

KNOW YOUR CUSTOMER POLICY

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1.0 Introduction

Oando PLC as a leading energy service provider is rapidly expanding into new markets and forming business relationship across international borders. The Company actively engages the services of business partners from different sectors, backgrounds, economies and countries.

In line with international corporate standards and to ensure compliance with different legislations in the countries where we operate and where we are desirous of operating, and also to conform with the requirements of the stock exchanges on which the company's shares are listed, it has become necessary for the company to conduct due diligence to establish the legal status of business partners engaged by it. In addition it is necessary to also consider any potential risk to the conducting of the Company's business in an ethical, risk free and profitable manner, including ascertaining the possibility that potential business partner may be involved in corrupt practices that portend legal, financial and reputational risks for the Company. It is in that light that the "Know Your Customer" Policy was formulated.

The KYC Policy is aimed at establishing who a business partner purports to be and will involve best practices and processes for due diligence including identifying the business partner and verifying the identity by using reliable and independent documents, data or information where necessary.

2.0 Scope

This Policy is applicable to all transactions, operations, projects, bid processes, procurement, negotiations, arrangements, documentation processes, applications, activities, agreements, contracts, awards, decisions, practices and other business dealings of the Company with third parties.

3.0 Applicability

This Policy must be complied with by the directors, managers and employees, including contract staff, third party personnel seconded to Oando, as well as Oando's business partners.

2.0 Objectives

3.1 To conduct due diligence and take all necessary precautions to ensure a business relationship is formed with reputable, honest and qualified business partners.

3.2 To identify areas of risk and reduce the likelihood of corrupt practices and reputational damage.

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3.3 To evaluate the appropriate balance of skills, knowledge and experience of proposed or potential business partner

3.3 To establish processes and procedures to ensure that all reasonable steps are taken to verify the identity of all its business partners.

3.4 To employ, in necessary circumstances, the report of KYC as an evidence in a court of law.

4.0 Responsibility

4.1 Every person to whom this Policy applies is expected to familiarize himself or herself with the provisions, stipulations and commitments stated therein. Ignorance of any of the provisions of this Policy shall not be an excuse or defense for violation or contravention of any of its provisions.

4.2 All CEOs, GLC members, executive management of entities, and the Head Procurement will be held responsible for non compliance with the procedures outlined in this policy.

5.0 Definitions

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

“CCO” means Chief Compliance Officer

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

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

“**KYC**” means Know Your Customer.

6.0 Statement of Principles

6.1 The Company shall ensure that KYC process is completed before commencement of business with any business partner.

6.2 The Company may consult qualified firm of professionals relevant to the matter in question to conduct due diligence on a potential business partner before proceeding with a business transaction or concluding a business relationship.

6.3 The Company will ensure that all relevant information to the matter in question are reviewed prior to making business decisions

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6.4 The Company shall not engage a potential business partner where the outcome of KYC conducted on it is not consistent with Oando's corporate culture and ethical standards.

7.0 Procedure

7.1 It is the responsibility of the user department or entity to send out the due diligence questionnaire to the prospective business partner.

7.2 The user department or entity shall send an information request letter attached with due diligence questionnaire in Appendix 1 to this Policy.

7.3 The due diligence questionnaire will be completed by the proposed or potential business partner and returned to the Company.

7.4 Upon receipt of the due diligence questionnaire the user department will forward it to the Compliance Office.

7.5 The compliance office shall review the due diligence questionnaire and send a report to the user department and the procurement unit.

7.6 Based on the outcome of the due diligence the compliance office shall issue a written authorization for the user department to proceed with the transaction or otherwise stating the reason why such a decision was reached and the potential risk to the company.

7.7 The Company may request for additional information not contained in the questionnaire if necessary in an effort to clarify all risk areas.

7.8 The Company shall ensure that sufficient information is obtained to allow for an informed decision.

7.9 The Company will extend verification of information contained in the due diligence questionnaire beyond the information supplied by potential business partner.

7.10 Based on the principle of impartiality, personnel within the entity or user department shall not be assigned to review or issue report in respect of a due diligence.

7.11 For transactions or relationships that require extensive due diligence, all information gathered during the verification exercise will be analyzed and assessed.

7.12 A final report will be prepared documenting the scope of the due diligence exercise and a summary of the findings.

7.13 If applicable, the report shall include specific recommendations designed to assist the business unit concerned in managing its relationship with the potential business partner if a business relationship comes to existence with the Company

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7.14 All stages of the due diligence exercise shall be documented and securely retained. Original documents considered shall be scanned and the original documents returned.

8.0 Related Policies

This policy is hereby incorporated as an annexure to the vendor management policy and procedure and forms a part of the procurement procedural manual.

9.0 Business Partner Checklist

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

10.0 Exception

Although there is no exception to the compliance with this policy, in exceptional cases, a written justification for exception from this process may be made to the CCO who will, based on the merit of each case give a permission to proceed with a transaction. The CCO must in all cases give a time frame for the completion of the due diligence exercise.

11.0 Sanction

Contravention of this policy is deemed a serious offence and appropriate sanction will be meted out in accordance with the disciplinary procedure outlined in the staff handbook.

12.0 Revision

This policy shall be reviewed from time to time in line with international best practices.

APPENDIX 1

DUE DILIGENCE QUESTIONNAIRE

1. Please provide the following:

a) Name of the Proposed Business Partner:

b) Registration Details:

- Registered Name of the company:

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- Trade Name (if different from registered name):
- Previous names (if any):
- Company Registration Number:
- Date and Year of Incorporation:
- Registered Address:
- Contact Address (if different from registered address):
- Country of Incorporation:
- Share Capital:
- Share Capital Information (Not Applicable to Partnership/Sole Proprietorship):
- Type of Company: (e.g. Partnership, Sole Proprietorship etc)

Current Owners of the Company:

Full name	Occupation	Address	Percentage holding

Previous Owners (If any):

Full name	Occupation	Address	Percentage holding	Date that he/she ceased to be an owner

2. What is the principal business of the Company?

3. In what country/countries does the Company provide services?

4. Does the Company have footprints outside Nigeria? NO YES

If YES to the above, kindly provide details:

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(Please use additional sheets if required)

5. Is the Company required by law to be registered with any other Government Agencies or other organizations (e.g., Chamber of Commerce)? NO YES

If YES, complete information below and provide copies of the registration documents.

NUMBER	REGISTERED WITH:	START DATE	EXPIRATION DATE

6. Does the Company have any Parent Company, Affiliates and Subsidiary Companies or organizations? NO YES (Complete the following for each entity.)

Name:

Address:

City:

Postal Code:

Country:

Percentage Owned by

Company:

Other Owners &

Percentages

(Kindly attach duly certified corporate documents evincing the shareholding of the Parent Company, Affiliates and Subsidiaries)

7. Does the Company have any interest in any Company or Partnership registered or formed in Nigeria? NO YES (Complete the following for each entity.)

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Name: _____

Address: _____

City: _____

Postal Code: _____

Country: _____

Percentage Owned by
Company: _____

Other Owners &
Percentages _____

8. Has the Company ever been refused consent to register a Company or form a Partnership in Nigeria? NO YES

If yes kindly provide details:

(Please use additional sheets if required)

9. Does the Company have any branch offices? NO YES
(Complete the information below for each office.)

(A branch office is a second address for the same business with the same owners.)

Name: _____

Address: _____

City: _____

Postal Code: _____

Country: _____

Name: _____

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Address: _____

City: _____

Postal Code: _____

Country: _____

10. Please provide details of Two (2) Company /Business References

11. Management and Key Employees and spouses:

DESIGNATION	NAME	TITLE	CITIZENSHIP

12. Board of Directors and spouses:

NAME & TITLE	SPOUSE	ADDRESS	OCCUPATION	CITIZENSHIP	SHAREHOLDING

(Please use additional sheets if required)

13. Previous Directors within the last 5 years?

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NAME & TITLE	SPOUSE	ADDRESS	OCCUPATION	CITIZENSHIP

14. All Shareholders (and Spouses) with more than 5% shareholding:

NAME & TITLE	SPOUSE	ADDRESS	OCCUPATION	CITIZENSHIP	SHAREHOLDING

(Please use additional sheets if required).

Please give the name and copies of certificate of incorporation & list of directors and spouses and their countries of origin if the Shareholders are corporations. Please drill down till shareholders listed are people

15. Does any Key Person (Executive Management staff, Directors and Shareholders (and spouses for all categories) “**Key Persons**” have any service, contracts, position or duties for or with a government, government-controlled entity, political party, military or any Oando entity? NO YES (complete table below)

NAME	TYPE OF SERVICES	POSITION / DUTIES	CONFLICT OF INTEREST? (Yes or

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	PERFORMED		No)

(Please use additional sheets if required)

16. Are any family members of any Key Person listed in 10, 11 or 12 above employed or otherwise engaged in any capacity by any government entity, including the military, any political party, or candidates for political office? NO YES (complete table below)

PERSON	RELATIVE & RELATIONSHIP	POSITION	DUTIES

(Please use additional sheets if required)

17. Does your organization have documented policies on:

- Integrity Management (Ethical Code of Conduct) NO YES
- Whistle Blowing NO YES
- Gift & Entertainment Policy NO YES
- Related Party Transaction Policy NO YES
- Anti-bribery and corruption Policy NO YES
- Interaction with government officials/employees Policy NO YES
- Anti-money laundering Policy NO YES

18. Are facilitation payments permitted? NO YES

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- i. If so, under what circumstances?
- ii. What records are maintained of each facilitation payment?
- iii. What checks are made to ensure that payments are made according to Company policy?

19. Please respond to the following questions on behalf of the Company and all Key Persons (Executive Management Staff, Directors, Shareholders or spouse). If the answer to any of the below questions is "yes," please provide an explanation.

- a) Has the Company or any Key Person ever been convicted of violating any rules or regulations governing the purchase or sale of goods or services to or by any government? No Yes
- b) Has the Company or any Key Person ever been interviewed, deposed, or subpoenaed in connection with any litigation or investigation involving any procurement regulations? No Yes
- c) Has the Company or any Key Person (Executive Management Staff, Directors & Major Shareholders) ever been an undischarged bankrupt? No Yes
- d) Has the Company or any Key Person (Executive Management Staff, Directors & Major Shareholders) ever been convicted of a criminal offence involving fraud or dishonesty? No Yes
- e) Has fraud or dishonesty been proven against the Company or any Key Person (Executive Management Staff, Directors & Major Shareholders) in any civil proceedings? No Yes
- f) Has the Company or any Key Person ever been found guilty of violating any law governing donations, contributions, honoraria, or any other form of remuneration to any government official? No Yes
- g) Has the Company or any Key Person ever been interviewed, deposed, or subpoenaed in connection with any litigation or investigation No Yes

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involving any law governing donations, contributions, honoraria, or any other form of remuneration to any government official?

- h) Has the Company or any Key Person ever been interviewed, subpoenaed, or asked to testify before any legislative body concerning fraud or abuse with regard to any governmental procurement? No Yes
- i) Has the Company or any Key Person listed ever been found guilty of any violations of securities or commodities trading laws? No Yes
- j) Has the Company or any Key Person ever been found guilty of any violation of any laws and regulations governing the Oil & Gas Industry? No Yes
- k) Has the Company or any Key Person ever been charged, interviewed or found guilty concerning income tax evasion? No Yes
- l) Has the Company or any Key Person ever been convicted of a felony or other criminal act for any matter not listed above? No Yes
- m) Has Company or any corporation, partnership, or other entity in which the Company has more than a 5% interest or is an owner, partner, officer, director, or key employee been the subject of any voluntary or involuntary bankruptcy or other similar proceeding? No Yes
- n) Has Company or any corporation, partnership, or other entity in which the Company has more than a 5% interest or is an owner, partner, officer, director, or key employee ever been refused or had revoked a licence, permit or other authorization to provide investment business to the public in any jurisdiction? No Yes
- o) Has Company or any corporation, partnership, or other entity in which the Company has more than a 5% interest or is an owner, partner,

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officer, director, or key employee ever been refused or had revoked a licence, permit or other authorization to conduct? No Yes

p) Has the entity or any Company or Key Person been subject to a Foreign Corrupt Practices Act (FCPA) or other anti-bribery law investigation or enforcement action? No Yes

q) Has the Company or any Key Person (Executive Management Staff, Directors & Major Shareholders) received advice on the tax liabilities to ensure compliance with all applicable tax and other laws? No Yes

20. Does the Company currently hold all requisite material licenses, permits or other consents to conduct its business as it intends? No Yes

21. Please describe the compliance structure of the Company, the number of compliance personnel, their location and their respective roles and responsibilities. How is the compliance function covered in respect of the Company's operations?

22. How are employees trained on compliance matters generally, throughout the Company's operations?

23. What disciplinary measures are in place for employees who are found to have violated Company policies?

24. In respect of each of the Company's operations, please identify any activity for which the Company considers there to be a specific risk of bribery, corruption, money laundering or similar unethical practice.

25. Is the Company in compliance with all applicable laws and regulations? NO YES

26. What is the policy of the Company if unethical practices are discovered?

27. Are there any on-going government investigations of the Company or its employees in connection with the Company's activities? Please provide details.

28. Please describe any internal investigation into actual or potential instances of bribery, corruption, money laundering or similar unethical practice.

29. Has the group lost any business opportunity as a result of adherence to its compliance policies? If Yes, Please state.

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Available Documents/ Documents submitted:

- | | | |
|---|-----------------------------|------------------------------|
| 1. Particulars of Directors (Form C07) | <input type="checkbox"/> NO | <input type="checkbox"/> YES |
| 2. Particulars of Shareholders (Form C02) | <input type="checkbox"/> NO | <input type="checkbox"/> YES |
| 3. Statement of Share Capital | <input type="checkbox"/> NO | <input type="checkbox"/> YES |
| 4. Notice of Situation of Address (Form C06) | <input type="checkbox"/> NO | <input type="checkbox"/> YES |
| 5. Certificate of 3 rd Party Insurance Liability | <input type="checkbox"/> NO | <input type="checkbox"/> YES |
| 6. Identity Card of Company Contact/Representatives | <input type="checkbox"/> NO | <input type="checkbox"/> YES |

ACKNOWLEDGEMENT

1. We confirm that all of the above information is true and correct as of the date below.
2. If requested, we will provide an appropriate letter of authority permitting Oando Plc to access corporate records and obtain certified copies of the above companies.

Director

Name:

Signature:

Date:

Secretary

Name:

Signature:

Date: