

STRONG **COMMUNITIES**

It is our duty to support **Strong Communities**, prioritising the wellbeing of both our employees and the individuals residing in the local communities where we operate. The following section details our approach to upholding the highest standards of occupational health and safety, protecting human rights, providing a supportive working environment, and delivering value to local communities.

OCCUPATIONAL HEALTH AND SAFETY

Africa Oil is committed to providing a safe and healthy working environment for our employees and contractors. We put the protection of people first, and it is our continued and overarching objective to achieve zero harm in the workplace. Our Health & Safety Policy is shaped by the World Bank Group's Environmental, Health and Safety guidelines, industry best practice, and national regulatory requirements. We plan and manage our activities based on good international industry practice including the International Finance Corporation's (IFC) Performance Standards on Environmental and Social Sustainability. In instances where there is a discrepancy between national law and industry practice, we adhere to the most stringent requirement. The COO holds the responsibility for implementing and enforcing the Policy, subject to annual review and approval by the Board.

When visiting sites controlled by operators, Africa Oil staff are bound by the expectations, requirements, and procedures stipulated by the operator. Aligning with our steadfast commitment to the highest health and safety standards, we document any incidents considered reportable within our premises, and expect the same diligence from our partners and associate companies. Beyond our premises and areas where we exert operational control, we collaborate with our operating partners to ensure alignment between their health and safety (H&S) processes and our Health & Safety Policy.

Last year was a strong year in terms of H&S performance, **with no fatalities, no lost-time injuries** and only one recordable incident in Nigeria, relating to a minor injury.

STRONG COMMUNITIES - CONTINUED

HUMAN RIGHTS

We place the highest value on the human rights of our workforce and local communities where we operate and are committed to aligning with international human rights standards. This ethos governs our interactions with all stakeholders, including employees, contractors, partners, civil society organisations, and the local communities where we conduct business. This approach is codified in our Community Relations and Human Rights Policy, subject to annual review and approval by the Board, with responsibility for implementation and enforcement resting with the COO.

To proactively address any actual or potential human rights impacts resulting from our operations, whether direct or indirect, we will complete a comprehensive human rights assessment prior to any new investment. This is conducted as part of either an ESIA or the detailed ESG due diligence process. Discrimination, harassment, or physical assault in the workplace are not tolerated, and employees are encouraged to report any perceived violations through our Whistleblower Policy.

There were no reported human rights violations at any of Africa Oil's operations in 2023.

ENGAGEMENT AND WELLBEING

While we have a workforce of fewer than 30 individuals, providing a supportive working environment that meets our employees' needs is something the Company takes seriously. We have existing development opportunities and engagement procedures but sought to develop a more structured approach to people management. As such, in 2023 we recruited an HR Director to create an HR plan for the business, formalising the processes we have in place and scaling up our employee value proposition.

Employee engagement tends to be on a one-to-one basis. Since the arrival of our new CEO, we have introduced Town Hall meetings to ensure there are regularly scheduled company updates. We also utilise our HR system to make announcements and issue reminders concerning such matters as HR processes and employee benefits. Employees are encouraged to share their views and provide feedback to their line managers, and are able to raise concerns through the Company's whistleblowing channels.

We offer a comprehensive benefits package to our employees that includes medical coverage and a pension programme, which was reviewed in 2023. We can offer our employees flexibility in their working arrangements, and following leaves of absence, will make arrangements to support employees on return to work, including modified work, office hours and responsibilities. To promote employee wellbeing we have an employee assistance programme (EAP). We also appointed an Occupational Health Advisor in 2023.

We continue to develop our approach to wellbeing, including offering wellness tests and assessments and establishing a Mental Health First Aider programme. In early 2024, we completed the move to new offices in London. This modern, larger space will be more comfortable for our employees and is sized to allow for expansion of the workforce.

DIVERSITY, EQUITY AND INCLUSION

To foster a positive and safe environment for all employees, we are committed to promoting diversity, equity and inclusion (DEI) in the workplace. We do not tolerate discrimination on the basis of age, colour, disability, ethnicity, family or marital status, sex, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and any other characteristics that make our employees unique. Our DEI Policy enshrines our approach and the responsibilities of the Board, Executive Officers and employees to uphold our principles. We are planning unconscious bias and DEI training for 2024 , with the objective to host the sessions online to allow everyone to attend.

Broader representation allows diversity in thought, which is valuable for driving innovation. Thus, it is important that our leadership comprises a diverse range of individuals. We have targeted 30% female representation and 15% representation from other designated groups on the Board and Executive by 2025. We are proud to have already achieved 33 % female representation on the Executive Team. In Equatorial Guinea, we recruited a Country Manager to establish a continual presence in country. We took the decision to hire an Equatoguinean national with extensive experience in the industry, and an established network that will allow us to more effectively engage local and national stakeholders.

STRONG COMMUNITIES - CONTINUED

EMPLOYEE DEVELOPMENT AND RETENTION

Our approach to employee development has always been to encourage people to gain exposure to parts of the business beyond their traditional remit, rather than narrowly defining each job description. This enables individuals to build new experience, facilitates a more comprehensive understanding of and appreciation for the business, and promotes exchange of expertise and ideas.

We continue to encourage colleagues to seek out training opportunities and attend conferences to enhance their skills and knowledge. We also have a process through which individuals can apply for funding for formal training programmes. Currently two of our employees are being sponsored to undertake external programmes: an MBA and a qualification from the Chartered Institute of Personnel and Development.

To formalise our offering, our new HR Director is developing a Training and Development Policy. We will be introducing a skills training programme which gives employees access to an online repository of training courses. In early 2024 we signed off on a new performance bonus programme based on Company and individual KPIs, and this will be supported by a performance management process which appraises individuals on progress against individual objectives. We have also extended the LTIP to offer junior employees Company shares.

As departments are in most cases one-person operations, succession planning is not therefore feasible for any position other than the CEO. Nevertheless, we have established an effective handover process in the event of an employee leaving the business. Individuals are given time to produce handover notes, support their successor in moving into the role, and ensure that all documentation has been reviewed and shared.

COMMUNITY ENGAGEMENT AND SUPPORT

Though we do not operate the majority of our assets, Africa Oil has a responsibility to ensure operations do not negatively impact surrounding communities. Further, we recognise the value of nurturing strong ties with local communities and using our resources to build mutually beneficial relationships that support the license to operate.

Case study:

Community engagement in 3B/4B EIA process

Meaningful stakeholder engagement is invaluable in the shaping of projects. Community input can be particularly helpful in ensuring that work conducted is considerate of the various requirements of different local groups. Transparency and openness also build trust and support a company's social license to operate.

In 2023, the Company and its JV partners for Blocks 3B/4B in South Africa prepared an EIA for exploration drilling. One of the key objectives of the assessment was to undertake a fully inclusive public participation process (PPP) to ensure that interested and affected parties (I&APs) were afforded the opportunity to learn about the proposed exploration programme, and have their issues and concerns recorded and addressed.

During the PPP, the project team introduced the exploration programme and explained the authorisations required and the environmental studies completed and yet to be undertaken (where applicable). It was an opportunity to solicit and record any issues, concerns, suggestions, and objections to the proposed programme, as well as gather input and local knowledge. Through the process, lines of communication between the I&APs and the project team were established and formalised.

A critical outcome of the stakeholder engagement process is identifying all significant issues for the project to inform possible mitigation measures and management plans to minimise and/or prevent negative environmental or social impacts, and maximize and/or promote positive environmental or social impacts.

Between 31 July – 5 August 2023, 10 public meetings were held, and 12 open day sessions were conducted in early 2024, with another series of public meetings undertaken during 15 April – 9 May 2024. These meetings and open days took place at locations along the West Coast, whilst one of each series was held online. The comments received from I&APs during the initial call to register and the commenting period so far have been captured in the Public Participation Report (PPR). Comments raised covered a wide range of matters, including employment opportunities, spillage mitigation measures, duration of drilling activity, impact on biodiversity and impact on livelihoods of communities.

STRONG COMMUNITIES - CONTINUED

SOCIAL INVESTMENT FRAMEWORK

To provide structure to our community development initiatives, the Company developed a Social Investment Framework during 2023 with the support of the Lundin Foundation. The framework defines priority areas for future social investments across all locations where the Company operates and provides a clear and simple narrative for use with regulators, communities and potential project partners.

The framework is first being deployed to guide allocation of the US$200,000 annual commitment to social programmes required under our Production Sharing Agreements in Equatorial Guinea. In addition, the company has a US$200,000 annual commitment to provide training to the Equatorial Guinea Ministry of Mines & Hydrocarbons and the National Oil Company.

To establish the priority areas for investment, we considered common needs of societies in Africa Oil's countries of operation, investment areas that could support Africa Oil's operational effectiveness, and our own principles of social responsibility. The resulting framework is aligned to the UN's Sustainable Development Goals (SDGs) and is structured around three strategic pillars:

- **Education and capability building:** Support programmes that focus on accessibility to educational programmes, vocational skills training, and community capacity building.
- **Community health:** Promote access to healthcare, with an emphasis on reducing child mortality and disease prevention.
- **Access to clean energy:** Catalyse local economic and social development through improved access to safe, sustainable energy solutions. Support programmes that make use of easily adapted/implemented technology for efficient energy use.

As part of the social investment framework, we have defined a process for advancing community investment programmes, including the individuals responsible for each stage. All social investment agreements must comply with the Company's Anti-Corruption Policy. This includes, but is not limited to, completing third-party due diligence procedures for any consultant or partner that will implement community investments with AOC funding.

With the recruitment of a Country Manager in EG, and plans underway to establish an office in country, we are strengthening our local presence and thus our ability to run a meaningful programme that brings wide-ranging benefits to the local communities.

An initial scoping exercise with the government was undertaken in late 2023 to understand the Equatoguinean Government's expectations and requirements for social investment. A range of potential social investment projects were identified, and the social investment framework was then used in early 2024 to prioritise and select projects for investment and implementation.

GUIDING STATEMENT	**Africa Oil aims to enhance the quality of life in local communities and establish a durable social license to operate**		
STRATEGIC PILLARS	Education & Capability Building	Community Health	Access to Clean Energy
GOALS	Support programmes that focus on supporting accessibility to educational programs, vocational skills training and community capability building.	Promote programmes that focus on access to healthcare, with an emphasis on reducing child mortality and disease presentation.	Catalyze local economic and social development through improved access to safe, sustainable energy solutions. Support programs that make use of easily adapted/implemented technology for efficient energy use.
PROGRAM AREAS	Access to Education	Access to primary Health Care	Access to Clean & Efficient Energy
	Capacity Building & Training	Reduced Infant & Child Mortality	Provision of Clean Cooking Solutions
	Vocational Building & Training	Health and Disease Protection	
SDG's ALIGNMENT	8 DECENT WORK AND ECONOMIC GROWTH 4 QUALITY EDUCATION 10 REDUCED INEQUALITIES	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING	7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION

Case study:

Community development project in South Africa

As part of the consortium in the Block 3B/4B project in South Africa, we support a community sustainable garden project implemented by our partner, Eco Atlantic. The project is being delivered in partnership with a school, with the objective of enhancing food sustainability in the locality by creating a garden space for students.

The concurrent teaching programme will allow students to learn about sustainable food production and to be responsible for the upkeep of the garden. During the year, students received gardening skills training and partook in the planting and maintenance of crops in the garden, monitoring and reporting of crop growth, and the harvesting.

SASB STANDARD

Table 1. Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Unit of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2023 Performance
GREENHOUSE GAS EMISSIONS	Gross global Scope 1 emissions	Metric tons (t) CO_2e	EM-EP-110a.1	305-1	11.1.5	106,578
	Percentage methane	Percentage (%)	EM-EP-110a.1	305-1	11.1.5	2.78%
	Percentage covered under emissions-limiting regulations	Percentage (%)	EM-EP-110a.1	305-1	11.1.5	23.8%
	Amount of gross global Scope 1 emissions from:	Metric tons (t) CO_2e	EM-EP-110a.2	305-1	11.1.5	
	(1) flared hydrocarbons					25,327
	(2) other combustion					81,174
	(3) process emissions					0
	(4) other vented emissions					39
	(5) fugitive emissions					38
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets		EM-EP-110a.3	305-5	11.2.3	See Metrics & Targets in TCFD Section, Page 32
AIR QUALITY	Air emissions of the following pollutants:	Metric tons (t)	EM-EP-120a.1	305-7	11.3.2	
	(1) NOx (excluding N2O)					349
	(2) SOx					15
	(3) volatile organic compounds (VOCs)					107
	(4) particulate matter (PM10)					Data unavailable
WATER MANAGEMENT	(1) Total fresh water withdrawn,	Thousand cubic meters (m^3)	EM-EP-140a.1	303-3	11.6.4	Data unavailable
	(2) Total freshwater consumed	Thousand cubic meters (m^3)	EM-EP-140a.1	303-5	11.6.6	Data unavailable
	Percentage of each in regions with High or Extremely High Baseline water stress	Percentage (%)	EM-EP-140a.1			None of areas where we operate have High or Extremely High Baseline Water Stress according to WRI Water Risk Atla
	Volume of produced water and flowback generated	Thousand cubic meters (m^3)	EM-EP-140a.2			955
	Percentage	Percentage (%)	EM-EP-140a.2			
	(1) discharged			303-4	11.6.5	100%
	(2) injected					0%
	(3) recycled					0%
	Hydrocarbon content in discharged water	Metric tons (t)	EM-EP-140a.2			25

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2023 Performance
WATER MANAGEMENT CONTINUED	Percentage of hydraulically fractured wells for which there is public disclosure of all fracturing fluid chemicals used	Percentage (%)	EM-EP-140a.3			This metric is not applicable to the Company as we neither own nor operate hydraulically fracked wells
	Percentage of hydraulic fracturing sites where ground or surface water quality deteriorated compared to a baseline[2]	Percentage (%)	EM-EP-140a.4			This metric is not applicable to the Company as we neither own nor operate hydraulically fracked wells
BIODIVERSITY IMPACTS	Description of environmental management policies and practices for active sites	N/A	EM-EP-160a.1	3-3	11.4.1	See Environmental Management, Page 33
	Number and aggregate volume of hydrocarbon spills	Number, barrels (bbls)	EM-EP-160a.2	306-3	11.8.2	Number: 2 Volume: 6,589 (estimated where actuals unavailable)
	Volume in Arctic	Barrels (bbls)	EM-EP-160a.2			This metric is not applicable to the Company as we neither own nor operate assets in the Arctic
	Volume impacting shorelines with ESI rankings 8-10	Barrels (bbls)	EM-EP-160a.2			This metric is not applicable to the Company as we neither own nor operate assets located in proximity to shorelines with ESI rankings 8-10
	Volume recovered	Barrels (bbls)	EM-EP-160a.2	306-3	11.8.2	Data unavailable
	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Percentage (%)	EM-EP-160a.3	304-1	11.4.2	0%
SECURITY, HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Percentage (%)	EM-EP-210a.1			0%
	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Percentage (%)	EM-EP-210a.2			0%
	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	N/A	EM-EP-210a.3			This metric is not applicable to the Company as we neither own nor operate assets located in areas of conflict

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2023 Performance
COMMUNITY RELATIONS	Discussion of process to manage risks and opportunities associated with community rights and interests	N/A	EM-EP-220a.1	3-3	11.15.1	See Community Engagement, Page 36
	Number and duration of non-technical delays	Number, Days	EM-EP-220a.2			0. There were no non-technical delays
WORKFORCE HEALTH & SAFETY	(1) Total recordable incident rate (TRIR)	Rate	EM-EP-320a.1	403-9	11.9.10	0.07
	(2) fatality rate,	Rate	EM-EP-320a.1	403-9	11.9.10	0.00
	(3) near miss frequency rate (NMFR)	Rate	EM-EP-320a.1			Data unavailable
	(4) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Hours	EM-EP-320a.1	403-5	11.9.6	Data unavailable
	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	N/A	EM-EP-320a.2	403-1	11.9.2	See Health & Safety Page 34
RESERVES VALUATION & CAPITAL EXPENDITURES	Sensitivity of hydrocarbon reserve levels to future price projection scenarios that account for a price on carbon emissions	Million barrels (MMbbls), Million standard cubic feet (MMscf)	EM-EP-420a.1	201-2	11.2.2	STEPS: no impact APS: -1 mmbbl NZE: -4 mmbbl
	Estimated carbon dioxide emissions embedded in proved hydrocarbon reserves	Metric tons (t) CO_2e	EM-EP-420a.2	201-2	11.2.2	13,713,068
	Amount invested in renewable energy, revenue generated by renewable energy sales	Reporting currency	EM-EP-420a.3	201-2	11.2.2	0
	Discussion of how price and demand for hydrocarbons and/or climate regulation influence the capital expenditure strategy for exploration, acquisition, and development of assets	N/A	EM-EP-420a.4	201-2	11.2.2	See TCFD Strategy section, Pages 24 to 25 & 29 to 30
BUSINESS ETHICS & TRANSPARENCY	Description of the management system for prevention of corruption and bribery throughout the value chain	N/A	EM-EP-510a.2	3-3	11.20.1	See Business Ethics, Pages 18 to 19
	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	N/A	EM-EP-530a.1	304-3	11.2.4	See TCFD Risks & Opportunities, Pages 25 to 27
MANAGEMENT OF THE LEGAL & REGULATORY ENVIRONMENT	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	N/A	EM-EP-530a.1	304-3	11.2.4	See Environmental Management, Page 33

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

SASB STANDARD - CONTINUED

Topic	Accounting Metric	Unit of Measure	Code	GRI Disclosure	GRI Sector Standard Ref	2023 Performance
CRITICAL INCIDENT RISK MANAGEMENT	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1)	Rate	EM-EP-540a.1	Additional sector disclosure	11.8.3	Data unavailable
	Description of management systems used to identify and mitigate catastrophic and tail end risks	N/A	EM-EP-540a.2	3-3	11.8.1	The Company relies on our operating partners' risk management systems. For further information, please visit our operating partners' website: https://www.chevron.com/ https://totalenergies.com/

Table 2: Activity Metrics

Topic	Accounting Metric	Category	Unit of Measure	Code	TOTAL AOC
PRODUCTION	(1) oil	Quantitative	Thousand barrels per day (Mbbl/d)	EM-EP-000-A	15.3
	(2) natural gas	Quantitative	Million standard cubic feet per day (MMscf/d)	EM-EP-000-A	26.0
	(3) synthetic oil, and	Quantitative	Thousand barrels per day (Mbbl/d)	EM-EP-000-A	0.0
	(4) synthetic gas	Quantitative	Million standard cubic feet per day (MMscf/d)	EM-EP-000-A	0.0
	Number of offshore sites	Quantitative	Number	EM-EP-000-B	3.0
	Number of onshore sites	Quantitative	Number	EM-EP-000-C	0.0

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

GRI
OIL & GAS SECTOR 2023

GRI specific metrics (those that overlap with SASB are presented on the SASB tab)

Topic	Accounting Metric	Category	Unit of Measure	Code	GRI Notes	Total AOC
GREENHOUSE GAS EMISSIONS	GRI 302: Energy	302-1 Energy consumption within the organisation	kWh	11.1.2		19,573. Related to corporate operations only; data for Nigeria unavailable.
		302-2 Energy consumption outside the organisation		11.1.3		Data unavailable
		302-3 Energy intensity		11.1.4		Data unavailable
	GRI 305: Emissions	305-2 Energy indirect (Scope 2) GHG emissions	tCO_2e	11.1.6		4.1
		305-3 Other indirect (Scope 3) GHG emissions	tCO_2e	11.1.7		Category 6 - Business Travel: 253 Category 11 - Use of Sold Products: 2,937,388
		305-4 GHG emissions intensity	$kgCO_2e$/boe	11.1.8		14.3 (Scope 1 and 2)
REPORTING ON CLIMATE ADAPTATION, RESILIENCE AND TRANSITION		201-2 Financial implications and other risks and opportunities due to climate change	$kgCO_2e$/boe	11.1.8		
		- Percentage of capex allocated to investments in:		11.2.2		
		- Prospection, exploration and development of new resources				100%
		- Energy from renewable sources				0%
		- Technologies to remove CO_2 from the atmosphere and nature-based solutions to mitigate climate change				0%
		- Other R&D initiatives that can address climate change risks				0%
		- Net mass of CO_2 in metric tonnes captured and removed from the atmosphere				0
		Describe the organisation's approach to public policy development and lobbying on climate change		11.2.4		The Company does not actively seek to influence public policy development either directly or indirectly through lobbying
		305-5 Reduction of GHG emissions	tCO_2e	11.2.3		0

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

GRI - OIL & GAS SECTOR 2023 - CONTINUED

Topic	Accounting Metric	Category	Unit of Measure	Code	GRI Notes	Total AOC
BIODIVERSITY	GRI 304 Biodiversity	304-2 Significant impacts of activities, products and services on biodiversity		11.4.3		See Environmental Management, Page 33
		304-3 Habitats protected or restored		11.4.4		The Company principally operates in offshore environments. As such, no habitats have to date been protected or restored. Critically Endangered: 4 Endangered: 9 Vulnerable: 5 Near Threatened: 13 Related to South Africa exploration block only; data unavailable for Nigeria blocks.
WATER AND EFFLUENTS	GRI 303 Water	303-2 Management of water-related impacts		11.6.3	A description of any minimum standards for the quality of effluent discharge and how these were determined	See Environmental Management, Page 33
EMPLOYMENT PRACTICES	GRI 401 Employment	401-1 New employee hires and employee turnover		11.10.2		
		a. Total number and rate of new employee hires during the reporting period by age group, gender and region				M: 6 F: 5 O: 0
		b. Total number and rate of employee turnover during the reporting period by age group, gender and region				M: 0, 0% F: 3, 11.11% O: 0, 0%
		401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		11.10.3		Private health insurance, pension contribution, life insurance, critical illness insurance, subsidised gym membership, wellness assessments, employee assistance programme
		401-3 Parental leave		11.10.4		
		a. Total number of employees that were entitled to parental leave by gender				M: 18 F: 8
		b. Total number of employees that took parental leave, by gender				M: 0 F: 0
		c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender				M: 0 F: 0
		d. Total number of employees that returned to work after parental leave and were still employed 12 months after their return to work, by gender				M: 0 F: 0

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

GRI - OIL & GAS SECTOR 2023 - CONTINUED

Topic	Accounting Metric	Category	Unit of Measure	Code	GRI Notes	Total AOC
EMPLOYMENT PRACTICES - CONTINUED	GRI 402 Labor/ Management Relations	402-1 Minimum notice periods regarding operational changes		11.10.5		N/A
	GRI 404 Training and Education	404-1 Average hours of training per year per employee	hours	11.10.6		25
		404-2 Programs for upgrading employee skills and transition assistance programmes		11.10.7		See Employee Development and Retention, Page 36
	GRI 405 Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees		11.11.5		
		a. Board members by gender	#			M: 6 F: 2 O: 0
		b. Employees by gender	#			M: 19 F: 8 O: 0
		405-2 Ratio of basic salary and remuneration of women to men		11.11.6		0.66
	GRI 406 Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	#	11.11.7		0. No incidents of discrimination were reported.
ANTI-CORRUPTION	GRI 205 Anti-Corruption	205-1 Operations assessed for risks related to corruption		11.20.2		
		a. Total number and percentage of operations assessed for risks related to corruption				4, 100%
		b. Significant risks related to corruption identified through the risk assessment				N/A
		205-2 Communication and training about anti-corruption policies and procedures		11.20.3		
		a. Total number and percentage of governance body members that the organisation's anti-corruption policies and procedures have been communicated to	%			100%
		b. Total number and percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	%			100%
		c. Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to	%			0%
		d. Total number and percentage of governance body members receiving training on anti-corruption	%			100%
		e. Total number and percentage of employees receiving training on anti-corruption	%			100%
		205-3 Confirmed incidents of corruption and actions taken	#	11.20.4		0. No incidents of corruption were confirmed during the year.

Note: Data associated with assets held through equity affiliates is excluded, as well as data related to Blocks 10BA, 10BB and 13T in Kenya, which the Company relinquished effective 1 June 2024.

FORWARD-LOOKING **STATEMENTS**

Certain statements and information contained herein constitute "forward-looking information" (within the meaning of applicable Canadian securities legislation). Such statements and information (together, "forward looking statements") relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, ongoing uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this document are reasonable, the Company's forwardlooking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources, including third party consultants, suppliers and regulators, among others. Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forwardlooking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to the Company.

No assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, changes in macro-economic conditions and their impact on operations, changes in oil prices, reservoir and production facility performance, hedging counterparty contractual performance, OPEC+ quota impact on production, results of exploration and development activities, cost overruns, uninsured risks, regulatory and fiscal changes, defects in title, claims and legal proceedings, access to financing on favourable terms, availability of materials and equipment, availability of skilled personnel, timeliness of government or other regulatory approvals, actual performance of facilities, joint venture partner underperformance, availability of financing on reasonable terms, availability of third party service providers, equipment and processes relative to specifications and expectations and unanticipated environmental, health and safety impacts on operations. Actual results may differ materially from those expressed or implied by such forwardlooking statements.

The Company's Annual Information Form for the year ended December 31, 2023 and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describe risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference.

AFRICAOILCORP.COM