CSR PROCESS AND PRACTICES MANUAL FOR AFRICA OIL ETHIOPIA OPERATIONS

Document Number	AOE/RB/CSR/POL-2017-160			
Created by	Ka-Hay			
Created on Date	2014			
Revision Number	002			
Revision Frequency	After every 12 months			

Revision History and Control

Revision Date	Change Description	Section/Paragraph affected	Revised By	Approved by
July 2015	Full Update	All Sections	Alex Budden	
August 2017	Full update	All sections	Linda Were	

CSR PROCESS AND PRACTICES MANUAL FOR AFRICA OIL ETHIOPIA OPERATIONS

Table of Contents

CSR PROCESS AND PRACTICES MANUAL FOR AFRICA OIL ETHIOPIA OPERATIONS

List of Tables

CSR PROCESS AND PRACTICES MANUAL FOR AFRICA OIL ETHIOPIA OPERATIONS

Acronyms

AOE	Africa Oil Ethiopia
CSR Coordinator	Corporate Social Responsibility Coordinator
CC	Compensation Committee
CD	Community Development
CDP	Community Development Project
CLO	Community Liaison Officer
CSR	Corporate Social Responsibility (CSR)
EPA	Environmental Protection Authority
ESIA/EIA	Environmental and Social Impact Assessment/Environmental Impact Assessment
FDRE	Federal Democratic Republic of Ethiopia
LQC	Lead Quality Controller
RVB	Rift Valley Block
SEM	Stakeholders Engagement Meeting
SNNPRS	Southern Nations Nationalities and People Regional State
ToR	Terms of Reference

1   Introduction

Africa Oil has adopted a set of Corporate Social Responsibility (CSR) commitments. This document is intended to help country level teams implement the commitments on a day-today basis for Africa Oil Ethiopia (AOE).

The foundation of effective CSR activities is strong management systems, which allow the company to identify early on, potential risks arising from operations and respond strategically to minimize or manage negative impacts, and optimize potential positive benefits. A key factor for success is to have a **clear, predictable, and transparent process** that is understood by all stakeholders to address issues that may arise – from community grievances to hiring of local labour, and sourcing products from local communities.

The following Operations Manual offers guidance on key activities, which ensure that AOE's CSR activities are in line with best practices and to ensure operational activities are consistent and coherent with corporate CSR policies. It has been developed using international best practice guidelines such as IFC Stakeholder Engagement – Good Practice Handbook for Companies doing Business in Emerging Markets, and IFC guidance principles (2007), IFC Good Practice note Grievance Mechanisms (2009), as guidance and adapted to current and local context. Topics covered include:

a)   Environmental and Social Impact Assessments (ESIA/EIA)
b)   Stakeholder Engagement
c)   Grievance Mechanisms
d)   Community Investment
e)   Local Hiring/Content
f)   CSR Management Systems
g)   Internal training
h)   CSR and Operations team
i)   CSR Roles in Health Safety and Environmental practices

Each section covers:

a)   Overview
b)   Putting into Practice
c)   Roles and Responsibilities and
d)   Tools and Resources.

The operations manual is intended to be a living document, updated on a regular basis to include up to date best practices and enable continuous improvement across the company.

1.1 Overview: CSR Activities by Stage

Table 1: Key CSR activities to be undertaken throughout various stages of exploration

Dimensions	Stage 1 Pre-Seismic	Stage 2 Seismic	Stage 3 Pre-Drilling	Stage 4 Drilling
Planning and Management	Environmental and Social Impact assessments 2-3 months prior to planned Seismic Activities Initial Stakeholder Assessment, mapping and engagement plan	Implement recommendations from ESIA Provide training to field team as required Regular updates to management on key developments and progress	Environmental and Social Impact Assessment (review/update if required) Review stakeholder mapping and engagement plan as required	Implement recommendations from SIA Provide training to field team as required Regular updates to management on key developments and progress
Community Stakeholder Engagement	Select CLO Stakeholder Engagement Strategy Meet with local administrators Town hall meeting Establish Project Stakeholder Committee (PSC) Design Grievance Mechanism based on ESIA results Implement Stakeholder Registry and Stakeholder Engagement Log Prepare and coordinate with operations team for Local hiring	Regular consultations led by CLO Quarterly meetings with company management (at minimum) Monitor grievances and report back to stakeholders On-going monitoring of issues Maintain current stakeholder registry and engagement log Regular updates on stakeholder issues and progress to Operations Team	Select CLO as required Town hall meeting and Community consultations based on new operational activities Update Stakeholder Engagement Strategy if required Review/update Grievance Mechanism as required Prepare and coordinate with Operations team for local hiring	On-going stakeholder consultations Monitor and manage grievances Regular updates on stakeholder issues and progress to Operations Team
Community Investment	Identify potential community development initiatives	Implement Community Investment Activities On-going	Review impacts of past CI initiatives independently and with stakeholders Solicit input on	Implement Community Investment Activities with key partners

Dimensions	Stage 1 Pre-Seismic	Stage 2 Seismic	Stage 3 Pre-Drilling	Stage 4 Drilling
		monitoring and impact assessment (quarterly basis)	additional CI initiatives Review/update Community investment Strategy	On-going monitoring and impact assessment (Quarterly basis)
On-going Management	Internal training as required (on-going throughout all phases), Maintain Stakeholder Registry, Engagement Log, and Grievance Mechanisms Monthly summary of key risks/issues to management team Outline key responsibilities and management responsibilities at all levels Updates and alignment with Operations team			

2   Environmental and Social Impact Assessments (ESIA/EIA)

2.1   Overview and Purpose

The Environmental and Social Impact Assessment (ESIA) is an important step in understanding how operational activities may affect the environment (including 'social environment' by Ethiopian law) and ensuring appropriate management measures are put in place to minimize negative impacts. ESIAs provide a detailed understanding of socioeconomic context and a prioritized list of risks and potential impacts that may arise, alongside recommendations for appropriate strategies for mitigating, minimizing or, in the case where negative impacts are unavoidable, compensating those affected.

Under the Environmental Impact Assessment (EIA) Proclamation (No. 299/2002) of the Federal Democratic Republic of Ethiopia (FDRE) oil and gas exploration activities require an EIA to be undertaken and authorisation given by the Environmental Protection Authority (EPA). Ministries have now been delegated by EPA to review and approve their respective EIA studies. Approval of oil and gas operations EIA studies are now approved by the Ministry of Mines. Guidance on EIA's is also provided by the Environmental Protection Authority (EPA, 2003). In addition to Ethiopian legislative requirements, Africa Oil's Petroleum Production Sharing Agreement with the Government of Ethiopia require the production of an EIA as well as internal procedures to facilitate effective environmental and social management of its operations.

The ESIA Terms of Reference (ToR) template provides detailed requirements for the study. The following is summary of key requirements:

- Be carried out by assessors that have demonstrable experience in conducting thorough EIAs
- Provide up to date and detailed information about the proposed project area
- Review pertinent legislation, standards and guidelines applicable to the EIA
- Include international guidelines, principles, standards and industry practices
- Provide comprehensive and detailed assessment of potential socio-economic risks to the environment and impacted communities as it relates to key operations
- Provide detailed quantitative and qualitative information on type and nature of impact on the environment
- Collect baseline data
- Prioritize potential risks based on type, nature, significance and likelihood of impact
- Inform CSR management systems
- Focus on both the process undertaken (each engagement with stakeholders impacts the company`s community relationship) as well as the assessment results.
- Outline clear stakeholder engagement plan
- Generate stakeholder mapping and list of stakeholders engaged along with contact information
- Outline Environment Management Plan

- Inform development of Grievance Mechanism

(Please refer ToR Tool for more details.)

2.2 Putting into Practice

2.3 Advance Planning and Coordination with Operations Team:
- Thorough assessments can take 2-3 months and so advanced planning and coordination with Operations team is required.
- The EIA should leverage all available resources and minimize the repeat surveying of the environment,
- The Assessment Team should conduct itself to the Company's high standards.

2.4 Request for Proposal (RFP):
- A qualified, reputable assessment team to ensure useful and relevant data is captured and supports the credibility of the assessment. Depending on country level RFP processes, it is encouraged that an RFP process is undertaken to identify appropriately qualified firms.

2.5 EIA Process

The EIA Process should involve a few phases:

a. **Scoping:** An appropriate definition of the scope of the assessment will ensure that relevant data is captured and the assessment is carried out efficiently. The Assessment team may undertake an initial visit to the planned operations site and conduct a preliminary assessment on potential issues.

Company employees may be interviewed during this process and existing procedures reviewed.

The scoping stage should produce detailed ToR for the data collection. The assessor should propose and reach agreement on ToR with the company team. If there already exist previous EIAs conducted for Oil and Gas operations in the specific area, and both the company and the consultant felt comfortable with the accuracy of the detailed information, then the scoping stage may be conducted at desktop level without a visit to the operations site.

b. **Detailed Assessment:** Assessment team uses detailed ToR to capture baseline data and conduct analysis. This stage of the assessment should produce detailed and quantitative data that has been gathered through ground level activity including consultations with the community. Detailed impacts (ex. which communities are affected, how many people, and nature of community dynamics) should be captured through this process.

The CSR team provides backstopping and support as required and the field level team (ex. CLO and operations team) and other staff should be made accessible to the Assessment team.

2.6   Follow up:

The EIA should inform management decisions and operational activities.

2.7   Review and Implementation
- CSR team identifies strategies to implement the recommendations for impact management, working with the Operations team to implement new practices as required.
- CSR team and country team review results so that issues are understood across functional areas and employees understand their role in impact monitoring and management as required.

2.8   Disclosure
- Results must be shared with the community and the relevant authority to encourage transparency and further discussion.

2.9   Ongoing Monitoring:
- A management plan is to developed and monitored on on-going basis:

Table 2: Roles and Responsibilities of Environmental and Social Impact Assessments

Assessment Activity	CSR Team Responsibility	Operational Team Responsibility
RFP	• CSR team to run RFP according to local procurement procedures and with operational timeline in mind	• Operations team inform CSR team of planned operational dates and activities
Scoping	• CSR team leads primary engagement with Assessment team. • CLO available to support • Approve detailed TOR with assessor	• Operation team and employees available for interviews as required • Company operations/procedures/policies made available for review
Detailed baseline data collection and assessment	• CSR team check in with • Assessment team on progress • CLO support as required	• Operational team accessible to Assessment Team as required
Internal Review of Results	• CSR Team reviews and debriefs assessment with Operations team • Implements appropriate recommendation for impact monitoring and management	Operations team reviews report and is aware of key issues and implications
External Disclosure	• Ensures results are shared with relevant stakeholders to promote transparency	

Hardcopies of this document are considered uncontrolled. Refer to digital version for latest revision.

On-going monitoring	• CSR team leads on-going monitoring of activities • CLOs to undertake monitoring requirements on monthly basis	• Staff communicate potential issues and participate in monitoring as required

Table 3: Tools and Resources

Tool Number	Name	Purpose	Notes
	EIA Terms of Reference	Sample Terms of Reference for scoping Environmental Impact Assessment	Sample ToR is provides detailed overview of what the EIA should contain. It can be used/modified for the RFP process. A similar document should be drafted with Assessor team to ensure alignment on expected deliverables
	Reference EIA	EIA provides reference to the quality of EIA required	
	Impact Monitoring Systems	Ensure oversight on key impact areas	

3   Stakeholder Engagement

3.1   Overview and Purpose

The company's approach to working with local communities is a critical component of developing its Social License to Operate. A trusted relationship with strong communication between stakeholders takes time to cultivate. It is beneficial to start early and be proactive in understanding the various perspectives of the communities in order to manage expectations, identify potential risks early on and develop appropriate responses. It is important that communities feel consulted, involved and engaged.

The *process* of stakeholder engagement is as important (and at times, more important) as the outcomes of engagement. Stakeholder engagement is an on-going process and should be:

a)   **Predictable**   **–** Stakeholders should have a clear understanding of the process of engagement

b)   **Transparent -** Communicate information early in decision-making process in ways that are meaningful and accessible.

c)   **Accessible and Appropriate** – consultation with stakeholders in a manner that is adapted for local norms, cultural sensitivities and needs is required in order to ensure that stakeholders can communicate effectively and with minimal barriers (due to financial, cultural, literacy restraints etc.) It should also be inclusive of all stakeholders.

d)   **Responsive –** Helps the company understand and respond effectively to issues as they emerge.

e)   **Documented –** It is essential for engagements to be documented for future reference, to ensure the company can respond appropriately and to support transparency of engagement.

f)   **Grievance Mechanism –** grievance mechanisms to allow for open communication of issues from stakeholders and enable the company to proactively manage critical issues.

AOE's stakeholder engagement is comprised of the following: a) Stakeholder Mapping and Management Plan

b)   CSR team
c)   Grievance Mechanism (to be addressed in separate section)
d)   Management tools

3.2 Putting into Practice

3.2.1 Stakeholder Mapping and Stakeholder Management Plan

It is important to develop a clear understanding of the relevant stakeholders and identify a management plan. The stakeholder mapping and stakeholder management plan are designed to ensure the CSR team understands the key stakeholder issues, are prepared to respond strategically, and are used to institutionalise information and share with internal company stakeholders as the need arises (ex. induction for new hires, internal management meetings).

The results of the EIA will provide information on an initial set of stakeholders and form the foundation of the **Stakeholder Mapping**. It is the responsibility of the CSR Coordinator to provide additional details to profile each stakeholder and consolidate it into a stakeholder map. Stakeholder mapping should include:

a)   Profiles of key stakeholders, including
- Positions
- Interests
- Alliances
- Potential impact on project
- Potential impact of project on stakeholder group

b)   Rate the priority levels of all the stakeholders

The **Stakeholder Management Plan** will use the information of the mapping and consolidate it into a set of actions for the CSR team to undertake to manage and effectively engage key stakeholders. The management plan should outline: a) Key stakeholders
b)   Nature of interests
c)   Engagement strategy (inform, consult closely, involve in decisions), frequency of engagement
d)   Who leads the engagement (Community Liaison Officer (CLO), CSR Coordinator, General Manager etc.)

Note:
- This document should be shared with all CSR team including the ESG manager, VP External Relations.
- The mapping and engagement plan should be updated at the earlier of month end reporting, or the occurrence of an incident.

Additional details on stakeholder engagement plans and activities are listed below.

3.2.2 CSR Team

The CSR field team is crucial to the success of the company's stakeholder engagement as they are the company's eyes and ears on the ground.

The company will hire CLOs who are respected members of the local community. Their responsibilities include understanding and managing community issues, consulting with key stakeholders, promoting and maintaining information flow between the company and communities, helping head office understand any emerging risks and concerns and addressing and mitigating risks.

The CSR field team should normally include:

a) **CSR Coordinator:** Responsibilities include managing field team performance, leading engagement activities with all stakeholders, addressing day-today grievances that may arise, liaising with CLOs and providing support on issues related to communities, managing local hiring and local sourcing processes. The CSR coordinator reports directly to the General Manager of AOE.

b) **Community Liaison Officers:** these are representatives that are hired from the local community and act on behalf of the company to manage community relationships. Responsibilities include understanding and managing community issues, promoting and maintaining information flow between the company and communities, helping head office understand any emerging risks and concerns and addressing and mitigating risks.

3.2.3 Examples of Key Engagement Activities:

a) **Official Contact:** A letter from the Ministry of Mines that sets out AOE's contractual engagement with the FDRE for the exploration of oil and gas is important to be able to provide to the Regional Governments to show that support has been secured for the next administrative power structure of the government. Official introductions from the Regional Governments to all Woreda administrative councils cab help create a strong working relationship at all levels of authority.

b) **Ground Assessment of the RVB areas to be covered by the Seismic Program**: undertaken to identify potential stakeholders, livelihoods of the community, cultural and power structures within the community along with identifying potential community development projects to be considered going forward.

c) **Major and Special Stakeholder Engagement Meetings:** undertaken in to address all key stakeholders who may be impacted by our seismic operations directly or indirectly. The engagements are intended to ensure that stakeholders are made well aware of the engagement, and have necessary information to engage in the process adequately. Each engagement is an opportunity to demonstrate transparency with stakeholders. Used to provide updates on company operations – next steps, any changes, or follow up from previous consultations – using objective and specific language to manage expectations. Stakeholder engagement and consultation is an on-going process.

d) Establishing a **Compensation Committee** can provide an effective way to engage affected communities on the ground due to the seismic operations. This committee would ideally comprise four permanent members from each Wereda administration and two temporary members from the respective Kebeles or lower administration offices on the

ground, who represent community interests. It is important to ensure that all critical voices are heard, including the traditionally marginalised and vulnerable.

3.2.4 Documentation

It is very important to document stakeholder issues and company responses. This ensures and promotes transparency, accountability and strengthens management of issues. It is also critical to help CSR and wider company staff understand what is happening in the field.

It provides a record of decisions and activities to improve institutional knowledge of the context and for future reference. It is important to keep up to date records of the following:

a)   **Stakeholder Registry:** lists key stakeholders of projects and impact on/by the project.

b)   **Stakeholder Engagement Log**: Log of all key stakeholder engagement activities.

c)   **Stakeholder meeting minutes**: These should detail attendees, contact information if possible, issues discussed and any follow up actions.

The Stakeholder Registry and Engagement Log should be kept up to date on a weekly basis at community level and consolidated at the country level on a monthly basis.

3.2.5 Transparency and Disclosure:

To promote informed engagement and transparency, consider fully what information can be shared. Share the minutes of meetings with stakeholders so they have a record of what was discussed. It is also helpful to provide relevant information about the project to ensure that stakeholders are not surprised by changes, are up to date with project activities, or can be kept informed throughout the engagement process.

3.2.6 Grievance Mechanism:

The Grievance Mechanism is a key aspect of stakeholder engagement. This is addressed in a separate section below.

Table 4: Roles and Responsibilities of CSR Team and Operations Team

Activity	CSR Team	Operations Team
Hiring CLO	• CSR coordinator to lead	
Stakeholder mapping	• CSR coordinator to lead following EIA	• Support and provide observations on local stakeholders

Stakeholder Engagement Plan	• CSR coordinator develops based on findings of EIA and updates based on CLO and operations team feedback. • Provide clear roles and responsibilities to CLOs and operations team as required	• Communicates with CSR team on field level dynamics and insights so that CSR team can adjust activities as required, • Supports/promotes engagement activities by CSR team (ex. Encourages local stakeholders to follow channels created)

Table 5: Tools and Resources

Tool Number	Name	Purpose	Used by:
	Stakeholder Registry	Captures list of key stakeholder groups, key representatives and interest/impact on/by the project	CSR team
	Stakeholder engagement log	Concise summary of each engagement which provides overview of engagements to date	Managed by CSR Coordinator
	Stakeholder Engagement Report	Template for capturing minutes from each project stakeholder meeting	CLO
	CLO Terms of Reference	Sample job description for CLO	
	Stakeholder Engagement Brief	Summarizes status of stakeholder engagement for internal communication purposes	Drafted by CSR Coordinator, shared to operation team
	Compensation Committee ToR	Terms of Reference for Compensation Committee	CSR Coordinator
	Stakeholder mapping and engagement plan	Sample of mapping and engagement plan for Weredas	Led by CSR Coordinator, reviewed/used by all CSR team

4   Grievance Mechanisms

A grievance Mechanism is a tool to enable the community to register complaints/concerns about the company's activities and for grievances to be addressed by the company. It offers communities an effective avenue for expressing and achieving resolution for their concerns, promotes a mutually constructive relationship and thereby provides a way to reduce risk for Africa Oil projects and helps in dealing with issues as quickly as possible.

A well-functioning grievance mechanism:

- Provides an equitable and context-specific process which respects the confidentiality of all parties, protects all parties from retaliation and builds trust as an integral component of broader community relations activities;
- Provides a predictable, accessible, transparent, and legitimate process to all parties, resulting in outcomes that are seen as fair, rights compatible effective, and lasting; and
- Enables more systematic identification of emerging issues and trends, facilitating corrective action and pro-active engagement.

The purpose of this document is to define the community grievance management procedure used by Africa Oil on all operations.

4.1   Grievance Mechanism Design Principles

This grievance mechanism is guided by the International Finance Corporation's (IFC) Performance Standards for Environmental and Social Performance which has the following principles:

- **Proportionality**: the mechanism should be scaled in line with the level of risk and adverse impacts on affected communities;
- **Community appropriateness**: taking into account culturally appropriate ways of handling community concerns;
- **Accessibility**: providing a clear and understandable mechanism that is accessible to all segments of the affected communities at no cost;
- **Transparency and accountability**: to project affected stakeholders at field (operational) level; and Appropriate protection: prevents retribution and does not impede access to other remedies.

This procedure will be periodically reviewed in order to ensure community feedback is incorporated into the design.

4.2   Definitions

Grievance/ Complaint
To ensure that all community issues are captured and resolved, this procedure will utilise the terms 'grievance' and 'complaint' interchangeably. Typically, grievances/ complaints are related to a specific and identifiable impact caused by a project activity, which is raised by an affected individual, family, group or community of stakeholders with the intent of bringing the impact to the attention of the company or contractor seeking that the impact be mitigated (e.g. dust, noise or vibration). More specific grievances/ complaints raised by an individual, family, group or community of stakeholders who claim to be affected by real or perceived impacts of a company's operations will require specific, targeted corrective actions, which may include compensation. These complaints will be handled by the Africa Oil Corporate Social Responsibility Team.

Hardcopies of this document are considered uncontrolled. Refer to digital version for latest revision.

Grievant/Complainant
Person having a grievance (or complaint) against Africa Oil or its contractors and sub-contractors.

Grievance Mechanism
A risk management system through which grievances and complaints from local stakeholders resident within the project area of operations (i.e. all Blocks) will be received, acknowledged, registered, reviewed, investigated and resolved following a standard operating procedure (SOP) aligned to other company functions and management systems (e.g. operations, supply chain, national content, EHS, government and public affairs, communication, etc).

Project Area of Operations
The geographical boundaries of all Blocks where Africa Oil has an operating interest.

Grievance Management Procedure

The Africa Oil community grievance management procedure is a step-by-step approach for receiving, acknowledging and registering, reviewing, investigating and resolving complaints and grievances from all project affected stakeholders resident in the area of operations. This procedure is concerned specifically with the first and second levels through which grievances are addressed, aiming to ensure that grievances are addressed at the grassroots level by the Company as and when they arise.

Figure 1: Summary of the Grievance Management Procedure

Level 1 (In Field) Grievance Management

Level 1 of the Community Grievance Management Procedure captures all grievances or complaints at the field (operational) level. Many of the concerns, complaints and grievances raised by individuals, families, groups and/or communities in Africa Oil's area of operations should be able to be resolved directly between the grievant and the staff member registering the grievance, and/or the CSR

Coordinator, through a process of direct consultation to seek a mutually agreed resolution.

It is important that all staff are clear about the limits to their ability and authority to make decisions regarding grievance redress, including compensation, which is outlined herein.

Step 1 – Receive

Grievances (and complaints) may be received through a variety of channels which may include:

- Africa Oil Community Liaison Officer, Community Development Officers and the Field Area Manager who hold responsibility for community stakeholder engagement and who visit the communities within the project area of operations on a regular basis; and/or
- The Africa Oil dedicated grievance hotline (in a case-by-case basis) and/or email address;
- Africa Oil community information centres or suggestion boxes (established in a case-by-case basis);
- Any other Africa Oil manager.

All staff assigned to receive grievances (complaints) must have:

- Appropriate training on this Procedure;
- Relevant grievance forms available; and
- Clear and agreed understanding in terms of forwarding grievances to the CSR Coordinator (e.g. within 24 hours, verbally or in writing).

Step 2 - Register

When a grievance or complaint is presented, the following steps shall be taken to register the grievance.

1) The Africa Oil staff member receiving the grievance will carefully note and record the grievance (or complaint) onto the **Grievance Registration and Acknowledgement Form,** and check the content with the grievant/complainant. If appropriate, the Africa Oil personnel registering the grievance will take pictures related to the issue to substantiate the claim. Where relevant, GPS coordinates will also be noted.

2) Once completed, the Africa Oil staff member will read and explain what has been recorded to the grievant to confirm that the facts of his/her grievance are as written. If at all possible grievances should be in writing. However, verbal grievances should also be accepted especially in circumstances where written grievances may be a barrier for some individuals. The form will be signed or thumb printed by the grievant a witness (if necessary) and the Africa Oil staff member.

Each grievant receives a copy of the **Grievance Registration and Acknowledgement Form** (a copy of which shall also be kept with the Company) which acknowledges that the grievance has been received. The Acknowledgement Form has a reference number and includes a commitment from the Company to provide a response within a pre-specified time period (e.g. thirty days) of logging the grievance. Duplicate booklets with pre-printed and numbered forms (using carbon copy paper) will be used for this purpose.

3) If possible, and if within the authority and capacity of the Africa Oil team member to determine, grievances will be addressed immediately through dialogue with the Grievant. As noted above, the details of the grievance will be recorded from respondents and witnesses contacted during the grievance review and will be detailed on the Grievance Registration and Acknowledgment Form. If accepted, the agreed resolution will be documented on the **Grievance Resolution Form**, the latter signed by the complainant, witnesses and/or any other individuals who choose to make comment with regard to the particular grievance.

4) If further review is required, the Africa Oil staff member will describe the process and the timeline for further review to the grievant/complainant.

5) **If the grievance is urgent or sensitive and requires immediate attention, the complainant shall be directed to the Africa Oil CSR Coordinator**

6) Complex claims – defined by either the scale of the grievance (e.g. scale of event, number of grievants, etc.) and/or related to project aspects that could have adverse impacts on the claimant's livelihood, health and safety, or cultural norms and traditions should be escalated to the Country Manager, via CSR Coordinator

7) It will be the responsibility of the Africa Oil CLO/CDO and the Field Area Manager to record grievance records. All hardcopy records will be kept by the Company, and scanned copies uploaded for digital record keeping.

Step 3 – Review

All Grievance Registration and Acknowledgement Forms must be handed over to the Africa Oil CSR Coordinator within **24 hours of receipt** of the grievance. The CSR Coordinator will review each grievance submitted.

In the case of a complaint, where the complaint has not already been closed out by the recipient and requires a response, the CSR coordinator will provide the complainant with a response from the Company.

In the case of a grievance, the CSR Coordinator will investigate the grievance to determine its validity and where appropriate ensure appropriate redress as part of the process of closing out the grievance (Steps 4 and 5). For grievances, the CSR Coordinator will always provide a response as a matter of procedure.

Step 4 – Investigate

The CSR Coordinator is responsible for determining how to investigate a community grievance. The investigation shall be started as soon as possible but not longer than **within 7 days** after the grievance has been registered. The aims of the investigation are: (i) to determine the validity and truthfulness of the grievance; (ii) to verify the claims made by the Grievant, and evidence provided to substantiate the claims; and (iii) to determine appropriate redress where required.

2) Investigation should seek to examine the event leading to the grievance and to verify the impact thereof. Investigation may involve visiting the location of the event leading to the grievance; photographs of the scene; engagement with other stakeholders in the field (i.e. triangulation) to confirm reliability of the account; and other evidence as appropriate.

3) Potential redress options include an apology, compensation of the aggrieved or any other resolution option within the limits and capacity of the field staff.
4) If investigation and resolution cannot be achieved within 30 days, a letter will be sent to the Grievant informing them that their grievance is being investigated, setting out the reason for the delay and advising the Grievant of anticipated closure date.

Step 5 – Resolve and Close

1) It is the responsibility of the CSR Coordinator to communicate the outcome of the review to the aggrieved person in writing (and/or verbally where literacy may be an issue) and through the **Grievance Resolution Form**. This response will be either:

a) an outcome of the grievance review; or
b) a notification that the company needs additional time to examine the issue further.

The final grievance review outcome is communicated both through the **Grievance Resolution Form** as well as through a verbal explanation. The CSR Coordinator shall have two (2) copies of the form; one for the complainant and one signed by the complainant for the company records. The CSR Coordinator will ask the complainant to sign the form at three places: one signature to acknowledge receipt, another signature to acknowledge satisfaction with the outcome, and another signature to acknowledge that the complainant has been respectfully informed about the outcome of the reviews and has no objections.

If the complainant is not satisfied with the outcome of the review, alternative resolutions should be considered and discussed among field operational management and with the complainant before the case is escalated to Level Two (Grievance Committee).

Where resolutions have been approved and agreed upon by the complainant, the CSR Coordinator ensures that the administrative process for redressing the grievance is immediately initiated. The resolution details and target timeframe should be updated in the **Grievance Register**.

In cases where the complainant "walks away" without signing the Grievance Review Outcome Form, the grievance can only be closed out following agreement by site management (depending on nature of grievance, in consultation with Africa Oil legal advisor) after it is determined that everything reasonable has been done to resolve the case.

In addition to the process outlined above, the CSR Coordinator may use discretion and professional judgement to bring grievances directly to the attention of the site management.

There will be instances where grievance resolution is delayed, or requires escalation through senior management to ensure timely close out. The procedure for escalation will be as follows for all instances where close out is *not achieved within 30 days*:

- Where a remedial action has been allocated to a functional area (e.g. civils, drilling, seismic) and the action has not been implemented within required timelines then notification will be sent to the EHS Manager.
- If no action is taken within a further 14 days then the issue will be escalated to the Country Manager.

Level 2 Grievance Management (Grievance Committee)

The Level 2 process is for grievances that cannot be resolved directly between the CSR Coordinator and the complainant and requires involvement by the Grievance Committee, which may also include appropriate external representation to resolve the complaint. In the event that a grievance is escalated from Level 1 to Level 2, the CSR Coordinator should confirm that appropriate measures have been taken to resolve the grievance through the Level 1 (In Field) process.

The Level 2 process is used when Africa Oil and the complainant decide together that the procedures are not acceptable to one or more parties for the situation of concern; there are disputes of fact or conflicts about data; or the parties have been unable to reach a voluntary resolution. In such cases:

- The complainant can contact the CSR Coordinator in the first instance to seek further clarification if for any reason he/she is dissatisfied with the explanation of the review (not for further negotiation);

- The CSR Coordinator points out the next level resource mechanisms available to the complainant (i.e. use of a Grievance Committee to review and offer resolutions for the case; use of a third party);
- In the event that a case is referred to an approved third party or subject specialist, rather than utilising a Grievance Committee, the CSR Coordinator will report on the status of the case on a bi-weekly basis to the Country Manager until closure; and
- To demonstrate good faith, Africa Oil will, within reason, attempt to comply with the requirement of the third party if one is used.

Level 3 Grievance Management and Resolution by the Country Manager

The Africa Oil Country Manger and VP Operations shall discuss and resolve grievances that are deemed to be beyond the mandate of the Grievance Committee and which involve matters of Company policy or other significant considerations.

Contractor Labour/Industrial Relations Complaints

Labour/Industrial Relations complaints against contracted companies will be received and logged in the grievance register but immediately escalated to the Africa Oil VP Operations for resolution. The CSR Coordinator will not be involved in the resolution process of such labour complaints but shall offer support if needed. It will be the responsibility of the VP Operations to ensure resolution within the set times. Furthermore, contractors are required to have in place employee grievance mechanisms for their staff.

4.2.1 Monitoring, Recording and Reporting

The CSR Coordinator will update the **Complaint/Grievance Register** on a weekly basis to indicate resolved (closed-out) and unresolved cases, those pending on third parties or those that have been passed onto the local judicial system. All complaints and grievances whether deemed legitimate or not, shall be logged into the Register, along with the relevant target resolution dates. In addition:

- All records of grievance settlements should be archived as evidence of resolving the grievances;
- The CSR Coordinator shall ensure that the status of all complaints and grievances is kept current, and shall forward a complaints and grievances summary to the Country Manager on a weekly basis;
- On a monthly basis, the CSR Coordinator shall produce a status report that summarizes the timeliness/effectiveness of grievance resolutions. The content of monthly reports should include: (i) status of grievances received, resolved, pending resolution, and escalated; (ii) analysis of the time required to close grievances; (iii) analysis of number and nature of grievances received by thematic area; (iv) analysis of number and nature of grievance received in relation to geographical area; and (v) analysis of number and nature of grievance received in relation to project activity, and others as required. Reports should be submitted to the Country Manager, VP Operations, VP External Relations; and
- When deemed appropriate the relevant state authorities may also receive a copy for information purposes.

4.2.2 Roles and Responsibilities

Promote Awareness & Understanding of the Grievance Procedure	
Africa Oil ESG Manager with the help of CSR coordinator	• Develop and implement internal training plan for all Africa Oil staff • Develop and implement training programme for all in-field contractors

Hardcopies of this document are considered uncontrolled. Refer to digital version for latest revision.

	• Develop communications plan for use during operations to make stakeholder aware of grievance procedure
Community Liaison Officer, Community Development Officer and the Field Area Manager	• Promote awareness and understanding of the existence and purpose of the grievance mechanism within the project area of operations
Receive, Acknowledge & Register Grievances	
Community Liaison Officer, Community Development Officer and the Field Area Manager	• Holds primary responsibility, by virtue of primary and continuous contact with the communities lying within the project area of operations, to receive, acknowledge and register grievances
Africa Oil CSR coordinator	• Primary responsibility is to manage the implementation and management of the community grievance mechanism and resolution procedure but may, from time to time, be required to receive, acknowledge and register grievances
Investigate & Resolve Grievances	
Africa Oil Field Area Manager	• Ensures the appropriate allocation of remedial action to close out grievances and the timely implementation of these actions. Furthermore, the Field Area Manager chairs the Field Grievance Management Committee • The Grievance Committee is second-level recourse of the Grievance Management Framework. The committee is used when the Field Staff cannot resolve a grievance at first review and further input is needed. It also plays a key role in ensuring accountability amongst contract holders and by extension contractors
Africa Oil CSR Coordinator	• Management of grievance process including: collation of all grievances from various registration channels; first level review of grievances; investigation of grievances as required, engaging other functional staff whose department is implied in the complaint or grievance as required; resolution of the grievance
Africa Oil Country Manager	• Engage Contractors and Sub-Contractors as required
Africa Oil Country Manager and Africa Oil VP Operations	• Resolve grievances submitted to it by the Field Grievance Committee that are deemed to be beyond the mandate of the Field Grievance Committee. These are grievances with legacy and reputational risks and/or whose resolution require a corporate decision, either because resolution may set a precedent or because the resources required for resolution are of a magnitude that require approval from the highest level of the business leadership
Maintenance of Grievance & Complaint Register	
Africa Oil Administration desk	• Tracking grievances, and managing the AOC complaint/ grievance register.
Reporting and Analysis	
Africa Oil Administration Desk	• During periods of field operations, generation of monthly reports providing: (i) status of grievances received; resolved; pending resolution; escalated; (ii) analysis of number and nature of grievances received by thematic area; (iii) analysis of number and nature of grievance received in relation to geographical area; (iv) analysis of number and nature of grievance received in relation to

	project activity and contractor involved, and other as required. Reports should be submitted to Africa Oil management.

5   Community Investment/Community Development Projects

Community investment is an important pillar of the company's CSR policy as it can provide significant direct benefit to local communities. Community investment projects should fall within the three priority areas of the company's CSR policy: Infrastructure, Sustainable Livelihoods, and Economic Development.

Since the number of possible initiatives to support will out number the company's resource availability, it is important to think strategically about each potential project. The following factors should be considered:

a)   **Impact** – What impact will the project have, who is impacted and how many? How does this project compare with other existing community investment initiatives – funded by the Company or by other existing groups? (I.e. are we duplicating existing activities)

b)   **Sustainability** – what needs to be in place to ensure that the impact will be sustainable? What will happen when company funding runs out?

c)   **Factors for success** – what is required to ensure the project will be successful and what influence does the company have over this success? If working with an implementation partner, do they have the capacity to implement the project successfully?

d)   **Timeline** – how long will it take for the project to be completed and for the impacts to materialise?

e)   **Business case** – Is there any additional benefit to the company and if so, what?

f)   **Budget** - how does this fit within the exiting CSR budget?

g)   **Local ownership –** Has this need been identified by local stakeholders and verified as being important? It is important to have a local champion for investment projects to not only help with their implementation, but to support their long term sustainability.

5.1   Putting into practice – Block Level Community Investment Initiatives

5.1.1 Community Consultation and Scoping:

Local stakeholders should be consulted on potential areas for community investment projects, as local identification of the need is critical for long-term sustainability. The initial consultation can generate a pipeline of possible projects to support. The CLO may provide additional scoping information to help define the project in greater detail. On-going consultation and communication with local stakeholders will be useful in ensuring the project is relevant and appropriate.

Be sure to communicate to the local community on clear criteria for eligible projects and the process for deciding on which projects will be supported (and which will not), based on both local need and agreement from company.

5.1.2 Draft Concept Note:

Wherever possible, proposals detailing the merits of a potential project should be submitted in support. However, it is acknowledged that due to literacy rates, local stakeholders may not submit formal proposals. In this case, the CSR team should draft concept notes of shortlisted projects (template available) and populate the template with potential projects. This process will help the CSR team analyse the potential projects to determine the most appropriate ones to support. Concept notes can be used during the internal review and decision-making process.

5.1.3 Document Community Investment Agreements:

Once a project has been agreed by the community and approved by the company, draft a contribution agreement to outline clear roles and responsibilities between the company and community. This document should be made available to ensure transparency on investment, and also encourage accountability among local stakeholders.

5.1.4 On-going Monitoring:

The CLO should provide progress updates on the implementation of the project, and also report back on the impact of projects as previously determined at the outset.

5.1.5 Monitoring:

Monitoring should take place every quarter.

5.1.6 Database:

All CD projects will be tracked in the master CD database that details the location, nature and budget of the projects.

The database should be updated as part of the month end reporting.

Table 8: Roles and Responsibilities of CSR Team and Operations Team

Activity	CSR Team	Operations Team
Community Consultation	CLO and CSR team consult local communities on potential projects, generate short list of potential projects.	
Concept note	CSR team refines potential project concept	
Project selection	Proposes potential projects to General Manager	General Manager approves projects

Community confirmation and agreement; Consent of local	Final selection decision is articulated to community	
administration	Agreement is drafted	
Implementation and on-going monitoring	CLO is responsible for overseeing field level implementation project	Provides feedback on community level activities as required
Documentation	CSR support to collate database at the end of the month.	

Table 9: Tools and Resources

Tool Number	Name	Purpose	Used by:
1.	Concept Note	Structure potential projects for review	CSR team
2.	AOE Community Investment Database	Summarizes active projects and provides monitoring template	CSR team
3.	Master AOE Community Investment Database	Database of all projects within Africa Oil, summary	CSR team, to update Senior Management

6 Local Content/Hiring

6.1 Overview

While the Operations team leads the management of contractors and operational activities, local employment or business contracts is a common expectation among stakeholders. The CSR team will need to support the Operations team in organising the hiring and sourcing of local labour.

6.2 Putting into Practice

The following activities can help guide the local hiring and sourcing of contractors:

a) **Understand the needs** and timeline of operations

b) **Manage expectations and ensure transparency -** Articulate employment and business opportunities to stakeholders in a transparent, specific and objective manner. For example: the expected number of people hired will be 20, rather than, 'a large number of people will be hired'.

c) **Clearly communicate decision-making criteria** and associated process to stakeholders to ensure transparency and accountability.

d) **Understand local context** and norms on employment such as gender, cultural, traditional or tribal issues that may have an impact on hiring decisions. It si important to consult local stakeholders on the appropriate process.

e) **Supporting operations team** - as required in the drafting and signing of contracts.

6.3 Processes

6.3.1 Local hire

a) All unskilled labour should come from the locality.
b) The CSR team must also be conscious of the district and ethnic boundaries to ensure the labour reflects the local community make up – this is particularly the case if/as crews move across the administrative boundaries.
c) Contractors are expected to provide AOE with required labour (unskilled labour) 2-3 weeks in advance of requiring the labour.
d) CLOs will work with Operator/Contractor/sub-contrators to ensure that the number of jobs are appropriately shared /representative of community demographics
e) Medical clearance - CLOs should also organise for selected candidates to have a medical exam clearing them fit for service from an approved medical facility. AOE needs to identify appropriate local facility qualified to undertake necessary tests. Again, the CLO facilitates

the process, but the contractors must have their hiring manager accompany and lead the group of selected candidates to the medical exam.

6.3.2 Local Sourcing

The agreement in AOE to date is to source products from communities in the following priority:
- Woreda– locality in which the seismic operations is located
- Region
- National

There will be some obvious products that local suppliers will have a capacity to supply (vehicles, water, and foodstuffs). Large equipment or industrial products may only be available at the national level.

6.3.3 Tracking/reporting

It is important that we keep track of the amount of local hire and local sourcing as it is a key aspect of our impact/benefits to local communities.

Total hires and employment to date should be included as part of the month end reporting. It is the responsibility of the CSR Coordinator to ensure that this is kept up to date.

6.4 Roles and responsibilities

6.4.1 AOE Role

AOE's role in local hiring and sourcing is **to facilitate a transparent process** for the community and potential suppliers to understand the job or supplier requirement. The AOE CSR team does not make hiring or supplier decisions, this is left to the contractor.

6.4.2 Contractors

a)   Include specific details on AOE's local content policies and processes within new contracts. AOE's expectations on timeline, information required. It is strongly advised that those tendering for contracts commit the contractor to abide by AOE's local souring processes.

b)   Meet with contractors to review AOE processes for hiring and sourcing and explain rationale behind the process. Key messages:
- Ensure they are aware that AOE facilitates a process that enables them to be able to source from local communities and hire workers in an equitable manner that is acceptable to the community.
- AOE to communicate clear processes, timelines and requirements.

c)   The contractor is ultimately responsible for the final hiring decisions and awarding of tender.

d)   AOE to monitor contracts, ensuring they are drafted with suppliers and hired labour's needs in mind to protect both sides.

6.4.3 CSR Coordinator

a)   Is responsible for engaging with Contractors to communicate supply needs

b)   Ensuring that the local sourcing data base (which captures amount of products sourced from local communities is up to date at the end of every month).

Table 10: Roles and Responsibilities of CSR Team and Operations Team

Activity	CSR Team	Operations Team
Understand need	Coordinates with Operations such that information can be communicated to community	Provides timeline and needs (skills, number of people)
Consult with community and communicate needs and selection process/criteria	CSR field team to work with local stakeholders to communicate the hiring and sourcing process. If hiring large numbers of local labourers, coordination with Wereda may be required to ensure distribution of jobs are in line with community distribution.	Support CSR team with aligning the activities of the contractors with the timeline requirements of CSR team.
On-going support	Provide operations team with on-going support to have an understanding of local dynamics and local labour issues	Communicates to CSR team on local hiring needs and status of community relations/potential issues/risks that may arise
Local sourcing	CLO works with	Ensure all contractors are
	contractors and facilitators to ensure an open, transparent and inclusive process to sourcing products locally.	channelling sourcing through the established channels

Table 11: Tools and Resources

Tool Number	Name	Purpose	Use
	Local sourcing Template		
	AOE Sourcing Guideline	Distributed at Suppliers Forum to communicate company expectation and procedures for sourcing	

7   Management Systems and Reporting

CSR work covers a wide range of activities and the context is constantly evolving. It is important to have a set of management systems at the country level to manage the performance of various CSR activities and ensure they are on-schedule and within budget.
This includes, but is not limited to:

7.1   Planning

a)   **Quarterly Plans**: This includes stakeholder engagement visits, community consultations.

b)   **Budget:** It is important to update the community investment budget on a monthly basis as this informs potential projects available for funding.   Include comments on how /where budgets come from.

c)   **Coordination with Operations Team:** Since CSR is intended to enable operations, it is important to understand the timeline and needs of the operations team.

7.2   Internal Reporting, Management System and Communication

It is essential that all systems and tools are kept up to date. This helps the company institutionalize information, making it easy bring on new staff, manage turnover, and also ensure that we fully understand the impacts of our activities and are addressing them accordingly. It also helps ensure all internal stakeholders are aware of key issues and can assist as necessary.

7.3   Processes and Updates

The following processes are minimum requirements to ensure that community issues are systematically addressed on an on-going basis.

CSR team activities:

a)   **Daily Status Meetings**: The CLO should provide the CSR Coordinator with updates on priority issues being addressed by CSR field team.

b)   **Daily status meetings** – CLO to provide MLO with updates on community issues and address any needs by operations.

c)   **Weekly Field Reports** – CLO should provide weekly summaries of stakeholder issues, meetings or grievances, and updates on community development projects.

d)   **Weekly CSR briefs** – CSR Coordinator to draft brief updates on key CSR priorities to operations team and review them during Monday morning operations meetings.

e) **Summarize stakeholder engagement status** and issues and share with management on a monthly basis or more frequently as required

7.4 Monthly update of tools and data bases

g) **Month end reporting** - 5th day after month end.

CSR Coordinator will be responsible for consolidating a monthly report on CSR in the following format: a) Key achievements

b) Next month's priorities

c) Emerging stakeholder issues to be monitored and mitigation strategies

d) Data on local sourcing, employment, community development projects

e) Review of grievances (number, number resolved)

Documents and files will be managed by CSR Coordinator and stored in both hard and soft copies. Soft copies should be stored in AOE's shared drive for easy accessibility.

Update all tools:

a) Stakeholder registry

b) Log

c) Grievance mechanism logs

d) Community development database

CSR Coordinator is responsible for ensuring the management systems are up to date

7.5 Induction Training

The induction of new staff is essential to ensure their long-term success. All new CSR staff will receive the following induction training:

a) **Addis Ababa induction which will cover:**
- Overview of AOE
- Overview of CSR commitment, processes – The CSR Coordinator will review the operations manual to ensure that all aspects of their role is covered
- Review key stakeholders (provide stakeholder engagement plan)
- Review all relevant tools they are expected to use (stakeholder log, registry, grievance mechanism)
- Review key knowledge, skills required for their success
- Review deliverables and specific performance expectations
- Review the CLO's learning plan for the first month on the job – given that this will likely be a new field for most, it is important to guide their understanding of key issues and to develop necessary skills for success. The learning plan should ensure that the new hire demonstrates that he/she is developing the required knowledge

and skills required (ex. Understands key stakeholders, able to address/resolve issues as they arise).
- Meet key staff – General Manager, operations team, administrative staff Administrative issues (contracts, expensing etc)

The CSR Coordinator, as line manager will lead this induction and ensure the responsibilities and performance expectations of the CLOs are well structured and defined.

7.6 Field Induction
This will be led by CSR Coordinator

Review key practices

Introduce to stakeholders

Provide feedback on perfomance

7.7 Two week, One month and Three Month Performance Feedback

Following the completion of the first two weeks of deliverables the CSR Coordinator should meet with the new hire to provide specific feedback on performance to date. This should include what has gone well, areas for improvement and any developmental needs.

While the CSR Coordinator should provide weekly feedback on progress based on expected deliverables, it is also useful to have specific discussion on overall performance. Set the expectation that this will take place at the one-month and three month mark so that there are no surprises and that it offers an opportunity for open feedback.

7.8 Job Descriptions/Responsibilities to Operations Team

It is essential, especially for the CLO's embedded on operations site, that the Operations team understand the roles/responsibilities of the CLO. The CSR Coordinator should share relevant job description and responsibility with operations team.

a) Strategic Planning
It is important for the CSR team to have a 'big picture' understanding of up coming milestones in order to ensure all activities are progressing as planned and CSR Coordinator can support the planned drilling schedule.

b) Quarterly Plan: At the beginning of each quarter, the CSR Coordinator will draft a quarterly plan that outlines key milestones and timelines (ex. CD projects, engagement, etc) and issues to be addressed. The General Manager will need to approve this. Given the uncertainty of exploration activities, the quarterly plan is not meant to be exhaustive as much can happen in the matter of a few months. However, setting milestones will ensure key items are on track. The quarterly plan should also be shared with all of the CSR team.

c) Monthly Priorities: Based on the quarterly milestones and emerging needs arising from the field, the CSR Coordinator will define additional monthly priorities for the team to focus on. Again, these will be key milestones (ex. Road safety campaign, etc) and the key areas can be assigned to the relevant CSR team member.

d) **Weekly Deliverables –** The CSR Coordinator will then ensure that all field teams have an understanding of the weekly deliverables they are responsible for, and consult with them to ensure the deliverable are achievable and achieved. This is the key area that performance should be assessed against.

The CSR Coordinator should consult with field teams on their priorities and discuss/review the achievement of the past week and set upcoming priorities. This is **essential** to help empower the field team.

Collectively, this planning and goal setting should ensure that all CSR team members will understand the 'big picture' vision, and how their individual and collective efforts will contribute to this.

Table 12: Roles and Responsibilities of CSR Team and Operations Team

Activity	CSR Team	Operations Team
Field meetings and performance management	• CSR Coordinator to lead	
Monthly reporting	• CSR Coordinator to lead	
Updating all tools	• CSR Coordinator to ensure it is done by the 5th of every month	
Quarterly, monthly planning	• CSR Coordinator	
Weekly planning	• CSR Coordinator and CLOs	
Hiring of CLO	• CSR Coordinator leads	- -
Addis induction	• CSR Coordinator leads	Meet the team
CLO job expectations	• CSR Coordinator R leads and shares with Operations team	
Field induction	• CSR Coordinator leads	
Performance management	• GM leads overall performance management of CSR team	

Table 13: Tools and Resources

Tool Number	Name	Purpose	Use
	CSR Operations manual		
	AOE presentation		
	CLO Knowledge and Skills	To help all team members understand expectations	

	CLO deliverables and expectations	To align on performance expectations	
	CLO job descriptions	To help, among others operation team to understand the expectations of CLO/CLO and SEM	

8 CSR and Operations Team:

The CSR and Operations team must work together closely to support successful seismic operations. The CSR team focuses on ensuring strong community relationships through specific processes that address stakeholder interests. These are the current practices in place to ensure smooth and open communication:

a) **Monday Morning Meeting:** This meeting is an opportunity for Operations and CSR management to share key issues, planned activities and support required from each other.

b) **Seismic Manager Induction**: Prior to going into the field, new crew members and supervisors will be provided with a 'Get Away Guide' to help them understand operational areas as well as the culture of the local communities. It is a useful 'do's and don'ts' guide. While the CSR team takes the lead on addressing all community issues, building common understanding between both parties can ensure efficient resolution of any issues. The induction will cover:

- CSR responsibilities, people and team structure
- CSR processes – purpose and specific activities
- Stakeholder issues – if there are any stakeholder issues that may be arising with the communities. While the operations team does not need to address these, it is useful for them to be aware for additional context.
- Outline any information/feedback that we require from them to support our work • Outline upcoming priorities (ex. Hiring, sourcing etc).
- Provide Operations team with a copy of the 'Get Away Guide'.

c) **Communication:** Open communication between both teams is essential. It has been agreed that if there are community related issues on site, the Party Chief should notify the Lead Quality Controller (LQC), who will in turn brief the Seismic Manager. All Community issues are then forwarded to the CSR Team

d) **Grievance Mechanisms** – as noted in the manual, there is a clear process in place for communities to register grievances and they should be addressed appropriately. If Operations personnel receive a grievance, they should pass these directly across to the CSR Team. As per the grievance mechanism, individuals should be referred to:

1. AOE CLO on site, or contractor CLO
2. The Kebele Administrator

9 CSR and Health, Safety and Environment

The following section outlines the CSR team's responsibilities related to General HSE issues:

- All CLOs or CSR personnel active on an operational site will go through HSE induction and abide by all HSE rules, applicable procedures and Ethiopian government regulations
- All CLOs or CSR personnel are required to follow HSE's reporting requirements as needed if a safety incident occurs.

The HSE department has developed clear operational procedures to manage domestic waste and hazardous waste; these are to be followed at all times.

Please note that NO industrial containers or contaminated materials will be allowed off site unless being transported for recycling by an approved waste management contractor. While these containers may be useful for local communities they may also present a hazard to the receiver.

CLO and CSR personnel are to **report any incidents of this taking place immediately** to the Party Chief at site and copy any report to the LQC.

9.1 Community Sensitization

The CSR field team will sensitize communities through stakeholder engagement meetings, and public notices.

Frequency: This should be one of the initial engagements and reviewed on a regular basis to ensure on-going awareness.

9.2 Emergency Procedure

In the event that hazardous materials do exit the site and pose a risk to local communities, the following procedures will be followed:

- HSE team shall provide the CSR team with the facts of the exposure including a brief to update CSR team on the following:
  - Nature of the breach (theft, accident etc)
  - Potential impact of exposure to hazardous chemicals including:
- Name of the chemical
- Nature of potential harm
- Potential scale of exposure (Amount, timeline etc)
- Details of the containers including photo if possible
- Copies of material handling documents
- Recommendation on potential risk of exposure
- CSR team will require this information to formulate appropriate community response
- CSR Coordinator will lead the engagement with the community, and with HSE and Operations develop a plan that is approved by General Manager

- Company response will be consistent with our commitment to be responsible corporate citizens
- CSR department will log the incident within our community incident log
- CSR Coordinator will provide senior management with regular updates until the incident is resolved.
- Once the incident is resolved, a final report on the extent of impact, community response and any residual impact will be documented.