



2023

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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ABOUT OUR REPORTING

In our ESG reporting, Assala aims to provide transparent, useful information on many different aspects of our business.

This 2023 report is Assala's fifth ESG report. As such, we include five years of data¹ for completeness, providing the most accessible and comprehensive account of our performance to date.

Notes for using this report

Structure

Our goals, ambitions and impacts are explored under the Environment, Social and Governance pillars to guide our reporting and disclosures of relevant details. Topics determined to be material are grouped under a relevant thematic pillar i.e., E,S,G.

Under each pillar, we have identified our material topics. Please refer to our Statement on materiality on our website, or in the Appendices of the print version of this report.

Currency conversion

Project budgets are reported in USD and, where relevant, have been calculated using the average annual foreign exchange rate values for 2023.

Digital version

The digital version of this ESG report is interactive, allowing navigation between sections and across related topics, objectives, and impacts. In this version, links to relevant appendices are provided, directing users to Assala's website.

Appendices to this report, found on Assala's website, include:

- Statement on materiality
- Basis of reporting

- Hydrocarbon flaring breakdown
- Taskforce for Climate-Related Financial Disclosures (TCFD) Index
- Global Reporting Initiative Sustainability Reporting Standards Index
- Tax strategy
- Glossary of terms & definitions
- Cautionary statement

Further and summarised ESG-related information, as well as the above-referenced appendices, are available on assalaenergy.com.

Print version

In the print version of this report, appendices are to be found at the back of the document.

Verification and external assurance

Internal data and narrative are subject to reviews by Assala's senior management and internal subject matter experts. Where externally sourced information has been referenced, relevant citations are provided in footnotes.

In 2023, Assala asked Deloitte to provide independent, limited assurance of selected metrics in accordance with ISAE 3000 and ISAE 3410 as issued by the IASSB. Information marked with an asterisk (*) in this report has been independently assured.

For more information relating to this external assurance, please refer to www.assalaenergy.com/esg/reporting/independent-assurance/ and to Assala's Basis of reporting.

Company overview

In this report, we have provided an overview of key company results in 2023. These results are intended to present the company's performance in all aspects of our operations, as well as our positive legacy in the communities where we operate.

Please refer to the Company overview at the beginning of this report.

Standards and frameworks

We adhere to a variety of reporting standards and frameworks and benchmark our report against industry best practice.

Key metrics and material topics are reported in line with external standards, frameworks or opinions and then are verified, audited and/or risk-assessed to ensure the comprehensiveness and robustness of our approach.

Taskforce for Climate-related Financial Disclosures (TCFD)



Refer to Index: Taskforce for Climate-related Financial Disclosures for details on where we make our disclosures against TCFD’s recommendations.

Global Reporting Initiative (GRI) standards

Refer to Index: Global Reporting Initiative detail on where we make our disclosures against GRI’s Standards.

Our 2023 ESG report was prepared in accordance with GRI Standards.

Ipieca -

The global oil and gas association for advancing environmental and social performance across the energy transition



Ipieca’s sustainability reporting guidance informs the way we report on ESG issues.

We are active members of Ipieca, and our ESG contributors take part in working groups as an opportunity to share and exchange on industry best practices.

International Finance Corporation’s Environmental and Social Performance Standards

Our Environmental Social Action Plan is audited annually to IFC Performance Standards.

United Nations Sustainable Development Goals



We consider where we can make the most impactful contribution to the United Nations Sustainable Development Goals (UN SDGs) through our projects and initiatives.

Equator Principles

We refer to the Equator Principles when developing our strategy for assessing, managing and mitigating the risks to biodiversity associated with our activities.

International Association for Oil and Gas Producers (IOGP)



We are members of the IOGP and benchmark our performance against IOGP annual averages.

Morningstar Sustainalytics



Assala Energy was recognised as one of the top-performing companies in the 2024 Morningstar Sustainalytics Top-Rated ESG Companies List.

In June 2023, we achieved a milestone, earning a Medium ESG Risk Rating of 27.3. This notable score places us in the top 6%¹ of all oil and gas producers evaluated by Morningstar Sustainalytics.

Review Morningstar Sustainalytics’ disclaimers: <https://www.sustainalytics.com/legal-disclaimers>

1. Correct at the time of publication in April 2024.

CEO FOREWORD

2023 was dominated by the news of the sale of our shareholders' stake in the Assala Group. It's certainly true that a sale process of this nature creates a significant amount of additional work for teams, as potential buyers go through their due diligence. There is also the effect of uncertainty of what the future holds, in particular, for our employees and within our supply chain. This can have a catastrophic effect on morale, distracting people from what they should be doing and losing focus on what is important.

This is where our Values and our Spirit, Assala's ESG framework and Assala's IMS showed their true colours and their worth. Our unerring commitment to operating safely and responsibly mean that our employees remained professional and never lost sight of our corporate objectives, thereby preserving the company value and the viability of the business for the long term. Indeed in 2023, our shareholders invested a record level 378M USD in CAPEX to ensure the future of the business through redevelopment drilling & workovers, integrity and capacity improvements, all the while continuing to reduce our carbon footprint.

We challenge ourselves daily and the results are clear from our IFC Performance Standards, ISO14001 and GHG emissions audits, and of course our ranking by Sustainalytics as being in the top 6%¹ of companies in our industry globally, with a notably low ESG risk rating. Indeed, Assala was recognised as one of the top-performing companies in the 2024 Morningstar Sustainalytics Top-Rated ESG Companies List.

In March 2024, a tragic accident resulted in the terrible loss of life of people from another operator in our industry in Gabon. There was an unequivocal reaction from my position as CEO, and throughout the organisation, to ensure that everyone is clear that they all have the right to stop the job if they see anything unsafe. No number of barrels, no cost and no time can make up for the loss of a human life. We remain humbled and in awe of the raw power of nature and its natural resources, and aware, always, of the privilege we have in working on our Gabon assets, in such a rare and precious environment. Our commitment to a robust HSSE culture is stronger than ever.

Whatever the future of Assala's business going forward, I am immensely proud of how we have turned this business around responsibly and safely, of the results we achieved and of where it is today. Over and above our project and business achievements, we have proved a unique model of redeveloping mature assets in a lean, fit-for-purpose, adapted way that makes economic sense. We do that in a safe way for people, a responsible way for the environment, and a compliant way against the most stringent international standards. In this, we proudly differentiate ourselves from those who walk away from the immense challenge of sustaining mature assets and from those who tackle those challenges at the expense of people's safety and environmental protection.

We now aim to replicate this model to accompany the energy transition with responsible interim oil production and just, natural resource production in developing and emerging economies that deserve this respect.



David Roux

Chief Executive Officer, Assala Energy

We challenge ourselves daily,
and have proven the success
of **our unique model.**

1. Correct at the time of publication in April 2024.

COMPANY OVERVIEW

Assala is an oil and gas exploration and production company integrating Environmental, Social and Governance (ESG) criteria into everything we do.

With operations in Gabon, Assala invests in the integrity of our assets to improve our fields' efficiency. This is what supports us to reduce our emissions year on year, whilst increasing field lifecycles and production.

In so doing, we derive value for our shareholders, including the State of Gabon, and stakeholders, including the communities living locally to our operations, all the while working to mitigate any environmental impact from our operations.

Discover how we do it in this fifth annual ESG report.

Our business in 2023



One of Gabon's largest oil and gas producers



7 operated production licences



1 non-operated production licence



3 onshore operated exploration licences



378M USD in CAPEX investment
(1.25B USD since 2018)



261M USD in OPEX investment
(1.5B USD since 2018)



18 new wells drilled
40 workovers
(56 wells drilled & 184 workovers performed since 2018)



Up to 218 producing wells on 31st of December 2023

Our ESG legacy in 2023



35% reduction in routine flaring since 2020



37 kg CO₂e/boe in 2023 (45 kg CO₂e/boe in 2020)



100% of local employees covered by collective bargaining agreements



24,210 training hours for all personnel



22% of local employees are women



>450 direct jobs



>2,900 indirect jobs



>750 community jobs with our contractors



161 Assala Excellence Prize laureates since 2018



282M USD¹ paid to governments in taxes



102 internships and technical work placements offered to Gabonese people

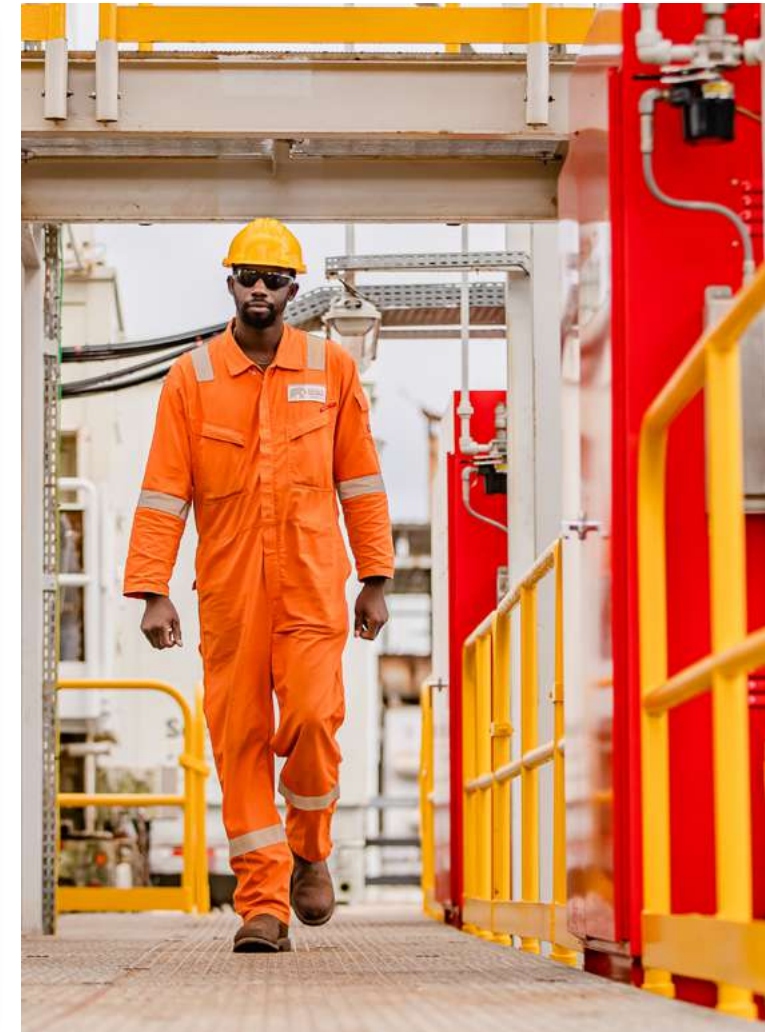


Smithsonian Conservation Biology Institute

3 partnerships to conserve biodiversity

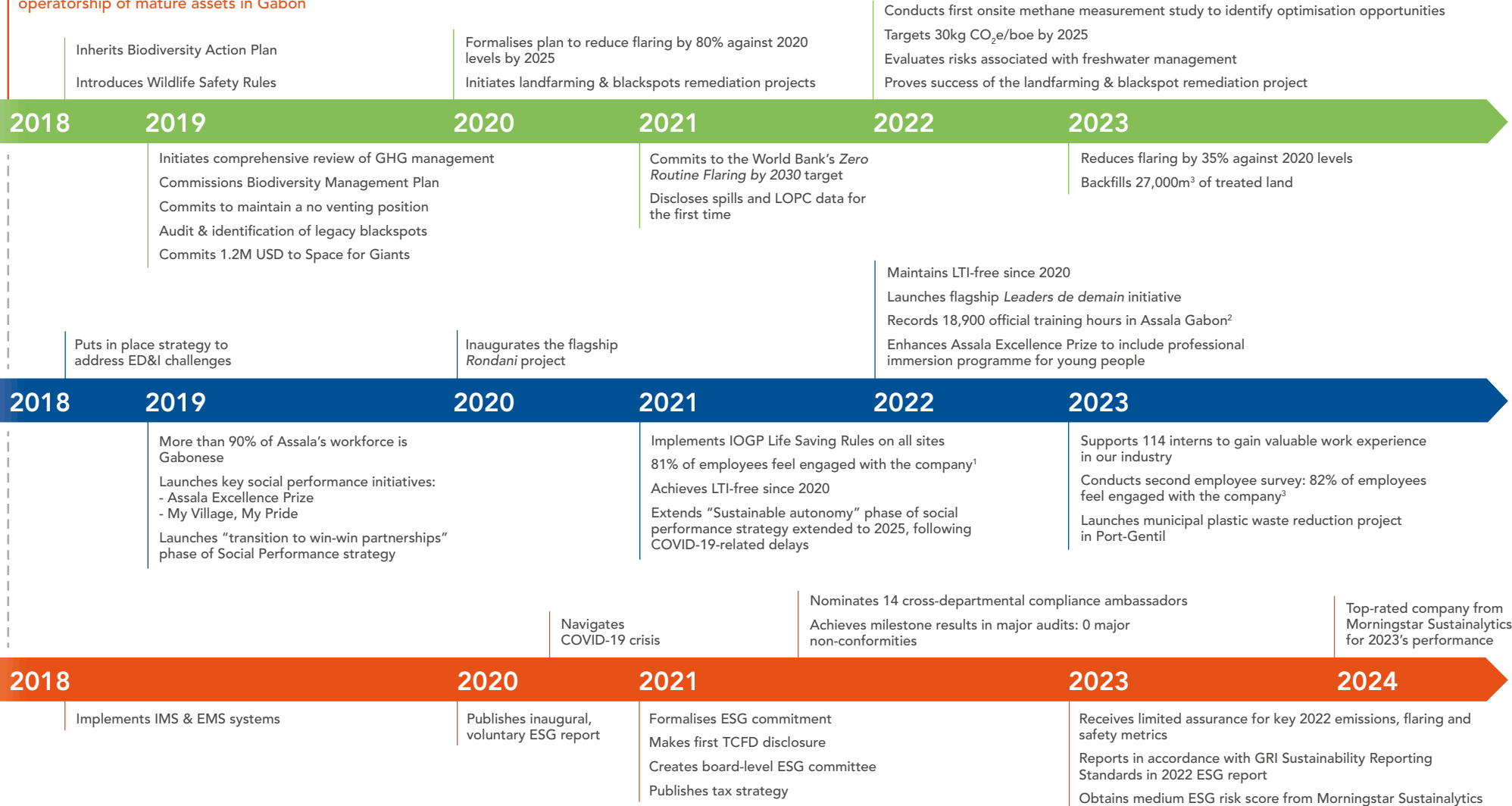


1. Unaudited



OUR ESG JOURNEY HIGHLIGHTS (2018 - 2023)

31 October 2017 Assala takes over operatorship of mature assets in Gabon



1. According to 2021 internal employee survey.
 2. Not including on-the-job training.
 3. According to 2023 internal employee survey.

GOVERNANCE

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For Assala, an effective, comprehensive, and transparent approach to doing business – an approach which incorporates Environmental, Social and Governance criteria into every decision and action – starts with integrity, good governance, and effective management of risks. For us, these three fundamental considerations are key to upholding our Environmental and Social commitments, and to carrying out our activities responsibly, safely and to international standard.

Ultimately, at Assala, we believe that how we deliver is as important as what we deliver, and what we deliver cannot come at the expense of how we deliver it. This belief defines our governance approach, which embeds ESG accountability throughout our business.

INTEGRITY & GOOD GOVERNANCE



Assala's business is guided by a set of intrinsic Values, underpinned by a strong Spirit, which support us to conduct our activities to the highest possible international standards. Our Code of Conduct (our "Code") is the framework ensuring we weave integrity, accountability, and overall good governance into the fabric of what we do.

Our Code is at the heart of our governance structures, and places ESG considerations at the top of our agenda. It is published on our website, is available on our corporate Intranets, and is communicated and distributed across all our sites and offices. Employees, contractors, suppliers and third parties acting on behalf of Assala are expected to comply with the Code. Employees and contractors embedded in Assala roles receive annual training and are encouraged to consult the document through the avenues available. Every person working with or for Assala is strongly supported to report promptly any suspected breaches of our Code of Conduct, policies, or procedures.

Our management style further enhances our commitment to integrity and good governance. At Assala, senior management have an open-door policy, and transparent communication is not just encouraged but practiced. This is the basis of how we work, and this approach is promoted across all departments and functions.

Values



Operate responsibly and safely



Empower our employees to reach their potential



Build win-win partnerships to ensure long-term benefit from our operations



Increase field life cycles and production through asset integrity and strategic investment



Engage in robust financial management



Commit to the application of international environmental standards and best practices



Act with integrity by complying with our Code of Conduct and applicable laws and regulations

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Spirit

Our Business

Compliant & robust

We believe in rigorous operations management in strict compliance with our Code of Conduct, in line with national and international laws, regulations and best practices.

Adaptable

Inspired by our name, we integrate the necessary flexibility, innovation and creativity into our model to adapt and improve in an ever-changing environment.

Our People

Empowered

We strive to empower and support our team members in reaching their goals and succeeding in their roles.

Accountable

We expect our people to be accountable and show individual dedication to their own contributions while also promoting collaboration and teamwork.

Our Operations

Safe & responsible

We commit to conducting our operations safely and responsibly for people and the environment.

Fit for purpose

Our choice is to base Assala's organisation on transparent and straightforward processes to improve our production performance and extend the life cycle of our fields in the long term.

Code of Conduct



Obey the law



Treat people with dignity and respect



Avoid conflicts of interest



Protect Assala's resources



Keep accurate and honest records



Be a responsible global citizen



Honour business obligations



Strive for continuous improvement

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Compliance campaigns and training

For Assala, compliance means adherence to our Code of Conduct, policies, and procedures, as well as to applicable national and international laws. Our Legal and Compliance department support the business to embed this into our daily activities by maintaining resources on the department's dedicated intranet page and conducting regular training.

As every year, our Legal and Compliance department implemented a comprehensive training programme on key ethics and governance issues impacting our business and industry. Upon joining the business, and every year afterwards, employees and identified contract workers must complete our Code of Conduct training. In 2023, 100% of this target audience completed their training. Additionally, 183 people, including all of our governance body members, completed a risk-based Anti-Bribery and -Corruption training which covered more details in respect of facilitation payments, conflicts of interest, gifts and hospitality and integrity due diligence. These annual training sessions give our people the tools necessary to recognise and avoid situations where bribery or corruption may occur.

Further, 94 people were coached on interactions with government officials; 142 received training on data protection; and 839 received guidance on anti-harassment.

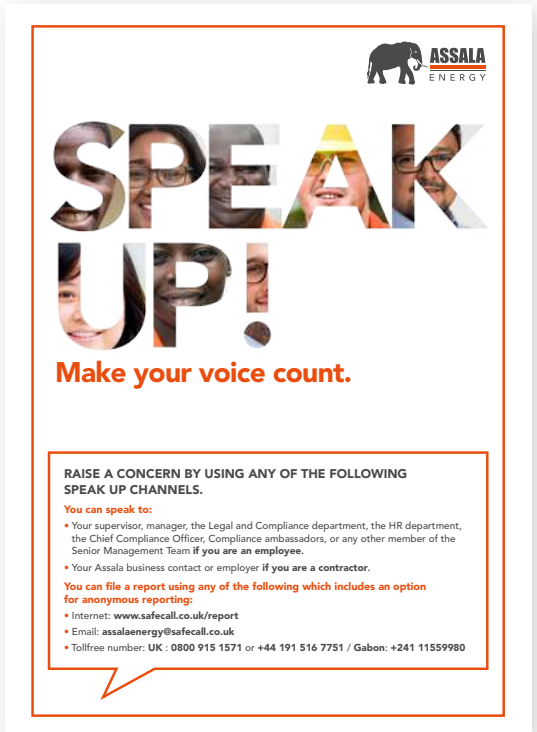
Annual Code of Conduct training completion: 100% of target audience¹

1. 100% of employees, 90% of identified contract workers.

To further strengthen our engagement with compliance issues, dedicated Compliance Ambassadors are embedded throughout the organisation, acting as points of contact within their teams for guidance and to support with escalation of concerns to the Legal and Compliance team. In 2023, we strengthened this initiative by increasing the number of Ambassadors from 14 to 21, thereby ensuring that there is an ambassador assigned to every Assala location, in both the UK and Gabon.

At Assala, we emphasise the importance of speaking up when something does not seem right. Our Speak Up! messaging campaign reinforces the importance of raising concerns and ties into our Code of Conduct principle to strive for continuous improvement. If issues are not raised, they cannot be addressed, and we lose the opportunity to improve. As such Speak Up! emphasises that:

- There is zero tolerance for retaliation or negative consequence for anyone who, in good faith, raises a concern or makes a report of wrongdoing.
- It is everyone's responsibility to report improper conduct using the channels provided.
- The company investigates every report of improper conduct and takes action where appropriate.
- Continuous improvement is a cornerstone of Assala's compliance journey.



ASSALA ENERGY

SPEAK UP!

Make your voice count.

RAISE A CONCERN BY USING ANY OF THE FOLLOWING SPEAK UP CHANNELS.

You can speak to:

- Your supervisor, manager, the Legal and Compliance department, the HR department, the Chief Compliance Officer, Compliance ambassadors, or any other member of the Senior Management Team if you are an employee.
- Your Assala business contact or employer if you are a contractor.

You can file a report using any of the following which includes an option for anonymous reporting:

- Internet: www.safecall.co.uk/report
- Email: assalaenergy@safecall.co.uk
- Tollfree number: UK : 0800 915 1571 or +44 191 516 7751 / Gabon: +241 11559980

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Preventing corruption

Assala prevents corruption and anti-competitive behaviour through adherence to robust policies and procedures, and through the implementation of our comprehensive training programme for identified employees and contractors, who, by virtue of their roles, may be exposed to increased risks in these areas. Our campaigns also support us to mitigate the risk of corruption in our operations.

Our Code of Conduct strictly prohibits corrupt behaviours, as well as making political contributions and lobbying, whether by way of funds or assets, to any political party, campaign or candidate. Employees are not permitted to make political contributions on behalf of Assala, or in their own name if done to obtain or retain business or to gain an improper business advantage for Assala. Any payments to governments are fully documented and only made as authorised under relevant contractual obligations, or under national or international legislation. Assala reports payments made to governments in our Taxes and payments to governments disclosure. This disclosure is found on our website, and in the Appendices of the printed version of this ESG report.

Our Anti-Bribery and -Corruption and Gifts and Hospitality policies provide guidance to employees and contractors on how to manage potential bribery/corruption risks. As a pre-requisite of their business relationship with Assala, suppliers review and acknowledge our Code of Conduct, along with other key documentation, such as our Anti-Bribery and -Corruption and Trade Compliance policies.

In 2022, we conducted a bi-annual assessment of risks relating to corruption, which considered Assala's operations in the UK and in Gabon. In 2023, we addressed the identified risks, which related to aspects such as facilitation payments, conflicts of interest, gifts and hospitality and due diligence, in an enhanced Anti-Bribery and -Corruption training programme. The targeted anti-bribery and -corruption 2023 training enhanced our ability to recognise and avoid situations where bribery or corruption could occur.

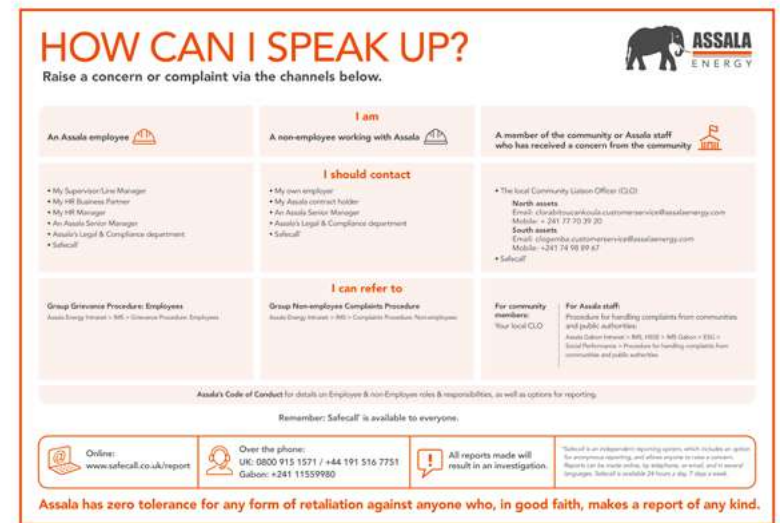
All personnel are expected to declare gifts, hospitality and any known or potential conflicts of interest on the registers available on our Intranets. This expectation is communicated through our compliance campaigns. Each disclosure made is considered by our Legal and Compliance team. Any material risks identified within such disclosures are raised to the Audit Committee.

In 2023, seven declarations of potential conflicts of interest were reported. Our Legal and Compliance team reviewed each one to identify any potential risks, as well as any necessary mitigation measures. Each review served as an opportunity to remind employees of the company's expectation that we all comply with relevant laws, as well as with Assala's Code.

There have been no legal actions against Assala concerning corruption in 2023, nor in previous years.

Preventing anti-competitive behaviour

Assala's potential risk of anti-competitive behaviour includes sharing market intelligence with other producers, entering into joint ventures with competitors and influencing market sharing. Assala's Competition Policy gives guidance on how to avoid anti-competitive behaviour. Our Code of Conduct also prohibits anti-competitive behaviour by employees and contractors. There is little risk of anti-competitive behaviour in the context of our operations, and there were no legal actions against Assala concerning anti-competitive behaviour in 2023, nor in previous years.



HOW CAN I SPEAK UP?
Raise a concern or complaint via the channels below.

I am	I should contact	I can refer to
An Assala employee <ul style="list-style-type: none"> My Supervisor/Line Manager My HR Business Partner My HR Manager An Assala Service Manager Assala's Legal & Compliance department Safecol 	A non-employee working with Assala <ul style="list-style-type: none"> My own employer My Assala contract holder An Assala Service Manager Assala's Legal & Compliance department Safecol 	A member of the community or Assala staff who has received a concern from the community <ul style="list-style-type: none"> The local Community Liaison Officer (CLO) North assets Email: clou@northassala.com Customer service@assalaenergy.com Mobile: +241 72 70 39 20 South assets Email: clous@southassala.com Customer service@assalaenergy.com Mobile: +241 74 98 89 47 Safecol
Group Grievance Procedure: Employees <small>Assala Energy (North) - HR - Grievance Procedure: Employees</small>	Group Non-employee Complaints Procedure <small>Assala Energy (North) - HR - Complaints Procedure: Non-employees</small>	For community members Your local CLO For Assala staff Procedures for handling complaints from communities and public authorities: Assala Gabon Internal - HR, HRSS - HR Gabon + HRSS - Social Performance - Procedures for handling complaints from communities and public authorities.

Assala's Code of Conduct for details on Employee & Non-Employee roles & responsibilities, as well as options for reporting.

Remember: Safecol is available to everyone.

Online: www.safecol.co.uk/report | **Over the phone:** UK: 0800 915 1571 / +44 191 516 7751 | Gabon: +241 11559990
All reports made will result in an investigation.

Assala has zero tolerance for any form of retaliation against anyone who, in good faith, makes a report of any kind.

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Maintaining open dialogue and honest communication contributes to our social licence to operate and is crucial to our compliance approach. Anyone who interacts with Assala's operations, whether an employee, contractor, third party, or member of the community, has a channel through which they can report a concern.

In 2023, we increased awareness of the importance of reporting through our Speak Up! compliance campaign and supplemented our messaging with an overview of available reporting channels. We shared these mechanisms across our sites and offices, and on our intranets to ensure maximum visibility.

All employees, contractors, suppliers and third parties are expected to be aware of the importance of their role in preventing, reporting, and responding to issues which may be contrary to the principles in Assala's Code of Conduct, policies, and procedures. Everyone involved in Assala's operations is strongly encouraged to speak up and raise any concern through the available reporting channels: their direct supervisor or Manager, the Legal and Compliance department, the HR Manager, the Chief Compliance Officer, or any other member of Assala's senior management teams, or Safecall.

Communities can raise concerns or complaints via our Community Liaison Officers.

The effectiveness of our grievance and complaints systems is verified annually as part of the audit of our Environmental and Social Action Plan (ESAP) against International Finance Corporation (IFC) standards.

Safecall

Safecall is a third-party reporting system, which includes an option for anonymous reporting, and allows anyone to raise an issue. Reports can be made online, by telephone, or email, and in several languages. Safecall is available 24 hours a day, 7 days a week. Save for reports against senior managers, which are routed directly to the Board, all reports made are directed to our Legal and Compliance department and are investigated by Assala. Assala has zero tolerance for any form of retaliation against anyone who makes a report in good faith.

Safecall reports filed

Year	Number
2020	5
2021	6
2022	5
2023	9

Categorisation of Safecall reports filed in 2023

Safecall report category	Number
Unfair treatment	2 ¹
Policy	1 ²
Workplace culture and Safecall programme governance	6 ³

1. Closed with recommended counselling provided.
2. Closed with reminders of Assala's policy expectations.
3. Closed with recommended feedback provided.

Workplace concerns or complaints

In Assala, a grievance is defined as a concern or complaint that an employee has about their work, the workplace, or someone they work with – this includes management. Such grievances are reviewed by Assala's Human Resources (HR) department, with the support of the Legal and Compliance team.

Assala employees can raise a grievance either formally or informally, via HR or their line manager. By contrast, non-employees, including contractors, can raise an issue or complaint through their employing company, who can subsequently contact their Assala Contract Representative, triggering an internal review.

In both cases, and whether formally or informally raised, an issue is first categorised as a workplace concern or complaint, for example, an accusation of disrespectful behaviour or job performance issue, or as a potential breach of either the Code of Conduct or Assala policies. All are reviewed as per Assala's internal investigation procedure.

Workplace concerns or complaints recorded

Year	Internal grievances (employees)	External reports (contractors)
2020	1	6
2021	3	0
2022	2	1
2023	1	2

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Community complaints

As part of our Social Performance strategy, we regularly engage with communities, including local authorities, living and working close to our operations. Our Community Liaison Officers (CLO) are dedicated points of contact to maintain open dialogue. Complaints from the community can be made formally by letter, or informally by telephone or during meetings and engagements with a CLO. All complaints are recorded, categorised, and investigated according to Assala Gabon's Community Complaints Management Procedure. We strive to resolve all complaints promptly, in line with the category assigned and with due consideration to operational constraints. For more details on community engagement within Assala, as well as the number of community engagements conducted in 2023, see Community engagement, in the Social section of this report.

As part of our journey of continuous improvement, we made reporting channels more accessible to communities by sharing a poster on local noticeboards, which included details such as a direct phone line for CLOs, as well as Safecall contact details.

Community complaints recorded

Year	Number
2020	14 ¹
2021	20 ^{1,2}
2022	22 ^{1,3}
2023	17 ¹

1. Community complaints often relate to wider discontent with social and economic conditions, resulting from a lack of government support for basic services and infrastructures. Assala contributes to Gabon's socioeconomic development through the provision of employment, use of local services, and the payment of taxes, as well as significant social investment projects.
2. Including 2020's COVID-19 backlog.
3. In 2022, Assala's interactions with local communities increased following the end of COVID-19 constraints.

“ The importance of ESG factors in shaping Assala's responsible business conduct has become increasingly pronounced. We understand the critical role that ESG principles play in driving sustainable growth, fostering resilience, and mitigating risks. As corporate paradigms evolve from pure profit motives to a broader view of HOW those profits are made without harming, and beyond, to affirmatively benefiting all stakeholders, not just shareholders, Assala has been a pioneer leading the way in Gabon.

Naturally, environmental sustainability is at the forefront of our ESG strategy. Assala recognises the urgency of addressing climate change, reducing carbon emissions, and preserving natural resources to minimise our environmental footprint and contribute to a healthier planet for future generations.

Effective governance is the HOW in this journey and is the cornerstone of our ESG framework. We maintain rigorous compliance standards which are regularly subject to internal and external audits. We promote transparency and uphold the highest ethical principles in all aspects of our business. By prioritising accountability, risk management, and stakeholder engagement, we seek to build trust and confidence among our investors, our supply chain, our partners, and our host government.

It is particularly satisfying to facilitate the shift of hearts and minds within Assala. Our open-door policy, principle of continuous improvement, and training activities are transforming a “paper” programme to a culture of responsible business conduct where integrity and respect permeate our activities and interactions.

It is an honour to share the dedication and perseverance of our team to drive positive change and create a brighter future for all. ”

Joelle Tobin
General Counsel & Chief Compliance Officer,
Assala Energy

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ESG governance

In 2022, Assala established our ESG committee, which has oversight of ESG risk management and ensures that our business strategy aligns with and integrates environmental and social considerations. The committee monitors ESG controls in dedicated and ad-hoc meetings with ESG management, and nurtures an ESG culture within Assala's management, and throughout the business, always.

The ESG structure is reviewed annually to ensure ESG management roles reflect the reality of the business, as well as the engagement of diverse stakeholders with ESG issues. At Assala, we believe every role is an ESG role. This belief is fundamental to the success of our approach, which integrates relevant criteria into every business decision and performance appraisal.



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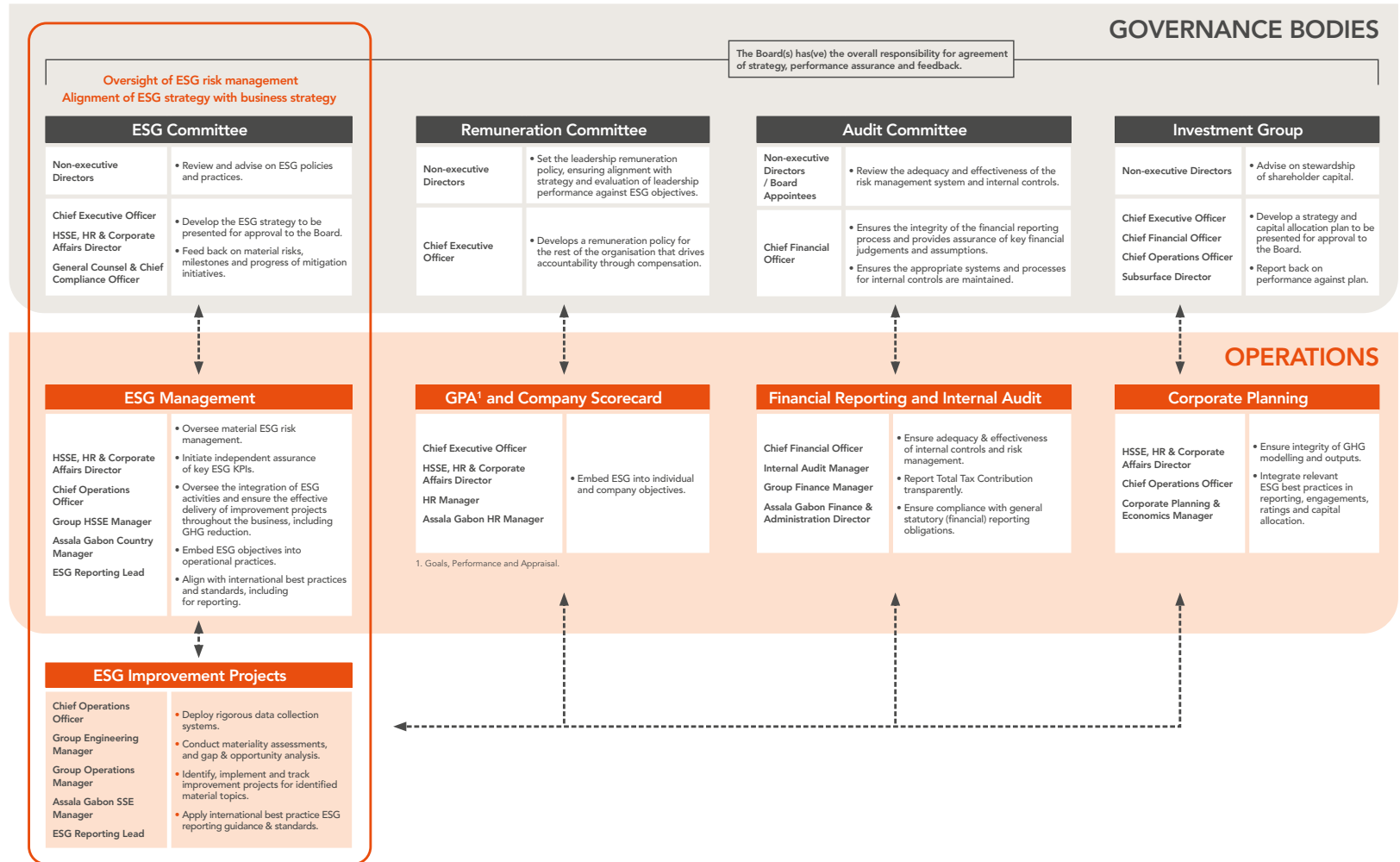
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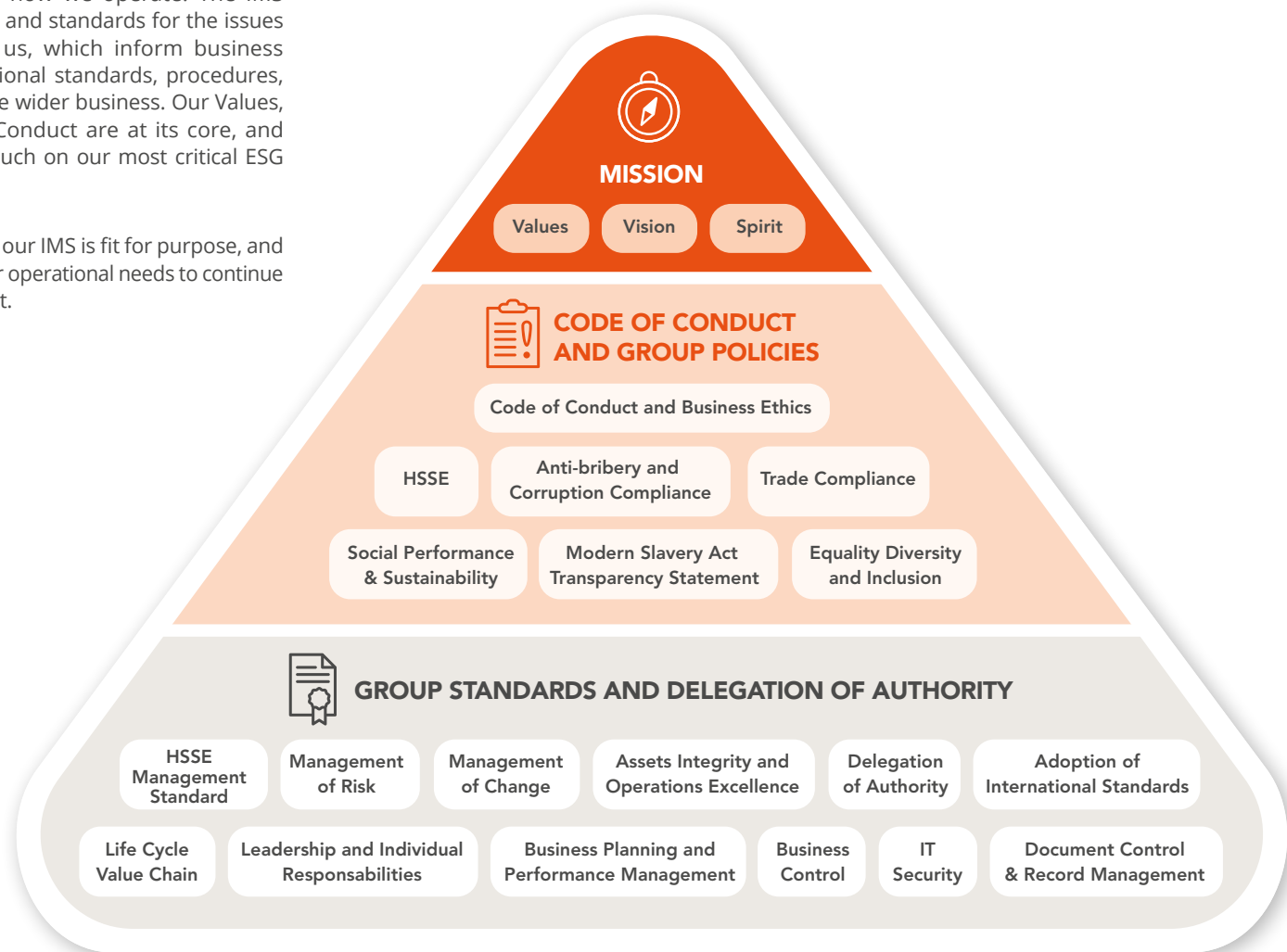
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ESG criteria are woven into our business, and our Integrated Management System (IMS) ensures they are embedded into how we operate. The IMS presents our policies and standards for the issues most important to us, which inform business processes and functional standards, procedures, and guidelines for the wider business. Our Values, Spirit and Code of Conduct are at its core, and principled policies touch on our most critical ESG considerations.

In line with our Spirit, our IMS is fit for purpose, and is adapted to meet our operational needs to continue to drive improvement.



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We adhere to, and where applicable to our Values, we exceed international standards and best practices across our business.

We undertake regular audits of our activities, including our Environmental Social Action Plan (ESAP) with reference to the International Finance Corporation's Performance Standards, as well as our Environmental Management System, verifying that it meets ISO 14001 standards. The results of these key audits are disclosed under Governance, in the Metrics & targets section of this report.

Our financial statements are audited annually. We transparently report our tax contributions in the countries where we operate and in line with our tax strategy.

This information is available on our website, and in the Appendices of the printed version of this report.

As previously, in 2023, Assala asked Deloitte to provide independent, limited assurance of selected metrics within our greenhouse gas (GHG) emissions and safety performance disclosures in accordance with ISAE 3000 and ISAE 3410, as issued by the International Auditing and Assurance Standards Board (IAASB). Refer to the Social and Environment sections of this report and to the Basis of reporting available on Assala's website and in the Appendices of the printed version of this ESG report. Deloitte's assurance report is available on assalaenergy.com.

Overview of external audits and third-party controls

	Third party	Recommendations at previous audit(s)		2023 status	
IFC Performance Standards¹	RSK	Oct. 2022 0 Major Non-Conformities 31 Minor Non-Conformities		Oct. 2023 2 Major Non-Conformities 31 Minor Non-Conformities	
ISO 14001¹	Lloyd's Register	Feb. 2022 Special surveillance audit ¹ : Contract terms redefined between Assala Gabon S.A. and the auditor	Nov. 2022 Special surveillance audit ¹ : 0 Major Non-Conformities 3 Minor Non-Conformities	Feb. 2023 Surveillance audit ¹ : 0 Major Non-Conformities 0 Minor Non-Conformities	March 2023 Change to approval audit ¹ : Successful prequalification of Atora
Audited and Signed group Consolidated Financial statements for Assala Energy Holdings Ltd and subsidiaries prepared in accordance with International Financial Reporting Standards (IFRS)	EY London	n/a (audit year 2022)		Unqualified audit opinion with no control weaknesses identified	
Assala Energy UK Ltd audit and signed financial statements prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the requirements of the Companies Act 2006	EY London	n/a (audit year 2022)		Unqualified audit opinion with no control weaknesses identified	



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Overview of external audits and third-party controls (contd.)

	Third party	Recommendations at previous audit(s)	2023 status
Assala Gabon SA and Assala Upstream Gabon SA audit and signed financial statements prepared under OHADA	EY Gabon	n/a (audit year 2022)	Unqualified audit opinion with no control weaknesses identified
Cost recovery audit (period 2017-2018)	Ministry of Petroleum and Mines – Gabon	n/a	Concluded ²
Legal Social Security (Health) audit	Ministry of Labour – CNAMGS (Caisse Nationale Assurance Maladie et de Garantie Sociale)	n/a	Pending final resolution ³
Social Security (Pension fund)	Ministry of Labour – CNSS (Caisse Nationale de Sécurité Sociale)	n/a	Ongoing

1. See also Governance, in Metrics & targets.

2. Assala maintains good cost recovery ledgers in accordance with legislation and with its contractual obligations.

3. CNAMGS have completed their audit work. Assala has replied to all the points raised by the auditors.

In October 2021, Gabon reapplied to the Extractive Industries Transparency Initiative (EITI). Gabon's application is yet to be assessed¹. Assala is committed to supporting this assessment and operates and reports with EITI's approach in mind.

In our ESG reporting, and in line with our Values, we integrate Taskforce for Climate-related Financial Disclosure (TCFD) recommendations and report in accordance with the Global Reporting Initiative. The required indexes for these reporting standards are available on our website and in the print version of this report. As a responsible operator striving to ensure value from our activities,

we consider where we can make the most impactful contribution to the United Nations Sustainable Development Goals (UN SDGs).

We benchmark our reporting against international and industry best practices. As active members of the International Association for Oil and Gas Producers (IOGP) as well as Ipieca, our ESG contributors take part in working groups as an opportunity to share and exchange on industry best practices.

See also About our reporting at the beginning of this report.

1. <https://eiti.org/countries/gabon>

N.B: Status correct at time of publication of this report in April 2023.

RISK MANAGEMENT

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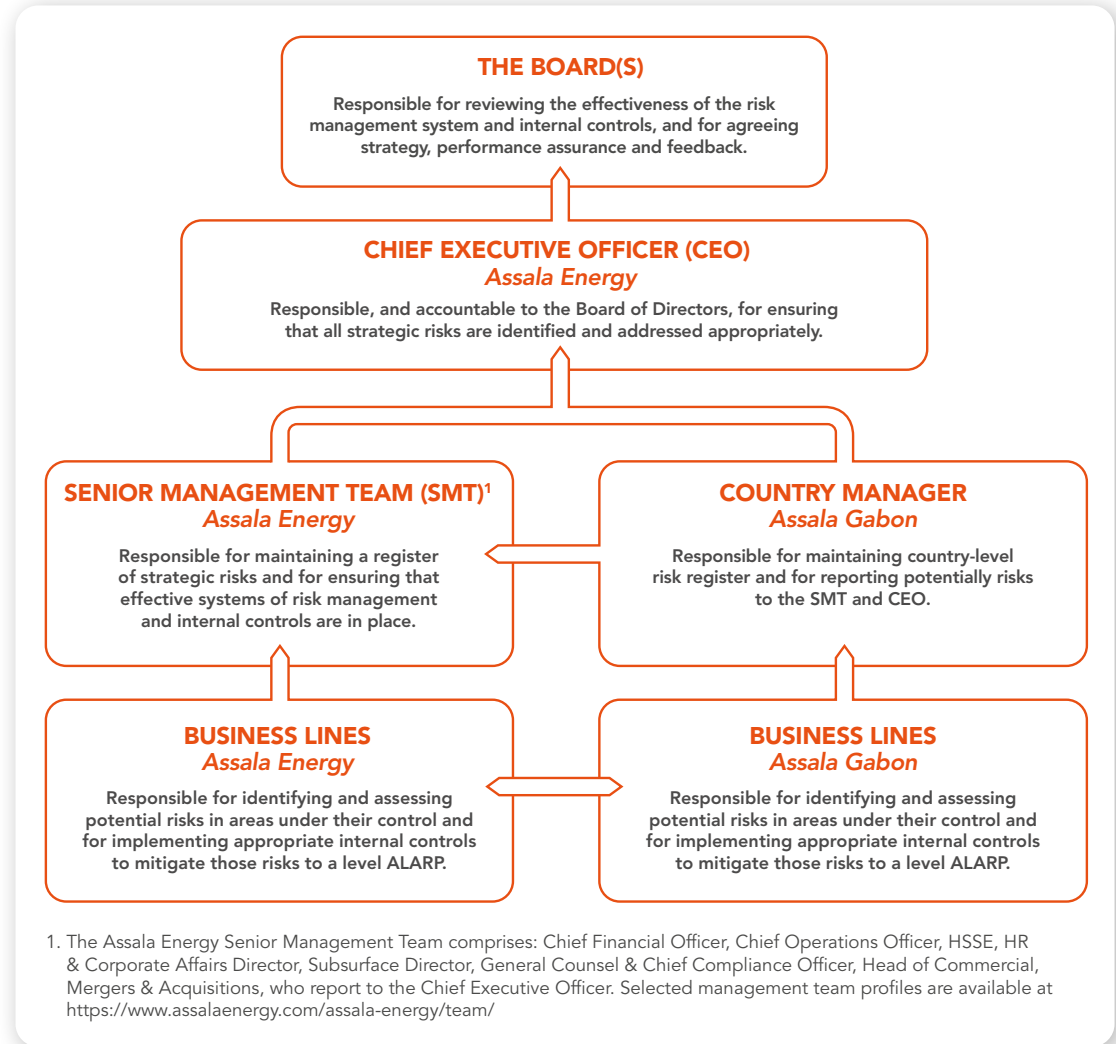
Managing internal and external risks to people, the environment, and our assets is one of our primary concerns.

Our Senior Management Team has ultimate responsibility for ensuring that risks associated with our activities are identified, managed, and mitigated. Identified risks are discussed at quarterly Board meetings, as well as on an ad-hoc basis, as and when the strategic need arises.

Everyone involved in our operations is expected to take ownership of the risks within their areas of responsibility. Our Risk Management standard, part of our Integrated Management System (IMS), applies to both employees and contractors. It obliges and empowers our people to implement appropriate internal controls and actions to address such threats and opportunities, and to ensure that business objectives and personal goals are met.

Assala’s Internal Audit function is responsible for assessing the adequacy and effectiveness of risk management and internal controls and for reporting its findings to Assala’s Audit Committee (a Board sub-committee). The Audit Committee, in turn, provides assurance to the Board on matters relating to internal control and financial reporting.

Risk management structure



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Risk management in practice

Our Risk Management standard establishes our tolerability for key risks. All risks considered outside of our risk tolerance appetite must be recorded and managed according to our risk management structure.

As part of our approach, we consider risks to personal safety and wellbeing, the environment, asset integrity and operations, social and cultural heritage, reputation, production, and profitability. Specific risks are considered from two approaches: recurring, permanent risks and extraordinary risks. Control measures or risk treatment plans are implemented to bring risks within Assala's tolerability, and "As Low as Reasonably Practicable" (ALARP).

ESG-related risks are a significant part of our risk landscape and a focus of our risk management practices: all business functions have a responsibility for managing environmental, social and governance risks associated with areas under their control. Examples of risks given in this section reflect key ESG issues relevant to our business. Our approach to climate change risk is explored in Climate risk management, in the Governance section of this report.

Whilst we may not always be able to prevent or influence extraordinary or permanent risks as they emerge or occur, the robustness of our risk management framework and the top-down approach to risk governance, ensure that we are properly positioned to mitigate their impact on people, the environment, and our assets.

Examples of how we address risks¹

Example of risk	Examples of control/risk treatment	Risk type	Relevant section of this report
Loss of Primary Containment	Defined operating parameters, Equipment Integrity (CAPEX) and Maintenance (OPEX) processes	Recurring, permanent	Spills and Losses of Primary Containment, in Environment
Personal injury	Assala Life-Saving rules, Learnings from Incident reports, Permit to Work process, Personal Protective Equipment (PPE), HSSE Passports, Assala's HSSE Management system	Recurring, permanent	Personal safety, in Social
Loss of revenue due to oil price versatility	Financial Risk Management Policy: Capital deployment with investment criteria, Oil price hedging	Recurring, permanent	Climate risk management, in Governance
Compliance risks	Integrity due diligence procedures, Confidential whistleblowing hotline, Code of Conduct training, Post-audit actions register	Recurring, permanent	Integrity & good governance, in Governance
Financial fraud or material misstatement	Financial control framework, External Audit, Segregation of duties, Delegation of authority, Internal audit	Recurring, permanent	Integrity & good governance, in Governance Risk management, in Governance
Cyber attack	Cyber security: Firewall, Penetration testing, Anti-virus protection, Training	Recurring, permanent	Risk management, in Governance

1. Examples given in no particular order.

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Examples of how we address risks¹ (contd.)

Example of risk	Examples of control/risk treatment	Risk type	Relevant section of this report
Human capital underdevelopment	Workforce training and development, development of Assala's culture, Succession planning	Recurring, permanent	Workforce, in Social Equality, diversity & inclusion, in Social
Site closure and rehabilitation	Decommissioning plans, Workforce training and development, Local Content	Recurring, permanent	Site closure and rehabilitation, in Environment
Community underdevelopment	Local Content programmes, Social Performance strategy and initiatives	Recurring, permanent	Local Content, in Social Social Performance, in Social
Climate change	Location-specific risk assessment and mitigation planning	Extraordinary (with the potential to become recurring and permanent)	Climate risk management, in Governance
Work-related illness	Initiation of DUER (<i>Document unique d'évaluation des risques professionnels</i>) risk assessment intended to capture all potential physical or psychological risks by job family ¹ .	Recurring, permanent	Personal safety, in Social
Violation of human rights	Completion of a comprehensive risk assessment regarding human rights of all relevant Assala stakeholders including employees, contractors and local communities.	Recurring, permanent	Risk management, in Social

1. A "Job Family" is defined as a series or groupings of jobs, with similar characteristics, knowledge, skills, abilities and behaviours; and showing the professional levels and providing professional opportunities over time, according to HM Government's HR Career Framework, produced in collaboration with the CIPD.
https://assets.publishing.service.gov.uk/media/601aaf918fa8f53fc93db133/HR_Career_Frameworks-A4_v01.pdf

Risks are identified through a combination of experience, observation, and periodic, proactive, risk assessment exercises. This allows us to ensure our processes and controls remain dynamic and appropriate for our business context

and requirements. Examples of such exercises in 2023 included risk assessments of work-related illness, violation of human rights, human capital underdevelopment and cyber security.

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Work-related illness

In Gabon, nominated representatives and Assala's management collaborate in the *Comité de Sécurité de Santé au Travail* (CSST). The CSST is stipulated under Gabonese labour law and is designed as forum to discuss occupational health and safety risks and mitigations, as well as opportunities for improvement. As part of their work, the Committee initiated an assessment of professional risks known as a DUER (*Document unique d'évaluation des risques professionnels*). The DUER is intended to capture all potential physical or psychological risks according to job families. This work, including a mitigation plan for identified risks, continues in 2024. More information on Assala's approach to health can be found in the Health section of this report.

Violation of human rights

Assala's potential risk of human rights violations are myriad. In 2023, Assala performed an internal review to identify and assess these risks. We also identified relevant, internationally recognised standards and compared ourselves against them. We referred to, amongst others, the Universal Declaration of Human Rights and the International Labour Organization. This assessment confirmed that Assala's human rights risks were adequately mitigated but also identified improvement opportunities.

In 2023, we published a Human Rights policy statement on our website, making a public commitment to the respect and preservation of human rights. We expanded our due diligence questionnaires, used when selecting a supplier, strengthening our ability to ensure our Values and approach are reflected throughout our supply chain. Our supply chain management approach is discussed in the Supply Chain section of this report. We continued to reinforce ties with communities local to our operations, maintaining dialogue through our active Community Liaison Officers and implementing our Social Performance strategy. Our approach to community engagement is explored in the Social Performance section of this report.

There are no legal actions against Assala concerning potential human rights violations.

Human capital underdevelopment

In early 2023, we conducted a Human Capital risk assessment to pinpoint key areas for workforce development, as part of our journey of continuous improvement. This assessment yielded six key potential risks: workplace incidents causing severe injury or fatality; inconsistent due diligence during the hiring process; occupational fraud such as corruption; scarcity of key skills within the industry due an ageing population; recruitment and retention of key talent; and availability of training and development for key skills required for the business. Mitigations implemented to address these risks are explored in the Workforce section of this report.



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Case study: Cyber security risk management

In a world and business environment increasingly dependent on digital infrastructure, cyber security is of critical strategic importance for Assala. New risks arise continuously from national and international threat actors. Whilst there were no significant impacts on Assala's IT infrastructure in 2023, we know that we must remain vigilant and adopt a proactive approach to cyber threats.

In 2023, our IT teams focused on the continued cyber security risks through identification, evaluation, and mitigation programmes, applying industry frameworks and best practices. A comprehensive end-user training and awareness programme and a 24/7 Security Operations Centre were also implemented.

When implementing our cyber security controls, our IT teams consider the environmental, social and governance implications of their initiatives, driving sustainable, continuous improvement to our IT processes and systems to support operational readiness.

Mitigation: End-user security awareness

One of the biggest identified risks to our business is an attack targeting our staff or IT infrastructure, which can cause downtime for the business and lead to personal or process safety incidents during operations. Furthermore, such attacks could lead to a breach of information security and leaks of sensitive personal or proprietary data.

As such, we foster a culture of IT security to drive accountability for users' roles in protecting the business, its employees, and the environment from such attacks. We ensure all Assala IT users complete

regular training to raise awareness of the latest security threats and best practices to address them. As part of their training programme, personnel receive immediate feedback on their performance to swiftly identify additional support or education requirements, further mitigating user-associated risks.

Mitigation: Robust cybersecurity framework

In line with Assala's Values, our IT teams apply international standards and best practices and implement of the National Institute of Standards and Technology (NIST) Cybersecurity Framework, which provides a comprehensive structure for managing cyber security risks, adopting best practices and focusing on continuous improvement.

Mitigation: Multi-layered security and 24/7 Security Operations Centre

Assala has implemented multi-layered cybersecurity controls alongside a Security Operations Centre (SOC), meaning that, if one security layer is compromised, additional layers are in place to protect Assala's data, systems, and users. The SOC continuously monitors and analyses Assala's security alerts, which are crucial in our cyber security architecture.

With the SOC's real-time monitoring and alerting coupled with our multi-layered defences, we can swiftly adapt to the evolving cyber threat landscape, ensuring enhanced security, data protection, and business continuity. This proactive approach is vital for mitigating risks and reducing the impact of cyber threats.

Outcomes

Through this three-dimensional approach, Assala:

- **Ensures compliance** by aligning our process with regulatory data protection requirements, as well as with international standards and best practices.
- **Drives accountability for cyber security across the organisation** by highlighting and educating stakeholders on effective technology, information and hardware management.
- **Facilitates comprehensive risk management** by encouraging proactive identification, assessment and mitigation of risks.
- **Protects stakeholder data** by following international best practice for management of sensitive information.
- **Reinforces our reputation as a responsible operator** by demonstrating our commitment to mitigating risks associated with ineffective cyber security.
- **Optimises resources**, which can lead to wasteful expenditures of energy and resources required to resolve breaches.
- **Reduces electronic waste** by mitigating the likelihood of hardware becoming obsolete due to damage caused by malware and viruses.



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Climate risk management

In line with our risk management framework, we review climate-related risk at board level, whilst management and mitigation of the identified risks are supported by our ESG committee and management teams. We consider such risks during our operational and financial planning and integrate the reduction of greenhouse gas emissions into our strategy and every project scope. This means that climate change is considered from the outset and in everything we do.

We consider regulatory emissions limits, either currently in place or anticipated, when developing our investment strategy. We work towards the World Bank's "Zero Routine Flaring by 2030" target and align our activities with the Paris Agreement's "Carbon Neutral by 2050" objective. In so doing, we support the mitigation of the effects of climate change, whilst also continuing to contribute to Gabon's socioeconomic development.

Although physical climate change risks are present today, they are considered unlikely to have a direct physical impact on our business in the short- to medium-term (2023 – 2030). Nonetheless, we commit to minimising our carbon footprint and water usage. For further details on our risk management approach, see Risk management framework, in Governance, and for details on our approach to environmental and social considerations, see the Social and Environment sections of this report.

Climate change risk assessment

To begin formally assessing risks posed to our business as a result of climate change, we analysed our operations in their geographical context to identify key threats, consulting the World Bank's 2021 climate risk country profile for Gabon¹. According to this study, Gabon will, over time and in the longer term (2031-2050) experience the following physical risks resulting from climate change: rising sea levels, increased risk of flooding, higher salinity of water tables used for potable supply, coastal and mangrove system erosion, and changes in rainfall and temperature.

Furthermore, the study highlights the Gabonese coast's particular vulnerability to these physical risks. Gabon is predominately covered by dense equatorial rainforest, meaning communities, as well as major industry and infrastructure, are largely found on the coast, and at sea-level. There is already visible demographic pressure on the country's main towns due to this concentrated economic activity, an issue compounded by continued population growth. As sea-levels rise, increasing flood risk and the salinity of water tables, climate-change risk poses a real threat to both community and economic activity.



1. https://climateknowledgeportal.worldbank.org/sites/default/files/2021-06/15858-WB_Gabon%20Country%20Profile-WEB_0.pdf

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As a result of these factors, the World Bank's study ranks Gabon as the 94th most vulnerable country to climate change and the 40th least prepared for its impacts. The country's cumulative ranking is the 117th most at risk country, out of 181 countries assessed by the World Bank in this exercise.

We considered this study in the context of our own materiality assessment, which also determined greenhouse gas emissions and water-related risks as of key importance to our business and to communities local to our operations. As such, in our Climate Risk Management Procedure, published in 2022, we formalised our approach to reporting on these risks, explored in the Emissions and Water sections of this report, respectively.

To strengthen our approach to managing climate change risks, we scoped a climate change risk assessment for Assala's assets in 2023. Our aim was to determine the materiality of climate-related risks and opportunities relative to other ESG-related risks and opportunities, the effectiveness of Assala's management of these risks and opportunities and quantify the financial impact of these risks under different scenarios. However, in the context of the decision of Assala's shareholder to sell its interest in Assala's business in mid-2023, this project was put on hold and will be reviewed in 2024.



Focus on rising sea-levels and flooding risks

Assala's major production infrastructure at Gamba Terminal, in our southern assets, is situated on the coast. Our northern assets, far from the sea and within the equatorial rainforest, are close to major regional waterways, meaning that our Gabon operations are susceptible to water-related risks such as rising sea-levels and increased flooding.

In 2023, we began to assess these physical climate-related risks and evaluate their impact on our operations. For our southern assets, our geomatics and ESG teams collaborated to review the distance between the Terminal infrastructure and the sea, as well as its elevation above sea level. Our intention was to establish the risk to this major infrastructure in the medium to long term as sea levels rise - flooding, corrosion of equipment, and land instability in the terminal area were all identified as possible medium-long term risks. For our northern assets, teams considered the increased flood risk resulting from river swelling during the rainy season. Assala relies on the waterways in these areas to transport personnel, goods, and equipment safely between sites. As such, flooding risks disrupting logistics routes for the business. Additionally, for communities local to these areas, increased flooding poses risks to infrastructure and livelihoods.

Presently, Assala does not have the internal expertise to accurately measure the rate at which water is rising near our installations, nor the resulting changes in topography. The major strategic investment required to obtain such insight has been put on hold until such time that Assala's assets have been transferred to a new shareholder.

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Transition risk assessment

In late 2022, Assala commissioned an external climate-related transition risk assessment, as defined by the Taskforce for Climate-Related Financial Disclosures (TCFD), comprising policy, legal frameworks, technology, the global markets and reputation. Delivered in Q2 2023, the assessment provided analysis of the risks to Assala's business associated with the societal transition towards a low carbon economy. As an oil and gas company, Assala is subject to various risks related to the energy transition and climate change.

Selected risks identified in Assala's transition risk assessment:

Example of risk	Timeframe	Example of risk event	Examples of control/risk treatment plans	Relevant report section
Evolving government or legal regulatory requirements for emissions, water, and public disclosures	Short term	Reputational damage if Assala found to be non-compliant with regulation	Assala continually monitors emerging disclosure or reporting requirements to ensure compliance in the jurisdictions in which we operate and applies best practice reporting standards	About our reporting
Advancing technology which makes reaching global net zero emissions targets more easily attainable for companies of Assala's type	Medium term	Increase in shareholder and stakeholder expectation to achieve reduction targets more quickly than Assala is technically or economically able	Assala continuously explores existing and emerging opportunities to reduce our emissions at site level, and throughout the value chain	Emissions, in Environment
Increasingly negative public opinion towards oil and gas companies	Short term	Decrease in ability to access investment to finance Assala's activities	Assala applies best practices and standards and adheres to international reporting guidance to demonstrate responsible operatorship	Social and Environment sections of this report

Discounting a fundamental change in our business model, many of the risks highlighted in the transition risk assessment are difficult to address. Assala remains convinced of the value that our business brings to the socioeconomic development of our host nation. We believe that it is our responsibility to make our contribution, safely and compliantly, whilst identifying, addressing, and mitigating the impacts our operations may have on people or the environment.

This is our role in the just transition towards a greener, fairer, more inclusive economy which provides decent work opportunities for all.

As such, we measure the robustness and resilience of our portfolio to ensure we continue to derive value from our operations for our shareholders, which include the State of Gabon.

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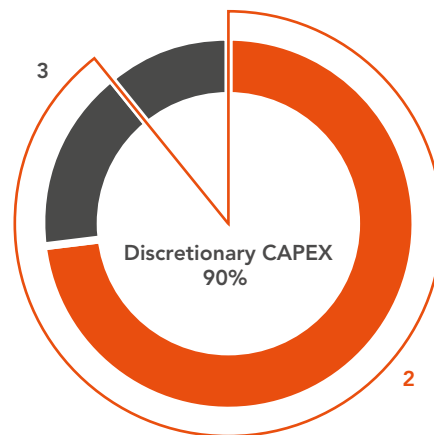
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Portfolio robustness

For oil companies, the primary climate related risk is that of declining demand for their product and weakening of oil prices. Assala maintains significant flexibility over spend and production to scale activity up and down to adapt accordingly to this risk. Our CAPEX programme is highly discretionary and focused on small-ticket, short-cycle investments with fast cash paybacks. 0% of the CAPEX forecasted beyond 2026 has been sanctioned and the productive projects within Assala's 3-year CAPEX plan have an average cash flow breakeven oil price of less than \$40/bbl.

If climate-related weakening of oil prices occurs, we are in a favourable position with a portfolio of robust projects and the ability to respond quickly to minimise the long-term impact to our business.

Flexibility of Assala's 3-year CAPEX plan¹



- Drilling & Well Intervention
- Other
- 🔄 Discretionary CAPEX

1. Excluding Exploration.
2. 73% of the CAPEX programme for the next 3 years is driven by drilling and well intervention which is highly flexible and can be stopped at short notice.
3. "Other" is comprised of engineering, reservoir monitoring, facilities upgrades and integrity projects. 60% of these projects are discretionary and required in support of the drilling and well intervention programme.

Portfolio resilience to different climate-related scenarios

In accordance with Task Force for Climate-Related Financial Disclosures (TCFD) guidance and as part of our approach to integrate climate change risks into our financial planning, we tested the resilience of our portfolio against three future climate related scenarios. Each scenario includes assumptions about how the energy transition may evolve, and the subsequent oil price and demand outcomes.

Assala has analysed the impact these price and demand outcomes would have on the net present value (NPV10) of our portfolio and then compared the results with the base case used in our 2023 financial reporting.

We use the International Energy Agency (IEA)'s World Energy Outlook report scenarios to test the resilience of our portfolio in the context of climate related impacts. In 2023, the scenarios (provided in real terms 2022) are:

- **Net Zero Emissions by 2050 (NZE):** 2030 \$42/bbl; 2050 \$25/bbl. NZE shows a narrow but achievable pathway for the global energy sector to achieve net zero CO₂ emissions by 2050. It is consistent with limiting the global temperature rise to 1.5°C.
- **Announced Pledges (APS):** 2030 \$74/bbl; 2050 \$60/bbl. APS takes account of all the climate commitments made by governments around the world and assumes that they will be met in full and on time.
- **Stated Policies (STEPS):** 2030 \$85/bbl; 2050 \$83/bbl. STEPS explores where the energy system might go without additional policy implementation.

In the analysis, Assala assumes linear interpolation between the data provided by IEA for 2030 and 2050 for each of the three scenarios.

Assala's business model has positioned us well towards different future scenarios, including the sustained low-price environment of NZE.

While the commerciality of projects targeted for sanctioned in the long term and the economic life of our assets are likely to be negatively impacted given the oil price assumption of \$42/bbl in 2030, all projects within Assala's investment forecast window remain viable.

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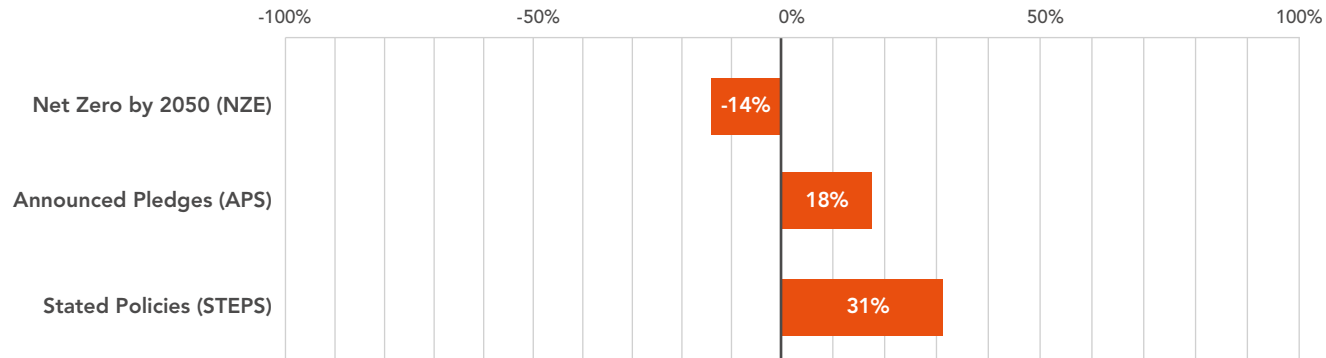
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Portfolio stress test against IEA scenarios

Net present value (NPV10) change



“ Assala differentiates itself because we are oil and gas production company which believes that how we operate is more important than how much oil we produce. We never compromise on safety, nor on the integrity and robustness of our processes, nor on our commitment to ensure that our stakeholders benefit from our operations, which are in full compliance with national and international standards and legislation. These convictions underpin our approach to integrating ESG criteria into everything we do – something we recognised as crucial to the success of our business and to our partners from our inception.

We are proud to contribute to our host nation’s socioeconomic development through the payment of State profit oil, taxes, and royalties. We safeguard our robust approach to financial management – one of our Values – through comprehensive governance and internal controls that are audited annually.

We know that our commitment to ESG principles is critical to our ability to continue to fund our operations, especially at a time where societal attitudes to oil and gas companies make accessing such funds more challenging. Our ability to follow through to produce tangible, demonstrable results, is our primary leverage to navigate that challenge. We do not rest on our laurels and remain ambitious in our ESG goals.

By proving the implementation of our ESG strategy, we demonstrate, every day, our responsible operatorship, to our lenders, insurers, shareholders, including the State of Gabon, and to our diverse stakeholders. We build and protect our reputation through ESG, and with that, we protect our access to funding. This relationship is circular in benefit, as it is then thanks to our funding that we can continue to prioritise people and the environment above all else, all the while deriving value from our business, for our business. ”

Gavin Kirkham
Chief Finance Officer
Assala Energy

SOCIAL



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Personal safety

- HSSE management system
- Incident reporting
- Training, learning and raising awareness
- Safety performance
- Road safety
- Health

Workforce

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We have duty to conduct our activities safely and responsibly, working towards a net zero impact on our surroundings. We also aim to stimulate sustainable socioeconomic and environmental benefit from our activities over the long term. This commitment is to the contributors who help make our business what it is: our employees and contractors, the communities local to our operations, and the businesses and individuals involved in our supply chain.

Our priority is safety, and this is at the forefront of all our decisions and actions. For us, this also means considering the safety of our surroundings – the environment that supports and sustains us – and ensuring that our social and environmental strategies and plans complement each other.

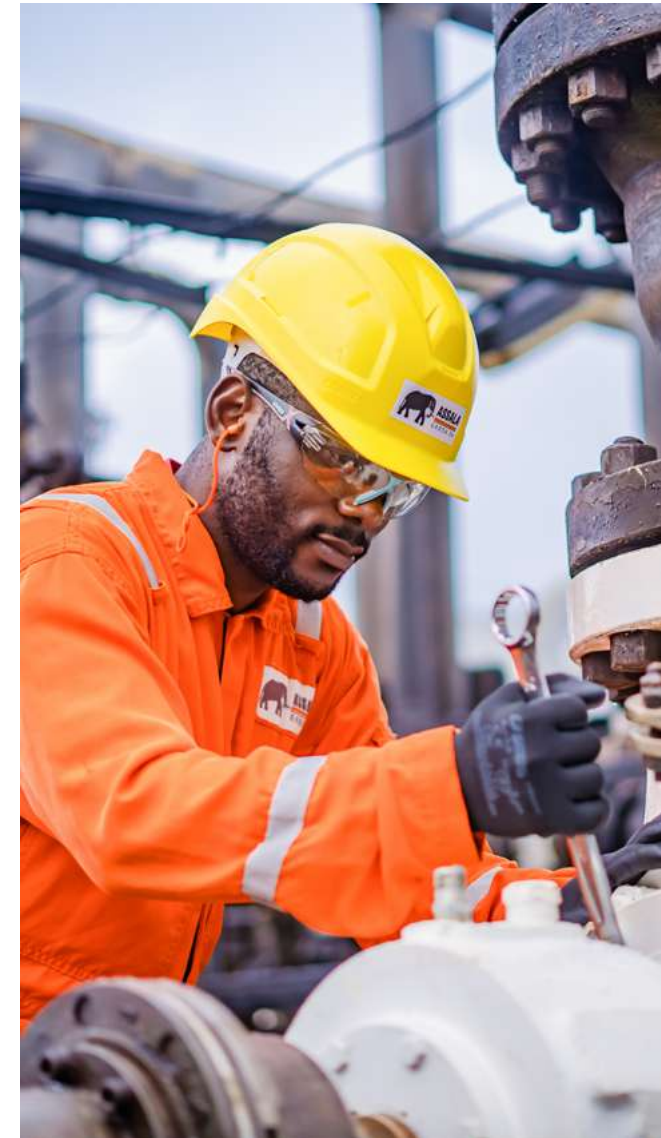
The socioeconomic context in our host country is such that the State, workforce, and communities are reliant on revenues from oil and gas. As an upstream oil and gas producer, Assala's presence is therefore financially essential for socioeconomic development. Assala Gabon S.A. is 25% owned by the State of Gabon. As such, the company provides not only tax and revenues, but also dividends to the country, in addition to the contributions made through the payment of labour-related and social taxes.

Our presence is also an opportunity to develop and implement a model which encourages professional and economic diversification. This includes employment, training and a market for goods and services.

For Assala, these socioeconomic opportunities amount to our contribution to a just energy transition towards a greener, fairer, more inclusive economy which can provide decent work for all.

We support our employees in their careers, providing development and succession opportunities to encourage professional growth. We train our employees to ensure they are competent in their roles, able to complete their work safely, securely, and in line with our Values, Spirit, and Code of Conduct. We ensure our personnel feel supported and represented at work. In so doing, we aim to develop a technically competent workforce with the required qualifications, skills, and competencies attractive to Assala and all employers. This approach is in line with our Value to empower our teams to reach their potential.

We work to ensure that our stakeholders, including communities local to our operations and supply chain reap tangible benefits from our activities. We consider the sustainability of community livelihoods by putting in place mechanisms to support local suppliers to complete and compete in Assala's internationally compliant tender process, creating direct and indirect employment opportunities for local people. We also invest in the communities local to our operations through our Social Performance and Local Content projects and initiatives, highlighting opportunities for economic diversification. This is how we build win-win partnerships in line with our Values and foster a sustainable business for our stakeholders, including the State of Gabon.



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Our employees and contractors have the right to work in a safe, healthy, and collaborative environment, from which they return home safely at the end of every day. Our corporate Health, Safety, Security and Environment (HSSE) policy, and Assala Gabon-specific Health, Safety, Security and Environment (HSSE) commitments underpin our duty to conduct our activities safely and responsibly. These documents are shared transparently and are available on our website. Internally, they are communicated in all inductions, and displayed across our sites, offices, and corporate locations.

Our approach is clear: all employees and contractors involved in our activities must be competent in their roles, trained as part of their development, live by our Values, Spirit, policies and commitments, and participate in the achievement of our operational and safety objectives. With this goal in mind, HSSE-related targets are integrated into our employees' annual performance appraisals and into our contractors' business performance reviews.

To maintain a strong safety record and to continually improve our safety culture, we developed an approach that involves both a leadership that is visibly committed to HSSE and an engaged workforce who understand and actively participate in HSSE initiatives.

Due to the nature of our business, risk management is a critical pillar that must be constantly at the forefront of our minds and considered first and foremost in everything we do. Before performing any work activity, we evaluate the related risks, their mitigation, and our responsibility for their prevention and management.

Developing our safety culture requires that key aspects work synchronously to ensure our Values, principles and safety procedures are shared across our organisation: ownership and accountability by everyone for HSSE, respect of safety systems, adequacy of training; communication and learning from incidents, and transparent reporting.

“ When we founded Assala Energy in 2017, we developed an essential set of Values and a strong company Spirit. These were designed to become intrinsic to the fabric of our fledgling company, ensuring that, as our business grew, we each took our roots in the same principled approach.

Reflecting on this and what we stand for – robust financial management, acting with integrity, the integration of best practices and standards, and building win-win partnerships, as examples – we realise that we have been weaving ESG principles into our business since the beginning, and we continue to do so. This has been fundamental to building, bolstering, and protecting one of our most important assets: our reputation.

In six years, we have gained and retained the trust of our lenders and insurers; of our shareholders, including the State of Gabon; and of our stakeholders, including our workforce, as well as the communities local to our operations. We have done this by ensuring that the benefits of our approach are shared and felt amongst those who have invested in us, whether financially, through their time and labour, or through their acceptance of us as an operator of their national assets and as part of their communities.

All the while, we are driven by a strong sense of fairness. We seek to develop partnerships with our stakeholders and shareholders in such a way that they ensure value for everyone involved in our operations, and we expect our partners to do so too. We never compromise on our commitment to ensuring ESG considerations are the common thread of our business, and as such, will be an integral part of our legacy, and this is something that we can all be incredibly proud of. ”

David Carr
Head of Mergers & Acquisitions,
Assala Energy

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HSSE management system

We regularly review and update our HSSE Management System (HSSE MS) to establish a baseline for how we manage HSSE risks and ensure our approach is fit for purpose, as well as in line with best practice. The HSSE MS defines how we conduct our operations and applies to every HSSE-related matter arising from activities and assets controlled by Assala. The HSSE MS sets clear responsibilities for all personnel and drives continuous improvement. Furthermore, it provides evidence of compliance with legal, business and stakeholder requirements. Our HSSE Policy and commitments are communicated and implemented through the HSSE MS.

Industry-standard safety rules

As part of our commitment to strengthening our HSSE MS, we implement international, industry-standard safety rules across all of our sites to ensure parity with other operators and minimise instances of misunderstanding. The simplified International Association of Oil & Gas Producers (IOGP) Life-Saving Rules, which address key industry risks, have been applied on our sites since 2021.

Permit to Work

The Permit to Work (PTW) process play a crucial role in safeguarding the health and wellbeing of our personnel. In 2023, Assala's HSSE team identified improvement opportunities for our PTW system and developed a revised process to reinforce its effectiveness and support consistent implementation on operational sites. Key improvements to Assala's PTW process initiated in early 2024 include simplified documentation process to improve usability; strengthened responsibilities for permit owners to drive accountability; and enhanced competency evaluation to identify training opportunities. To ensure an effective roll out, training was provided on the new system. By March 2024, 766 employees and contractors had received the training, which continues.

Incident reporting

Our approach to reporting is simple: every individual working on or visiting our premises has the right and the duty to stop any job, if they believe there is a risk to health, safety, the environment, or to our assets. This approach is systematically supported by Assala's management teams. All such instances are reported in our incident reporting tool.

In December 2022, as part of our commitment to strengthen our reporting capabilities, we upgraded our incident management software. The online tool, Velocity, is accessible to all employees and contractors and improves our ability to enhance the quality of incident investigations and track actions. The system allows our personnel to enter HSSE observations, Near Miss and incidents either online or via a mobile application. We have strengthened the data input requirements, ensuring improved data collection and analysis. Velocity's Action module has created greater transparency and accountability for managing and closing gaps, as well as improving the quality of corrective actions, and ensuring that they are closed out in an acceptable timeframe to help avoid incident recurrence.

In 2023, enhanced data inputs have driven improvements which strengthen our HSSE culture. Applying and maintaining a high standard across our incident investigations helps us to reduce incident recurrence across the company.

Reporting in Velocity

Reporting category	Number submitted per year
	2023
Observations ¹	839
Near misses ²	30
Incidents ³	237

1. Unsafe acts and unsafe conditions that could represent a safety hazard and or have the potential to lead to an incident or accident.
2. Incidents which did not result in an injury or material consequence.
3. Incidents with consequence.

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Training, learning and raising awareness

We value the expertise of our employees and contractors to ensure that there is no perception of menial or unqualified jobs at Assala: all personnel are trained on the technical know-how, as well as the health, safety and risk aspects of their roles. We provide regular training and opportunities to learn from each other, encouraging and promoting a culture of continuous improvement through awareness raising and communication.

Mandatory safety inductions

We conduct mandatory safety induction briefings for all personnel, including employees and contractors, before they access our facilities. These sessions are led by dedicated, site-based Health, Safety, Security and Environment Officers. In 2023, 100% of personnel accessing Assala's operational sites completed a safety induction.

HSSE Passport

Since 2022, Assala has implemented an HSSE passport programme on our sites. After proven success with our drilling and workover teams, we extended this programme in 2023 to cover all contractors. It is now a mandatory requirement to access our operational sites. 386 people obtained their HSSE passport in 2023.

Assala's HSSE Passport ensures that all personnel are aware of Assala's Values, safety rules and procedures, as well as the key safety consideration of their roles. This initiative is aimed at reinforcing a robust HSSE culture and increasing performance while reducing the occurrence of incidents across our sites.

To obtain an HSSE Passport, selected personnel must attend a comprehensive training session to enhance awareness of Assala's HSSE policies and processes. Attendees' understanding is then assessed. Participants must achieve 70% on the final assessment to obtain their HSSE Passport. In 2023, we put particular emphasis on educating contractor companies which are the largest workforce and experience the highest incident rates on our sites.

Transparent communications

To embed our safety culture in our employee and contractor communities, we run regular talks and campaigns to raise awareness of specific issues. Furthermore, on each of our operational sites, there is a weekly HSSE meeting, open to all personnel, to discuss key safety themes or incidents from the previous week. Before starting any job, the activity supervisor gives a safety briefing to outline tasks, identify roles, highlight potential risks, and most importantly, to remind all participants of the Life-saving rules.

Externally, we transparently communicate our safety expectations with our contracting companies' senior management to embed our safety culture and drive performance improvement.

Learning from incidents

Learning from Incident (LFI) reports are an integral part of our approach to raising awareness of the risks associated with our activities and promoting preventative measures to encourage an intrinsic safety culture. We recognise that learning from the incidents that contributed to our safety performance is how we improve. As such, we share LFI reports

with key internal stakeholders who are expected, as part of their role, to ensure dissemination of messaging across the company.

All incidents, regardless of severity are reviewed and classified according to Assala's internal incident management procedure and the IOGP classification guidance. Incidents are then categorised according to our risk management procedure. Those with significant risk or above (high potential risk) are submitted to our Country Incident Review Panel (CIRP), which includes Assala Gabon's Country Manager.

We strive to be a learning organisation, from which our employees and contractors can pull lessons and best practices. As such, all incidents submitted to the CIRP are shared in a timely manner through an LFI report to encourage learning and continuous improvement. In 2023, 9 LFIs were produced.

Assala Safety Day

Every year, Assala hosts Safety Day: a company-wide day dedicated to fostering positive safety culture through sharing ideas and perspectives on the importance of safety in our operations. This is part of our pledge to operate responsibly and safely, in line with our Values. 2023's theme was "A safe and healthy workplace: Focus on Safe Systems of Work", reminding personnel to reaffirm our commitment to our Values, emphasising our individual responsibility to create and sustain a secure work environment, as well as the collective effort required. 871 people attended 2023's Safety Day events from across our sites and offices.

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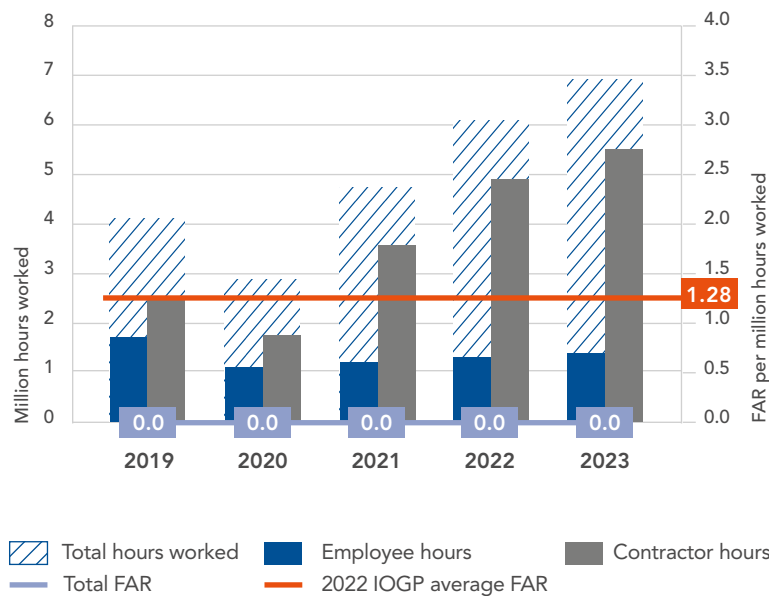
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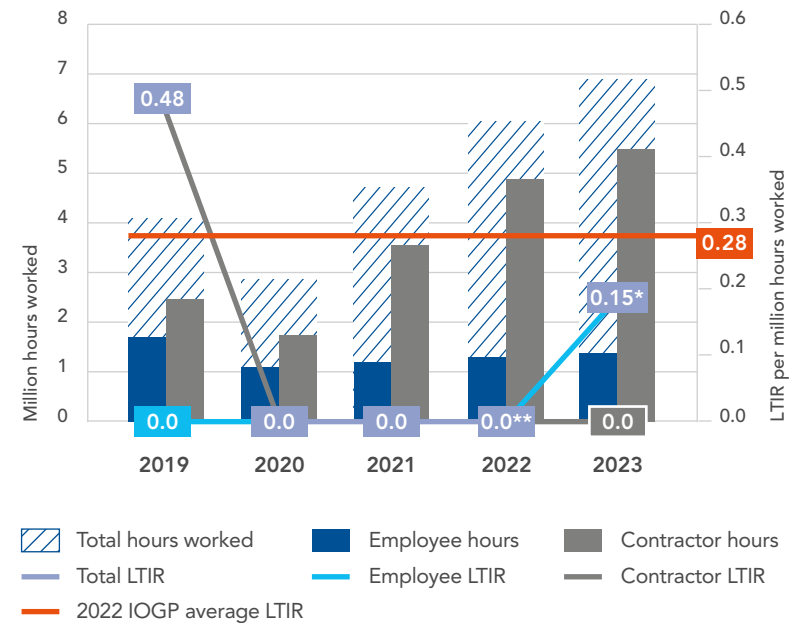
Safety performance figures relate to the combined workforce comprising Assala Gabon employees and contractors, and Assala Energy employees only. Assala Energy contractor data is not available. United Kingdom Off Payroll Working Rules (IR35) dictate that a business benefiting from specialist contractor services cannot track a contractor's hours worked nor impose a working schedule. This methodology has been applied since 2022.

From 2019 – 2021, total rates were calculated using Assala Gabon data only. In 2022, Assala strengthened reporting capabilities to improve recording of manhours worked. As such, total rates from 2022 onwards include manhours worked by Assala Energy in the UK. For methodologies, please refer to Assala's Basis of reporting.

Fatal Accident Rate (FAR)



Lost Time Injury Rate (LTIR)



*Information independently assured in 2023.
 **Information independently assured in 2022.

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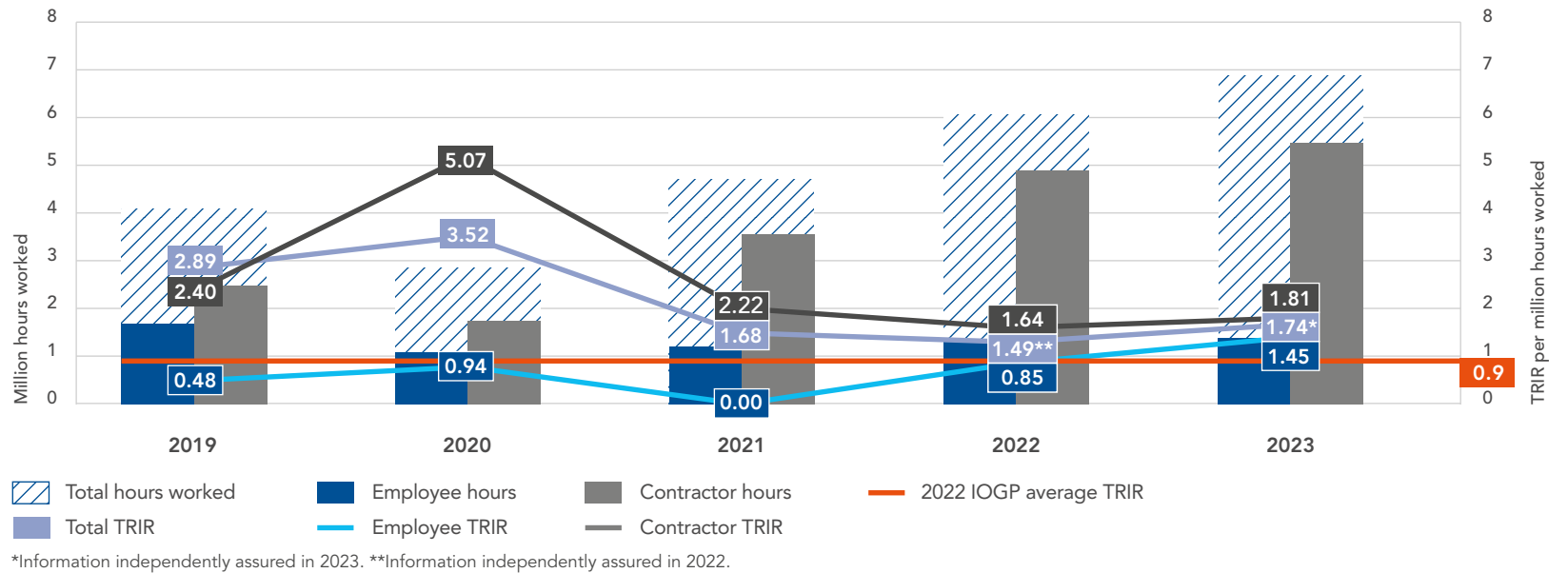
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Total Recordable Injury Rate (TRIR)



Manhours worked

	Millions of hours worked ¹				
	2019 ³	2020 ³	2021 ³	2022 ⁴	2023 ⁴
Employees	1,720,028	1,062,261	1,160,778	1,252,983	1,375,720
Contractors²	2,438,654	1,776,533	3,596,216	5,044,923	5,517,012
TOTAL	4,158,682	2,838,794	4,756,994	6,040,350**	6,892,732*

1. Manhours worked are relative to the scale of Assala's activities in the relevant reporting year.
 2. Not including Assala Energy contractors based in the UK. This data is unavailable: United Kingdom Off Payroll Working Rules (IR35) dictate that a business benefiting from specialist contractor services cannot track a contractor's hours worked nor impose a working schedule.
 3. Manhours worked included Assala Gabon employee and contractor data only.
 4. From 2022, Assala strengthened reporting capabilities to improve recording of manhours worked in the UK by employees of Assala Energy. The inclusion of Assala Energy employee hours worked is reflected in the TRIR, LTIR and FAR reported. Refer to graphs "Total Recordable Injury Rate (TRIR)", (Lost Time Injury Rate (LTIR)", and "Fatal Accident Rate (FAR)". For methodologies, refer to the Basis of reporting.
 *Information independently assured in 2023. **Information independently assured in 2022.

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Road safety

In 2023, Assala’s activities increased. We scaled up our mobility provision to support additional rig moves, civil works and operations activities on sites: 64 additional vehicles and 500 additional drivers supported almost 2,500,000 additional kilometres travelled, when compared with 2022.

With increased activity comes an increased likelihood of a road safety-related incident. To mitigate this, we trained 200 personnel in defensive driving. Additionally, at Assala, all vehicles with more than a three-month lease are fitted with in-vehicle monitoring systems (IVMS), which allow close tracking of speed, movement and location. Vehicles used on and between sites are also speed controlled. Our Transportation and Travel Safety team analyses data from the IVMS on a weekly basis, enabling us to address issues or any negative safety trends.

Despite these mitigation measures, Assala saw an increase in our motor vehicle crash rate (MVCR) in 2023. To address this trend, our Transportation and Travel Safety Lead and HSSE Officer ran an awareness campaign with site- and office-based personnel at the end of 2023, which presented methods to improve decision-making whilst driving. This was 2023’s second campaign, which followed a similar session earlier in the year to raise awareness of safe reversing manoeuvres. 750 personnel took part in these campaigns.

Key definitions¹:

Crash: A work-related motor vehicle incident e.g., collision or other event, which resulted in vehicle damage, or vehicle rollover, or personal injury, or fatality.

Motor Vehicle Crash Rate (MVCR): The total number of vehicle crashes, divided by the distance travelled, expressed in million kilometres.

1. IOGP, 2020, Report 365 “Land transportation safety recommended practices”

Motor vehicle crash rate (MVCR) (2021-2023)

	2021 ¹	2022 ²	2023 ³
Number of crashes	3	4	7
Millions of kilometres travelled	4,621,610	6,538,790	9,023,996
MVCR	0.65	0.61	0.77

1. Restatement: 2021 MVCR has been revised from 1.5 to 0.65. This is due to a calculation error made in 2021: miles were used when the IOGP calculation methodology requests kilometres. Furthermore, 296,645 kilometres were omitted from the original calculation. These extra kilometres relate to new well developments and have been included in the above 2021 MVCR.
2. In 2022, 146 extra vehicles were added to our fleet to support increased activities.
3. In 2023, 64 extra vehicles were added to our fleet to support increased activities.



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Assala's staff undergo comprehensive medical and fitness-to-work assessments before joining us on site. We expect our contractors to adhere to our health and safety standards as part of their contractual obligations with us. An acceptable medical certificate is a mandatory requirement to obtain authorisation to access Assala's operational sites.

In Gabon, employees and Assala's management collaborate through joint engagement in the *Comité de Sécurité de Santé au Travail (CSST)*, a forum to discuss occupational health and safety. In 2023, ten CSST meetings were held to discuss various topics, including an assessment of professional risks to which Assala employees may be exposed as part of their roles, and Assala's Occupational Health Doctor's annual awareness programme.

This programme, developed through collaboration between our Occupational Health doctor, the CSST, and HSSE and HR functions, is designed to address themes arising from on-site consultations, and of concern to our staff. In 2023, awareness campaigns included malaria prevention, hypertension and diabetes management, hygiene principles, and the role of the occupational health doctor in Assala's business. Our doctor also supported Assala's Women's Network in their annual drive to raise awareness of cancers affecting women, as well as the third annual campaign to raise awareness of cancers affecting men. Similarly, in the UK, we marked Breast Cancer Awareness Month with a talk led by our Occupational Health Doctor. Teams learned about potential symptoms of breast cancer, self-examination, preventative measures and treatment. These events

were part of internal communications to share positive messaging and encourage early diagnosis.

Reporting occupational health issues

All personnel on our sites and in our offices have access to our incident management reporting software, Velocity, which allows reporting of occupational health concerns. All concerns raised are reviewed, actioned, and closed out by our HSSE team, in collaboration with the medical professionals on our sites.

Comité de Sécurité de Santé au Travail (CSST) (2020 – 2023)

	2020	2021	2022	2023
CSST members¹	Not reported	Not reported	7	7
Meetings of the CSST	3 ²	1 ³	6	10 ⁴

1. Including Assala Gabon's Managing Director, Safety, Security and Environment Manager, and Occupational Health Doctor + employee representatives to the CSST. Number of employee representatives to the CSST depends on company headcount, according to Gabonese law.

2. Q1 2019: elections; Q2 2019: training; Q3 & Q4: meetings conducted as normal.

3. COVID-19 restrictions limited Assala's ability to conduct formal meetings.

4. Increase relates to a detailed professional risk assessment project requiring input from CSST members.



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Our ability to work towards our objectives is founded in our people. We believe our teams should feel valued and be rewarded for their personal achievements, as well for as our collective successes. In 2023, along with increased training and career development opportunities within the company, 100% of our employees received a pay rise, and 96% a discretionary performance bonus in January 2024, in recognition of their contribution to our company in the preceding year. Furthermore, 53 employees were awarded long-service awards in 2023, joining their 108 colleagues who were recognised in 2021 and 2022.

When determining remuneration for our employees, it is important for us to strike the right balance between being an employer of choice to attract and retain talent for the business, and not distorting local markets. As such, we benchmark our salaries and overall remuneration against national and international industry approaches to ensure we remain competitive. Employees across our business receive health, accident, and life insurance cover from the beginning of their employment with us. Additional regional benefits vary according to our areas of operations i.e., the location of our registered offices and operations in the United Kingdom for Assala Energy, and Gabon for Assala Gabon. Such benefits include, for example, shared parental leave, long-service awards, and flexible hours schemes depending on location and applicable local labour requirements.



Workforce engagement

At Assala, we aim to foster an open, communicative environment for all our employees and contractors, and believe that social dialogue is crucial to a productive and supportive workplace.

In 2023, we communicated widely with our staff through corporate emails, webinars and company-funded events, and through our elected employee representatives during dedicated meetings.

Communication and collaboration are key to strengthening our company culture. We strive to bring our teams together in cross-functional and departmental gatherings to do this. In 2023, we

celebrated our second Proud to be Assala Day, which brought our people together across our sites to celebrate our Values and Spirit, as well as World Environment Day, our internal Safety Day, and Gabon's national Labour Day.

To drive awareness of the company's and our employees' mutual commitment to the success of the business, our people received their second Individual Total Compensation & Benefits Statement in early 2023, which summarised the company's contributions to their career in 2022. This statement is an important tool to demonstrate Assala's engagement with our employees in real terms: investment in training, benefits and overall remuneration.

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More formally, we collaborate with our employee representatives to address their concerns as they arise. Gabonese law dictates that a company's management and employee representatives meet at least once per month. Assala more than surpassed this requirement in 2023, demonstrating our commitment to maintaining dialogue with our people, particularly during periods where increased, bespoke communications may be required. Dedicated meetings with employee representatives covered topics such as improvements to logistic provision to and from operational sites, extension of medical insurance coverage, pension enrolment, as well as the change in ownership of Assala's shareholder.

We respect the fundamental human right to freedom of association and commit to this in our Human Rights policy. In 2023, 100% of Assala Gabon's local employees were covered by local collective bargaining agreements.

Assala Gabon: Employee relations

	2020	2021	2022	2023
Employee representatives	10 ¹	10 ¹	7 ^{1,3,4}	7 ²
Meetings between Assala's management & HR with Employee representatives	9	15	14	29 ⁵

- As well as employee representatives, deputies are also in place to ensure continual staff representation. Number of incumbents can vary and depends on headcount across sites and offices. See Assala's previous ESG reports. In June 2018, elections took place for a three-year mandate for 10 positions and 10 deputy positions.
- Mandates run for three years. In 2022, elections took place for new 3-year mandate (2022 – 2025), following the end of the previous mandate (2018-2021).
- In 2022, and according to Gabonese law, redistribution of employee representatives took place according to headcount: Assala's office-based employees in Libreville and Port-Gentil were regrouped to form one asset; Rabi, Toucan and Koula sites were grouped to form a North asset; Aтора and Gamba sites were grouped to form a South asset. This resulted in fewer representatives versus the last 2018-2021 mandate: 8 representatives, 8 deputies.
- One post is vacant in Port-Gentil for non-cadre employees.
- In 2023, Assala's shareholder announced its intention to sell its shares in Assala's business. Employee representatives sought insight into this process from Assala's management, which resulted in more meetings than in previous reporting years.

Assala Gabon: Labour (Industrial) relations

	2020	2021	2022	2023
Internal	0	0	0	0
External	1 ¹	0	1 ²	0

- In January 2020, there was a cross-sector general strike to protest new Labour Code reform, in which the oil and gas industry unions took part.
- In January 2022, Gabon's largest oil and gas industry union called strike action against proposed Government COVID-19 measures. Assala Gabon immediately called a meeting with our elected employee representatives, with a view to protecting our workers' right to strike as well as maintaining business continuity. Strike action lasted 10 days with minimal disruption to Assala's business.

Employee engagement survey

In 2021, we conducted our first company-wide survey to measure our employees' engagement with the company and to gather from their experiences, insight into how we can build our company for the better. Throughout 2022 and into 2023, nominated Engagement Circles implemented improvement projects, which included creating multiple, inclusive sports associations on our sites and in our offices, globally improving of site conditions, and increasing training opportunities for all staff.

In 2023, we repeated the survey. Firstly, to measure the success of key initiatives by establishing our teams' opinion of their effectiveness. Secondly, to stay on our journey of continuous improvement by gathering new insights and ideas from the people to whom these projects matter most. Analysis of 2023's results showed a marked increase in overall positive engagement with Assala between 2021 and 2023 and uncovered new opportunities for improvement. These opportunities have been adopted for action by Engagement Circles in 2024.

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Employee engagement surveys: key results

Participation rate

68.4% ↑ score 67% 2021

Proud to work for Assala

84% ↑ score 80% 2021

Motivated to add value to Assala and go the extra mile

85% ● score 86% 2021

Assala is a truly great place to work

77% ↑ score 71% 2021

Work gives a feeling of personal accomplishment

82% ↑ score 78% 2021

Core overall engagement score

82% ↑ score 81% 2021

↑ Stable or positive variance. ● Negative variance.

Levelling-up our working conditions

Our dedicated Assala Gabon Real Estate team are in place to manage any concerns or queries regarding site or office living and working conditions. This team is responsible for regularly reviewing catering, cleaning and maintenance contracts. In the United Kingdom, Assala Energy’s Office management team takes ownership for amenities and certain welfare aspects. Participants of our 2021 employee engagement survey gave us feedback which guided us in our approach to improving conditions on our sites for rotating staff. Since 2022 and 2023, we worked to improve living and leisure facilities across our operational sites, including gyms, living quarters and canteens. We have also improved our

catering provision by including more local, freshly sourced produce from communities surrounding our operations. We are making progress to address feedback, and this will remain an area of engagement and continuous improvement in 2024 and beyond.

A key achievement in 2023 was the successful installation of a reliable wireless internet infrastructure across our camps, creating a separate network for personal use, even in our most remote operational sites. This complex project amounted to more than 400k USD investment in the welfare of our site-based personnel.

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Workforce training and development

In early 2023, we conducted a Human Capital risk assessment to pinpoint key areas for workforce development, as part of our journey of continuous improvement. This assessment, explored in more detail in the Governance section of this report, highlighted key potential risks: growing scarcity of core skills within the industry due an ageing population; recruitment and retention of talent; and ensuring the training and development of key skills required for the business.

To address these risks, we provide appropriate training and skills development, and encourage competency transfer between personnel. We foster young and emerging talent, promoting recruitment and retention, and aiming to address existing or potential skills gaps in both our business and in the wider industry.

Fostering emerging talent

Every year, we welcome interns and students on technical placements into our UK and Gabon businesses. This is part of our commitment to foster a sustainable, diverse, and inclusive workforce, and encourage learners and job seekers of all ages to join our industry. In 2023, more than 114 local people gained valuable work experience with Assala Gabon through our partnerships with Gabon's national employment office and our Local Content initiatives, such as the *Leaders de demain* programme, explored in the Local Content section of this report.

Fostering emerging talent: a success story

In 2023, Assala supported a promising young candidate in their efforts to become equipped to join our industry as an engineer. We sponsored a comprehensive development programme, which included time spent at technical school, in our offices in London and in Port-Gentil, and on our operational sites. At the end of this programme, we offered this candidate a well-merited rotator position as a Production Engineer with Assala Gabon.

Internships and placements¹

Assala Gabon

	2019	2020	2021	2022	2023
Internships²	35	28	27	76 ⁴	102
Technical work placements²	13	3	8	5	12

1. January 1st – December 31st.

2. Internships offered to Gabonese people.

3. Placements offered to Gabonese school-age students.

Assala Energy

	2019	2020	2021	2022	2023
Internships⁴	6	1	2	3	7

1. January 1st – December 31st.

4. Internships offered school- or university-aged young people.

Where a recruitment need arises, our Talent and Development and HR teams work to source the right candidate, with the necessary skills to carry out role effectively and embody our company Values and Spirit. We also recognise that natural turnover is part of a healthy organisation. When an employee chooses to leave us, we strive to minimise the impact of their departure on the wider organisation and draw lessons from their departure to improve our retention of key talent.

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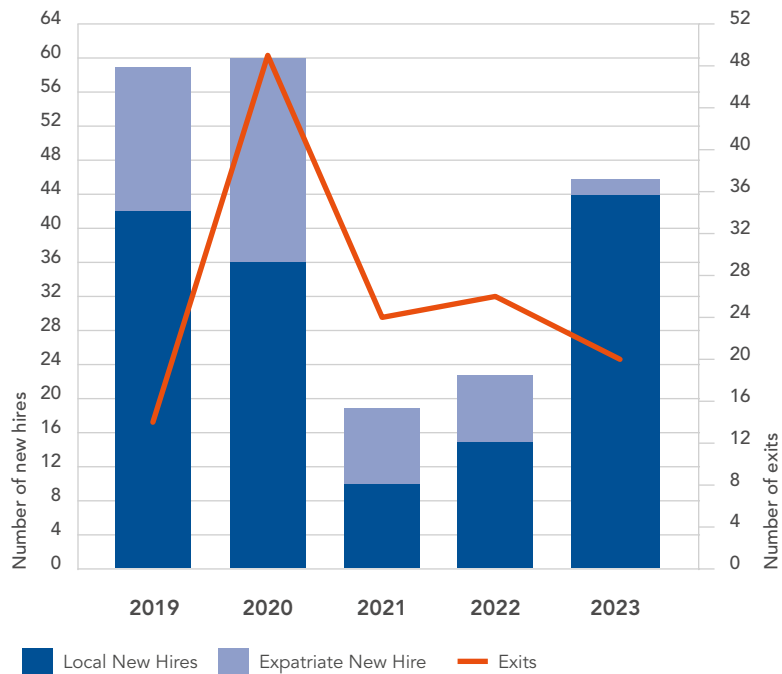
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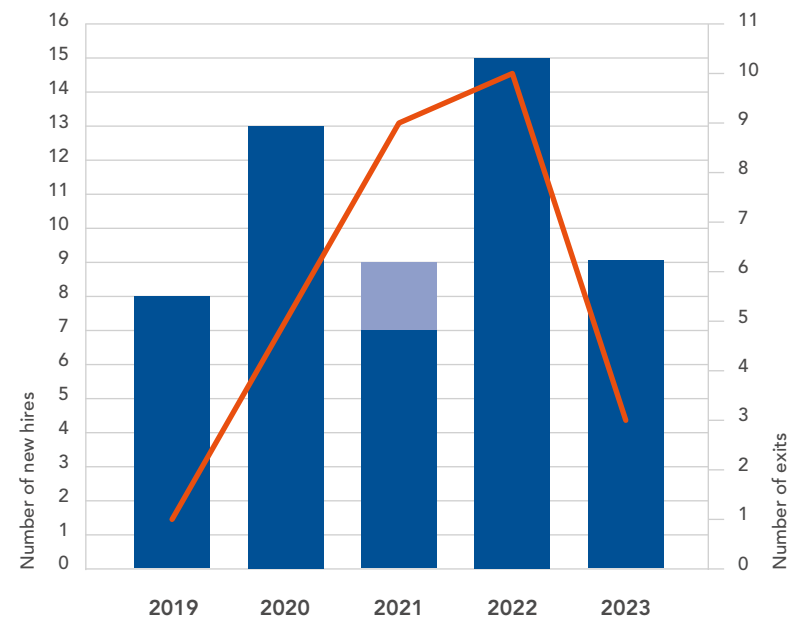
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New hires versus exits

Assala Gabon



Assala Energy



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Voluntary¹ versus involuntary turnover rate^{2,3}

Year	Full-time		Part-time ⁴	
	Voluntary turnover %	Involuntary turnover %	Voluntary turnover %	Involuntary turnover %
2020	2.85%	7.21%	0%	0%
2021	3.24%	3.64%	0%	0%
2022	3.42%	3.23%	0%	0%
2023	2.87%	1.72%	0%	0%

1. "Voluntary" refers to resignations. Source: CIPD - [https:// www.cipd.org/uk/knowledge/factsheets/turnover-retention-factsheet/](https://www.cipd.org/uk/knowledge/factsheets/turnover-retention-factsheet/)

2. Assala calculates its turnover rate based on the UK's CIPD definitions. The assessment includes permanent full-time and part-time employees; UK fixed-term workers are not included.

3. Combined turnover rate (Assala Gabon S.A. and Assala Energy UK Limited).

4. Assala does not have any part-time employees.

Training and developing our people

We are committed to Gabon's energy future and strive to ensure our workforce are competent in their roles. Every year, Assala's employees actively participate in our Goals, Performance and Appraisal (GPA) cycle, which ensures that we work towards individual and collective goals throughout the year. Corporate objectives relating to ESG areas, as well as role-specific objectives, have a direct impact on annual discretionary bonus awards. This GPA process is key to monitoring our employees' performance

and ensures we identify strengths and training requirements for their development. In 2023, 100% of our employees successfully completed their GPA cycle with their line managers.

Part of our strategy to develop our workforce is to enable competency transfer, running expatriation to our UK operations programmes for local Assala Gabon employees, as well as placing expatriates

within our Gabonese operations to upskill our local workforce. Our aim is to facilitate internal promotion of local employees into more senior positions. In 2023, 76 of our Gabonese local employees received a promotion¹, and 17 manpower contractors were converted to employee status in the 2021 – 2022 pay cycle². 61% of senior management positions in Assala Gabon were held by Gabonese nationals at yearend 2023^{3,4}.

1. 18% of our Gabonese local workforce, versus 21% in 2021.

2. 11 in the 2020 – 2021 cycle.

3. 60% in 2022.

4. According to Assala's internal job levelling structure, comprising 12 levels, senior management are considered as above job level 8; middle management as between job level 5 and 7; individual contributors as below job level 5.

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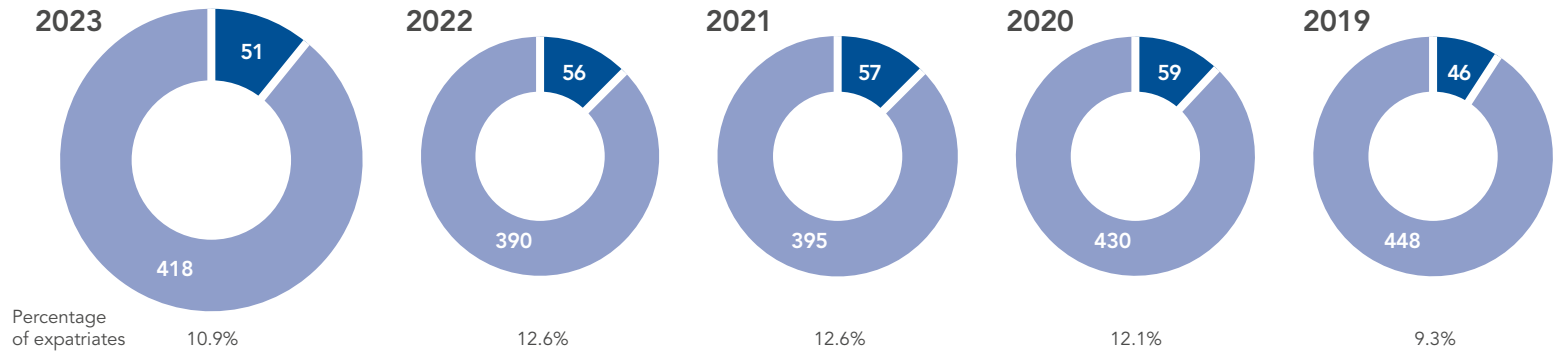
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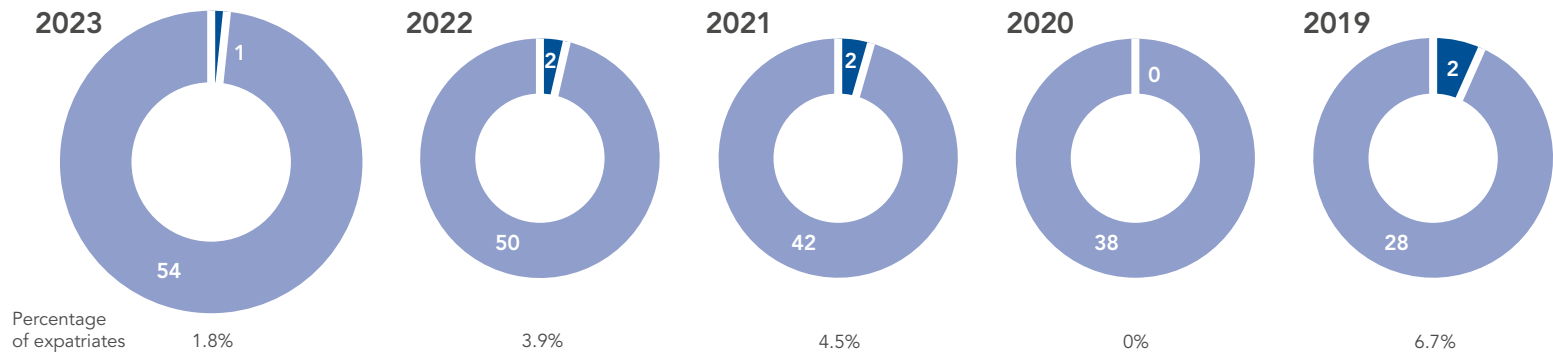
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Number of local employees in total employee workforce

Assala Gabon



Assala Energy



■ Number of locals ■ Number of expatriates

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Where training and development requirements are identified, our Talent and Development team put in place plans to address them. Indeed, training provision was identified as an area for improvement in our employee surveys. As such, in early 2023, our Talent and Development in Gabon team promoted Assala's extensive eLearning catalogue, which hosts a more than 700 self-paced, technical, and non-technical trainings, available at all times of the year. 181 employees completed technical training; 83 employees improved their softer skills in data analysis, communications, finance, and logistics; and 33 employees boosted their understanding of HSSE procedures.

More formally, our 2023 training campaign ensured we maintained existing competencies and continued to equip our workforce with skills they need to do their jobs safely and efficiently. 57 courses were delivered to both staff and contractors, across rotations, to ensure entire target populations received identified training. Such courses included safety refreshers for our Maintenance team, logistics fundamentals for teams responsible for rig moves, as well as a refresher on the basics of manual handling. Our junior engineers in the drilling, geosciences and well integrity teams were upskilled through technical courses from major training providers.

Our approach is to ensure that there is no perception of menial or unqualified jobs at Assala: all personnel are trained on the technical know-how, as well as the health, safety, and risk aspects of their roles, and these are considered in our training provision. As such, on-the-job training is also essential to facilitate competency transfer.

Assala Gabon: 2023 training snapshot



5,635
participants
(5,394 in 2022)



24,210 hours
of training (in-house and external)¹
for Assala Gabon employees,
contractors and service contract staff
(18,979 in 2022)



453k USD²
invested in training
(657k USD in 2022)



More than **5 hours³** of training
completed by male employees

(6 hours in 2021)⁴



More than **2.5 hours³** of training
completed by female employees

(4 hours in 2021)⁴

1. These figures include all mandatory compliance training and time spent on Assala eLearning. They do not include on-the-job training.
2. Investment relative to type of courses implemented in the calendar year.
3. On average.
4. Courses are relative to roles and skillsets targeted by the training provision. Employee populations partaking in courses is, in turn, dependent on the populations occupying roles targeted by the training provision.

EQUALITY, DIVERSITY & INCLUSION

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We take pride in the diversity of our people, and we recognise the distinct advantage this gives us as we work to achieve our objectives. Our Equality, Diversity & Inclusion statement is published on our website, and commits us to ensure that, guided by our Values, Spirit and Code of Conduct, we integrate these considerations in every business decision. Across our business, we mark Gabon's National, as well as the International Women's Days, the World Day for Cultural Diversity for Dialogue and Development, and International Women in Engineering Day to raise awareness of diversity issues closest to our hearts.



In early 2024, we reminded our people of Assala's commitments to Equality, Diversity and Inclusion, and the value that a diverse workforce brings to our business. Posters were shared across the company to support positive messaging and encourage respect for the differences that make us stronger as a company, and as individuals.

Our strategy

Since 2018, we have followed our five-year Diversity and Inclusion Strategy, which outlines our approach to improving and increasing diversity in our company, decreasing the gender pay gap through gender equality, and ensuring inclusion of all employees. We focused on four pivotal areas: underrepresentation of women and young people in technical and leadership roles, potential conscious or unconscious bias and discrimination in the workplace, leveraging of the unique perspectives offered by our gender and ethnic diversity, and accountability for Equality, Diversity and Inclusion across all areas of our business. This strategy is reviewed and verified annually in the context of the International Finance Corporation's audit of our Environmental and Social Action Plan, and in the spirit of continuous improvement.

Our Equality, Diversity & Inclusion goals:



Workforce Diversity: Recruit from a diverse, technically competent pool of candidates to increase diversity of thinking and perspective.



Workplace Inclusion: Foster a culture that encourages collaboration, flexibility and fairness to enable all employees to contribute to their full potential and increase retention.



Sustainability and accountability: Identify and breakdown systemic barriers to full inclusion by embedding diversity and inclusion in policies and practices, as well as equipping current and future leaders with the ability to manage diversity and be accountable for the results.

In 2022, we reported our intention to audit this strategy internally to establish its next phase. Due to the announcement by Assala's shareholder to sell its shares in Assala, such projects were postponed, allowing potential future leadership teams to adopt their own strategy. However, we reviewed the achievement of key deliverables laid out in this plan, as well as the opportunities and challenges emerging from its implementation.

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Challenges:

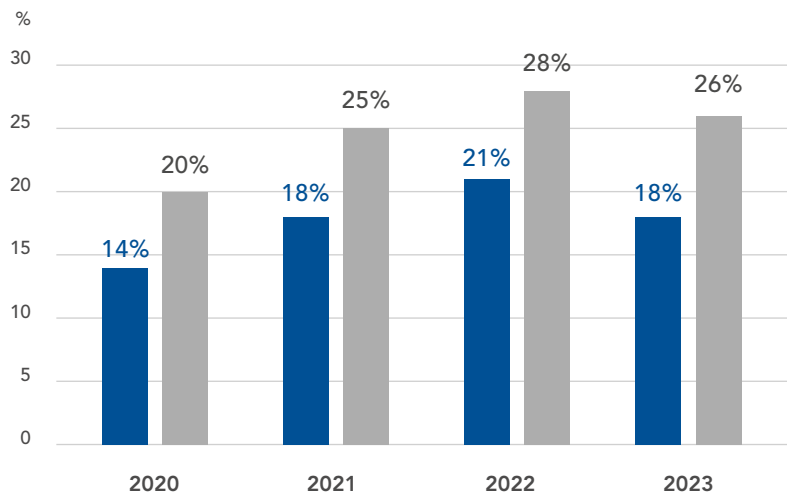
A key target of our ED&I strategy was to improve our gender diversity in technical and leadership roles to 30% representation of the target population. For Assala, a technical and leadership role is taken to mean a role at job level 8 or above¹ with a primary requirement for specialised skills to fulfil it effectively. Analysis of this indicator showed that, in 2023, 19% of the target population occupied such roles i.e. 95 of Assala’s leaders occupied technical roles, of which 18 were women.

Assala’s business requires high levels of technical expertise, and, like many businesses, we face some challenges when recruiting women into such roles. According to EngineeringUK, 16.5% of engineers were women². A report published by EngineeringUK in 2023 found that gender disparity in technical roles is found throughout educational pathways³, meaning that recruiting women into these roles will continue to be a challenge for businesses for as long as girls are not engaged in technical activities from a young age, and throughout their education. As part of our engagements to foster emerging talent, explored in the Workforce section of this report, we strive to do our part in addressing this fundamental barrier.

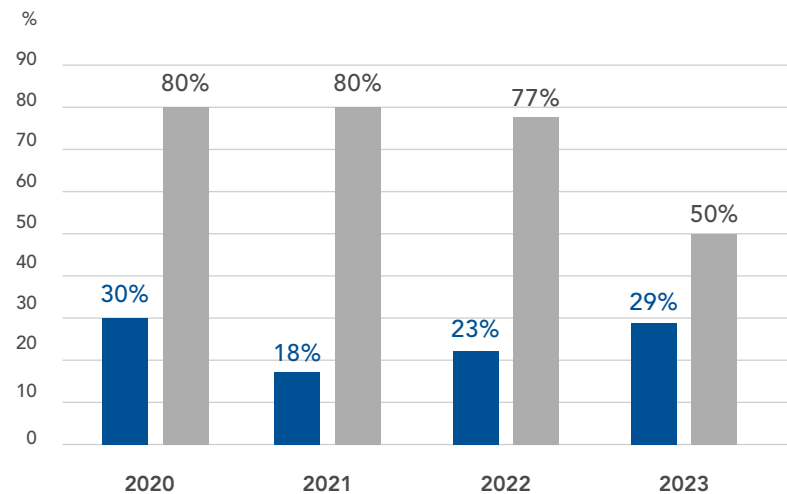
For Assala, this challenge is even more profound. The considerably limited pool of female, technical candidates is further reduced by factors which are specific to our industry and the location of our operations, as well as by social barriers and cultural considerations in the areas where we operate. A knock-on effect of this reality is the impact on our gender pay gap: with fewer women in technical roles, which are, naturally, higher paid, the salary disparity between men and women is inflated.

Percentage of women occupying the highest & lowest paid positions

Assala Gabon



Assala Energy



■ Percentage of women occupying the highest paid positions of the total employee population ■ Percentage of women occupying the lowest paid positions of the total employee population

1. According to Assala’s internal job levelling structure, comprising 12 levels, senior management are considered as above job level 8; middle management as between job level 5 and 7; individual contributors as below job level 5.

2. 2021 data: <https://www.engineeringuk.com/research-policy/diversity-in-engineering/gender/>
 3. <https://www.engineeringuk.com/media/318995/rapid-evidence-review-girls-stem-aspirations-final.pdf>

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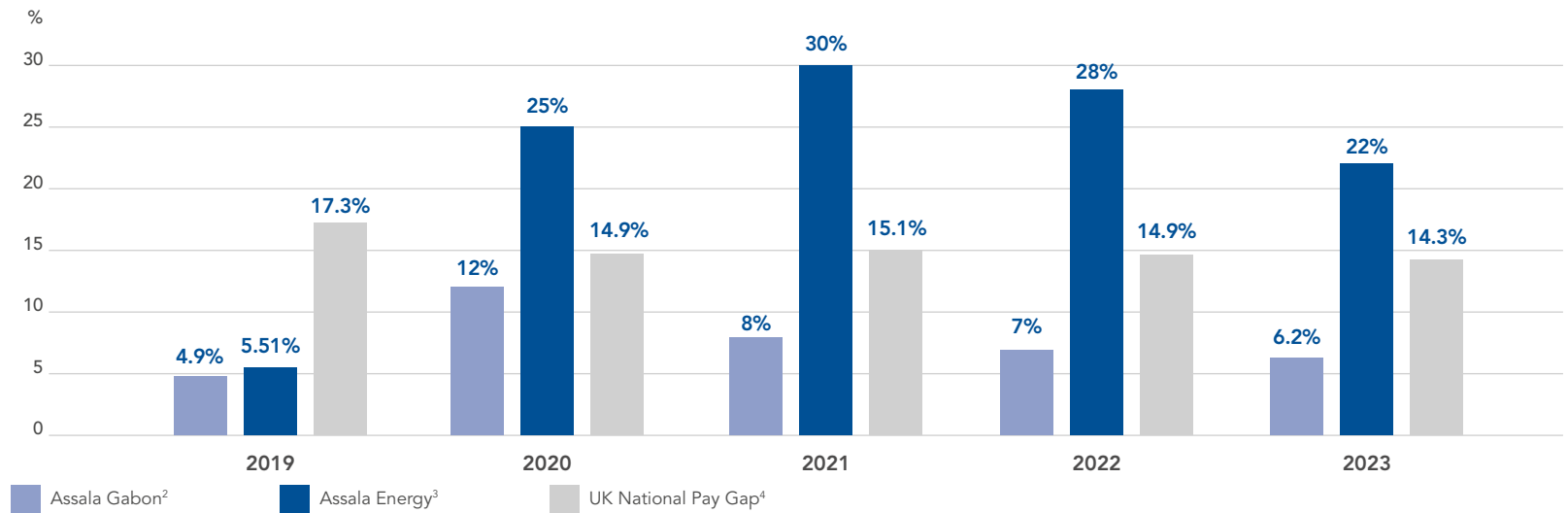
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Gender pay gaps¹

Assala Energy & Assala Gabon, compared with the UK average



1. Does not include discretionary performance bonuses.
 2. The gender pay gap is calculated as the difference between average hourly earnings (excluding overtime) of men and women as a proportion of men's average hourly earnings (excluding overtime)
 3. The gender pay gap is calculated as the difference between average annual full-time salary of men and women as a proportion of men's average annual full-time salary.
 4. Source: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2023>

Opportunities:

In recognition of these challenges, Assala brings gender diversity to the forefront of our recruitment approach. Our Human Resources and Recruitment teams work with both external talent acquisition partners, as well as hiring managers, to drive our diversity strategy through awareness and training. We ensure our job adverts are gender-checked so that they appeal equally to everyone. Whilst our recruitment process remains solely merit-based, we have seen a gradual increase in the number of women in our Gabon business since 2019, demonstrating the effectiveness of this approach.

At Assala, it is an expectation that we all strive to create a safe, respectful, and productive work environment for all, participate in diversity and inclusion initiatives and adhere to laws and regulations regarding discrimination and diversity in the workplace. We are committed to continuously reviewing and improving our diversity and inclusion policies and practices to ensure that all of our employees feel valued, respected, and supported. We believe that this is not only the right thing to do but is also essential to achieving our long-term strategic goals. In 2023, 839 employees and contractors completed mandatory Anti-Harassment training led by our Legal and Compliance team.

Our senior management teams have an open-door policy. Our teams are encouraged to report any concerns regarding Equality, Diversity and Inclusion, or any other issue, through our reporting mechanisms: their line manager, Heads of department, Human Resources, Legal and Compliance, or through Safecall. Our reporting mechanisms are explored in more detail in the Governance section of this report.

We disclose our diversity figures annually to drive awareness of the quantitative impact these challenges have on the achievement of our ED&I objectives.

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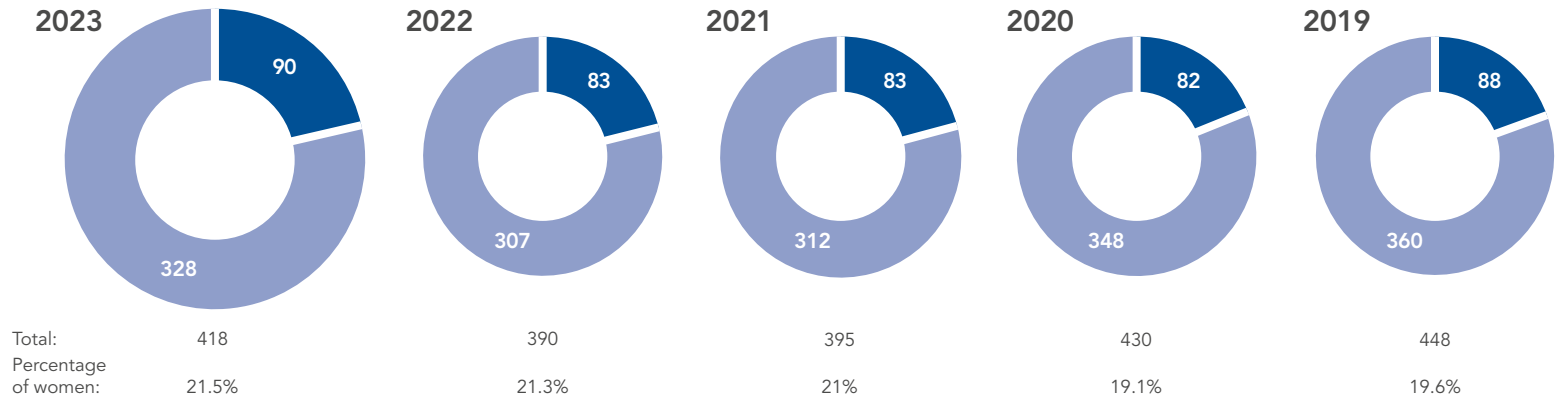
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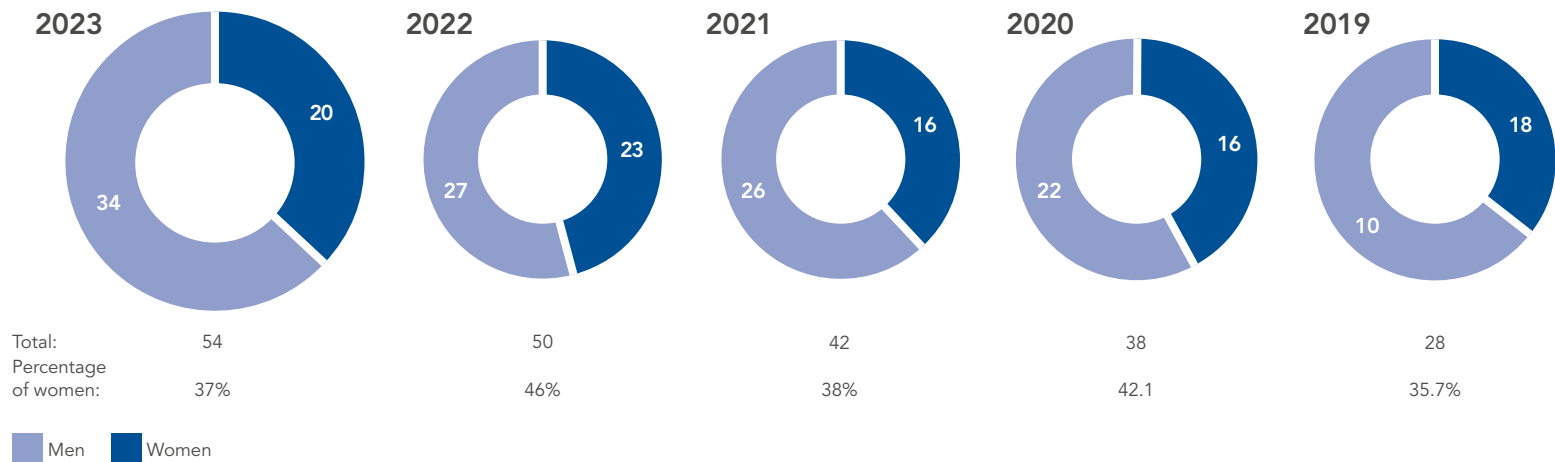
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Number of local female employees in total local employee workforce

Assala Gabon



Assala Energy



Men Women

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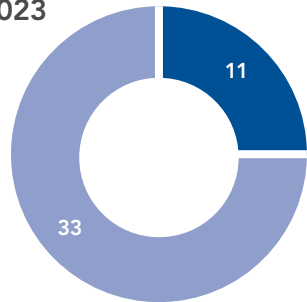
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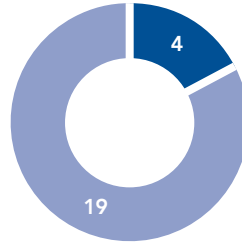
Number of female new hires in total of number of new hires (2022 - 2023)

Assala Gabon

2023



2022

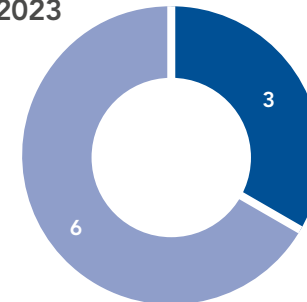


Total: 44
Percentage of women: 25%

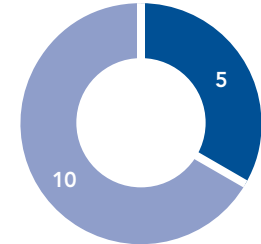
Men Women

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2023



2022

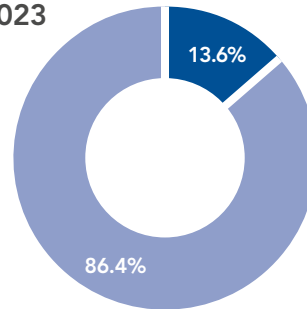


Total: 9
Percentage of women: 66.70%

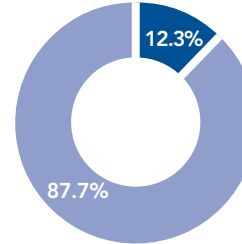
Diversity in our senior management (2022 - 2023)

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2023

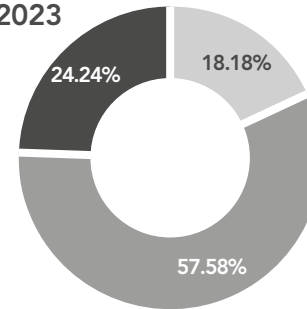


2022

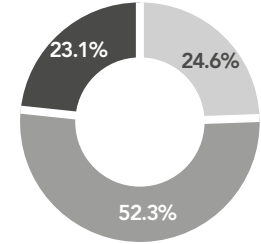


Male senior management Female senior management

2023



2022



30 - 40 years old 40 - 50 years old > 50 years old

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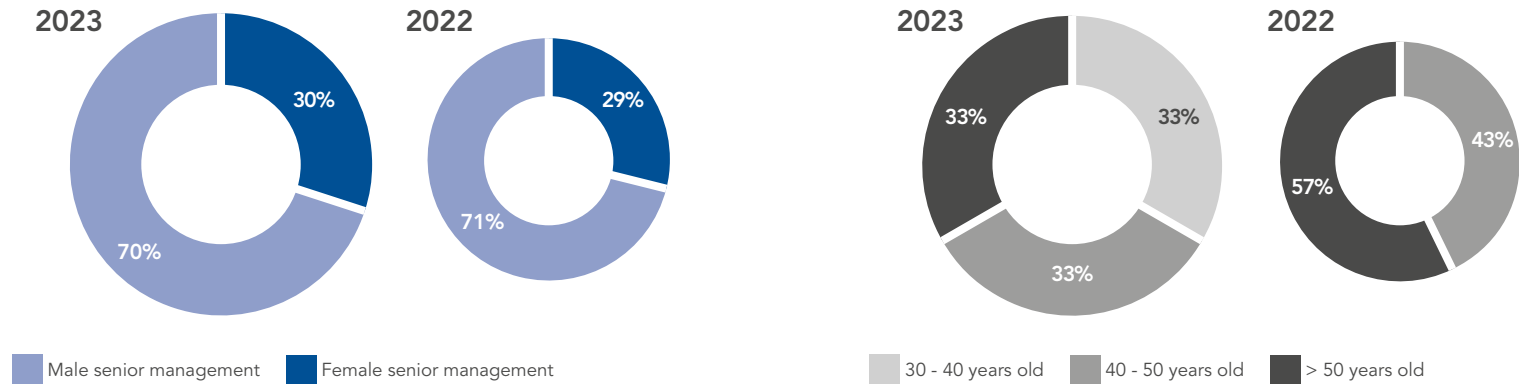
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Diversity in our senior management (2022 - 2023)

Assala Energy



The Assala Women's Network

With a diverse membership, our Assala Women's Network (AWN) is an internal group dedicated to raising awareness of issues facing women in Gabon. The AWN is a primary leverage for combatting Equality, Diversity and Inclusion issues, both internally and externally. 90 of Assala Gabon's women are members of this network.

In 2023, the Network marked International Women's Day with a webinar led by a Gabonese entrepreneur and advocate for female empowerment with extensive experience in the oil and gas industry. This was a key opportunity to strengthen internal discourse on the challenges facing Gabonese women in the industry, and to provide a forum for our Network members to voice their experiences.

As every year, the AWN also raised awareness of cancers affecting women during *octobre rose*. In 2023, the Network organised a conference in Port-Gentil and in Gamba, led by an *Insitut du Cancer de Libreville* oncologist, covering recognition, self-examination, and testing. Attendees were then invited to an activity morning to share information on the importance of exercise and nutrition in the fight against cancers.

Furthermore, the group conducted outreach in schools, engaging with young people to discuss the barriers facing girls aspiring towards technical roles, and highlight solutions to overcome them. The Inspiring Young Girls campaign reached 600 school-age girls in 2023, with talks focusing on staying motivated to pursue education and ambitious careers, and on achieving and maintaining professional success as a woman.

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Assala is committed to maintaining a responsible supply chain for all of our suppliers. By taking reasonable steps to ensure our supply chain, and all other parts of our business, are free from modern slavery and human trafficking, we meet this commitment year on year.

In our Modern Slavery Statement, published on our website, we state our commitment and responsibility to work collaboratively with our suppliers, employees, communities, and external stakeholders to reduce the risks of modern slavery in our operations and supply chain. This responsibility is echoed in our Code of Conduct (our "Code") and Human Rights Policy, both published on our website.

Excerpt from Assala's Code of Conduct:

Assala has zero tolerance for child, illegal, abusive or forced labour and human trafficking anywhere in our operations. Assala follows all applicable employment laws, pays competitive wages, and conducts activities in a manner that respects individual human rights consistent with international standards including the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organisation.

When engaging vendors, Assala will assess whether the vendor treats their workers with respect and complies with applicable labour laws and will include relevant contractual provisions to hold vendors accountable. Breach of any applicable labour principles should be reported promptly to the Chief Compliance Officer.

The complete document is published on assalaenergy.com.

Human rights in our supply chain

Our Human Rights policy sets out Assala's objectives and commitments to human rights. We integrate human rights considerations and environmental best practices into our policies and strategy for sustainable development. This includes safe and responsible operations, equality and inclusion in our workforce, direct engagement with local communities, preservation of biodiversity, and proactively working to mitigate the risks associated with climate change. We do not tolerate child labour, forced, compulsory or bonded labour, human trafficking or any

other form of slavery and we actively seek to prevent and mitigate such risks in our business. We respect the requirements set out in the Universal Declaration of Human Rights, the core labour standards recognised by the International Labour Organization, and we work to support the UN Sustainable Development Goals.

Managing our supply chain

Assala's business is supported by more than 500 suppliers, fundamental to our operations due to the diverse range of goods and services they provide to our onshore facilities and operations. It is therefore critical that they perform their services in a manner consistent with our Code of Conduct and other relevant policies.

Selecting a supplier

We strive to select suppliers who generally share our Values. In particular, standards for HSSE, anti-corruption and adherence to ethical labour practices, such as those against modern slavery, are a requirement and this is reflected in our contracts. Supplier selection is carried out using objective criteria such as health and safety records, compliance metrics, price, technical ability, quality output, reputation, and prior performance. Assala requires competitive bids where appropriate and will fairly evaluate all proposals and conduct fit-for-purpose integrity, financial and technical due diligence on new suppliers and contractors.

As such, before commencing provision of services or entering into any contractual relationship with Assala, all prospective suppliers go through an extensive vendor registration process to become eligible to work with Assala. The vendor registration process detailed in our Contracts & Procurement procedures includes fit-for-purpose integrity due diligence to assess a potential supplier's understanding of compliance requirements and they must confirm their commitment to adhere to our standards, Code of Conduct and Values.

This integrity due diligence process also contributes to how we identify modern slavery and human trafficking risks in our supply chains. Prospective suppliers are required to provide information in respect of their own labour practices. Contractual arrangements ensure that we engage suppliers which share our commitment to respect human rights and to eradicate modern slavery. They must also adhere to the highest standards of business ethics, compliance with all applicable laws and commitments to health, safety, and the protection of the environment.

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Maintaining supplier performance

Each supplier is supported by an Assala contract representative, who is responsible for managing the relationship with the supplier, including the contract in place, ensuring that contractual obligations are met, and that work is executed safely and on budget. Contract representatives receive training and are supported by the wider business to carry out their role effectively.

In turn, suppliers undergo regular Business Performance Reviews (BPR) to review the performance of contracted services. The frequency and content of the BPR depends on the type of service provided, and on its criticality to the business.

Under our contract terms, we reserve the right to audit our suppliers on policies and controls put in place to manage issues surrounding several matters including the use of forced labour, modern slavery and compliance. Where we identify any area of non-compliance with our contract terms, depending on the area of non-compliance, suppliers will be given an opportunity to remediate the issue or may be subject to termination. This includes contracts for security services.

We are working on Supplier Principles of Conduct for our suppliers. The objective is to ensure that our suppliers are operating in a manner that aligns with Assala's ethical principles and values. The document will communicate Assala's expectations on maintaining and working in compliance with responsible and ethical business practices including those related to modern slavery. The Principles of Conduct will mirror our Code and Values and help to ensure that Assala and our suppliers remain in compliance with international law. The Supplier Principles of Conduct were finalised internally in 2023 and, once published, will be integrated into Assala's supply chain management processes.

Conflict and security

Private security services on our sites and in our offices are contracted to a third party, which publicly commits to complying with the Universal Declaration of Human Rights. The service provider's performance and training requirements are under continual review. Recommendations to improve the service provided, as well as any issues, are discussed in Business Performance Reviews as part of Assala's supply chain management.

In 2023, we strengthened existing training provision for contracted security agents deployed on our sites by including a specific focus on the Voluntary Principles on Human Rights, their obligations regarding these principles, and highlighting internationally accepted approaches to interactions with the communities. During this training, we reiterated our contractual expectation that security agents also act in accordance with Assala's Values, Spirit, Code of Conduct, and internal procedures. Despite challenges associated with contractor staff turnover, 76% of contracted security guards received this training in 2023, with efforts underway to all security agents in 2024.

The political context Gabon required that we put additional, pre-emptive security measures in place in 2023. During the election period in August 2023, Assala Gabon strengthened operational and evacuation procedures, as well as communications and response guidelines, and trained our workforce on what to do in case of civil unrest. Furthermore, we recruited and trained additional, temporary security agents to secure our sites during this period.

Raising a concern

Assala's anonymous whistleblowing service, Safecall, enables anyone to raise a concern. This channel is described within our Code of Conduct and other policies shared with suppliers during their onboarding. Suppliers are also encouraged to contact their dedicated Contract Representative with any concerns surrounding their business relationship with Assala. All concerns raised are managed internally by our Supply Chain and Legal and Compliance teams. Issues are reviewed or investigated to the extent possible and any actions closed.

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Assala Gabon's Local Content Policy formalises our comprehensive Local Content strategy, in place since our inception in 2017. Published on our website, this policy guides us in our approach to supporting local people, businesses, and suppliers and to contributing positively to Gabon's socioeconomic development. Implementing our policy is an expectation of the Gabonese government and is in line with Assala's global approach to deliver value to all our stakeholders, including the State of Gabon, our employees, contractors, and the communities living in proximity to our operations.

We base the implementation of our Local Content strategy around our Local Content pillars.

Key definitions:

Gabonese business: A company registered in Gabon according to the classification of companies under the Gabonese Hydrocarbon Code.

Autochthone business: A company owned by a Gabonese national with at least a 60% share, and of which 80% of the workforce are Gabonese nationals according to the classification of companies under the Gabonese Hydrocarbon Code.

Community business: A company based and operating in proximity to Assala's sites and offices.



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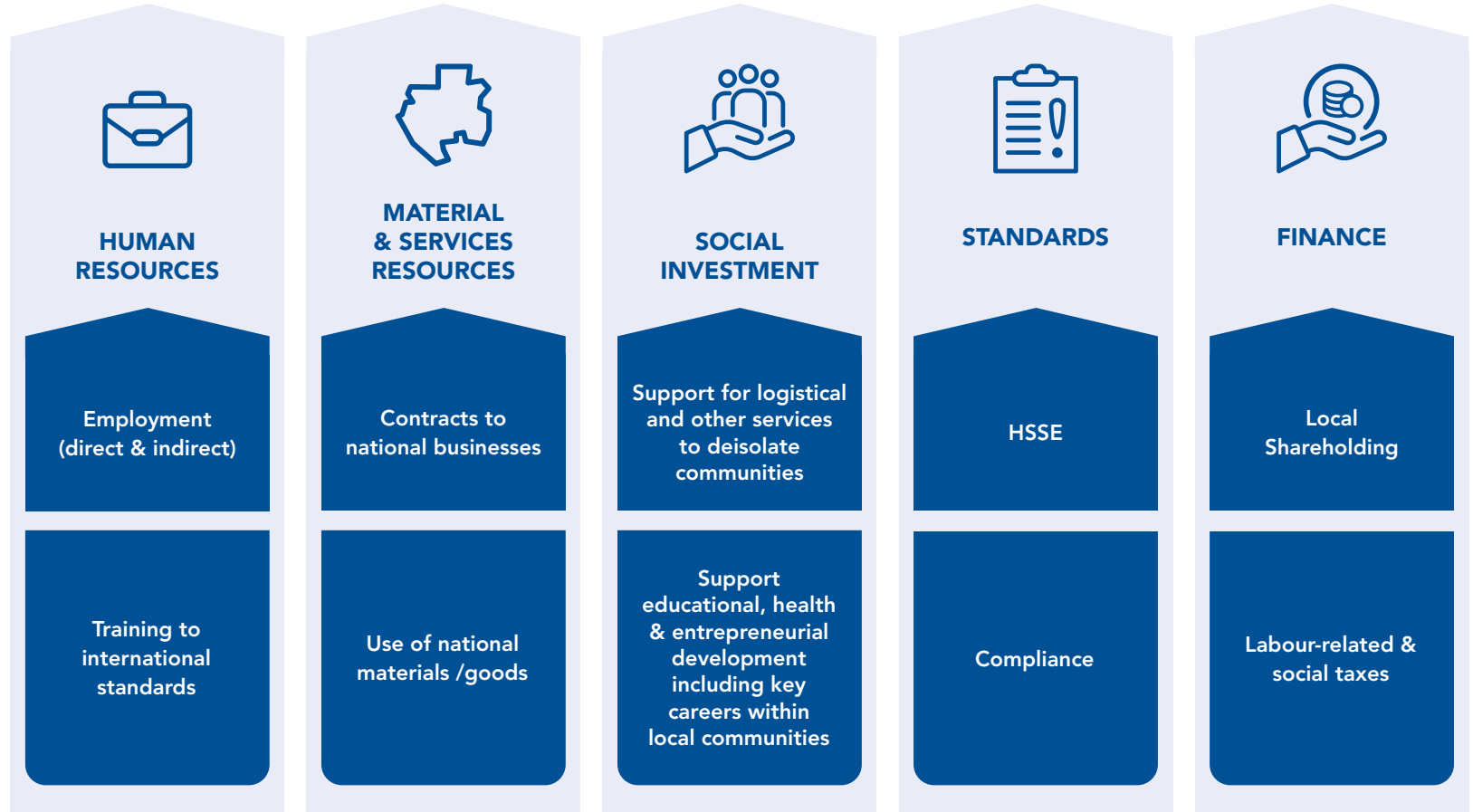
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Assala's Local Content pillars



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What Local Content means for Assala

Local Content for companies is the positive value creation contributing to national, social and economic in-country development. Local Content also promotes local and community companies while fostering the development of national workforce capabilities to compete with international equivalents. It includes working with and developing local expertise in the national workforce through knowledge and technology transfer and using local goods and services acquired through local companies within the company's supply chain.

Assala's Local Content policy is designed to foster development opportunities for local communities and businesses within an economic and social framework, through the use of national and local human and material resources. This framework structure includes training and development of national skills, the transfer of technologies, the use of local goods and services and the creation of added value at a local level throughout Human Resources and the Supply Chain in order to positively contribute towards the national socioeconomic development of the host countries in which we work and operate.

Implementing our Local Content Policy and strategy

We implement our Local Content Policy and strategy through our projects, partnerships, and initiatives, which are supported by our Local Content pillars. Our dedicated internal Local Content Lead collaborates with the wider business to weave our ambitions into the fabric of our organisation. In 2023, our grassroots investment in the socioeconomic development of the communities local to our operations continued.

Favouring and leveraging local expertise

A key avenue for Local Content development is leveraging the expertise of local businesses to provide services to our operations and favouring this expertise over that of international organisations where possible. In 2022, more than 100 community members attended workshops organised by our teams to develop community coaching programmes which support local companies to complete tenders for contracts with Assala. In 2023, we fostered a partnership with the *Agence Nationale de Promotion des Investissements du Gabon* (ANPI – Gabonese National Organisation for the Promotion Investments) to develop a clearer view of businesses local to our operations by conducting a survey of locally available services. With this knowledge, Assala could share details on our tender process and the support available as well as on Assala's compliance and HSSE standards, requirements, and expectations. In this way, we empower local businesses to respond to calls to tender to work with us.

As is discussed in the Supply Chain section of this report, Assala's tender process is compliant with international standards, thorough and comprehensive. We select vendors based on their ability to adhere to our compliance expectations, their technical capabilities, and capacity to meet our project budget and scope. This helps us to select the most competent vendor for each project. However, in line with our Local Content approach and commitment to support local socioeconomic development, we make special considerations for local businesses: with equal technical competence at the vendor evaluation stage, we will favour the local vendor. Additionally, we have streamlined our tender process for certain categories of projects to better facilitate bidding for smaller, local companies. Now, with our partnership with the ANPI, we can more easily communicate our commitments and policies with future suppliers, encouraging local sourcing and engagement with local businesses.

Our 2023 Local Content results for relevant indicators reflect the effectiveness of this approach. In 2023, 242 Gabonese businesses worked with us (199 in 2022), and 402M USD was spent with Gabonese businesses (318M USD in 2022).

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Leaders de demain: a unique Local Content programme

Part of our Local Content approach is to develop and transfer skills and competencies to local communities to support socioeconomic development. In 2022, our dedicated Local Content team launched our *Leaders de demain* (Leaders of Tomorrow) programme to do exactly that.

With more than 500k USD of investment, *Leaders de demain* is a year-long training and development programme, aiming to empower young people, local to our operations. The programme immerses them in our business through both practical experience on our sites, and theoretical expertise gained in specialist external training centres.

The ultimate objective is to nurture practical, applicable skills and to contribute to a workforce for the future.

In 2022:

In the first edition of *Leaders de demain*, more than 170 young people were recommended by their employers, existing Assala suppliers, as well as by local *Chefs de village*. Each candidate undertook written and practical exercises, as well as individual interviews. 29 young people (18 men, 11 women) were selected to complete internships in our HSSE, Maintenance, Production and Supply chain departments.

In 2023:

Our 29 young candidates from the first edition completed their year-long programme to become *Leaders de demain*. Many have already reaped the benefits of their hard work, and of Assala's investment in their future: 12 young people have been recruited by Assala on a six-month rotator contract on our production sites, and five more now work with our suppliers.

The second edition of *Leaders de demain* is already underway, following more than 300 applications. Applicants completed written and practical exercises, as well as individual interviews to be selected for the programme. Following this rigorous process, 30 successful candidates are taking part in the 2023/24 *Leaders de demain* immersion programme, all of whom originate from areas local to our Gamba, Rabi, Toucan and Koula operational sites. The candidates will complete internships in the HSSE, Maintenance, Production, Supply chain or Logistics departments.



2022/2023 *Leaders de demain* candidates

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Supporting local employment by increasing accessibility to the market

Assala is committed to making available employment opportunities within or linked to our operations more accessible to local people. In 2023, Assala ran a campaign, in collaboration with the *Pôle National de Promotion de l’Emploi* (PNPE – Gabonese National Centre for Promoting Employment) and the Gabonese Hydrocarbon Ministry, to register local jobseekers on the PNPE’s digital platform. Our aim is to create a database of local jobseekers, which is accessible to our suppliers, to encourage recruitment from communities surrounding our operational sites.

During this campaign, we registered 196 people, and identified key barriers to employment for local people, such as a lack of identity card, which is mandatory for registration with the PNPE. In so doing, our Local Content team have put in place a

plan to address such obstacles in 2024. We will work with our suppliers to ensure they use the PNPE database to seek local manpower for their operations with Assala.

In 2023, 762 employment opportunities for local people were created within Assala’s operations thanks to our suppliers.

Nurturing community skills

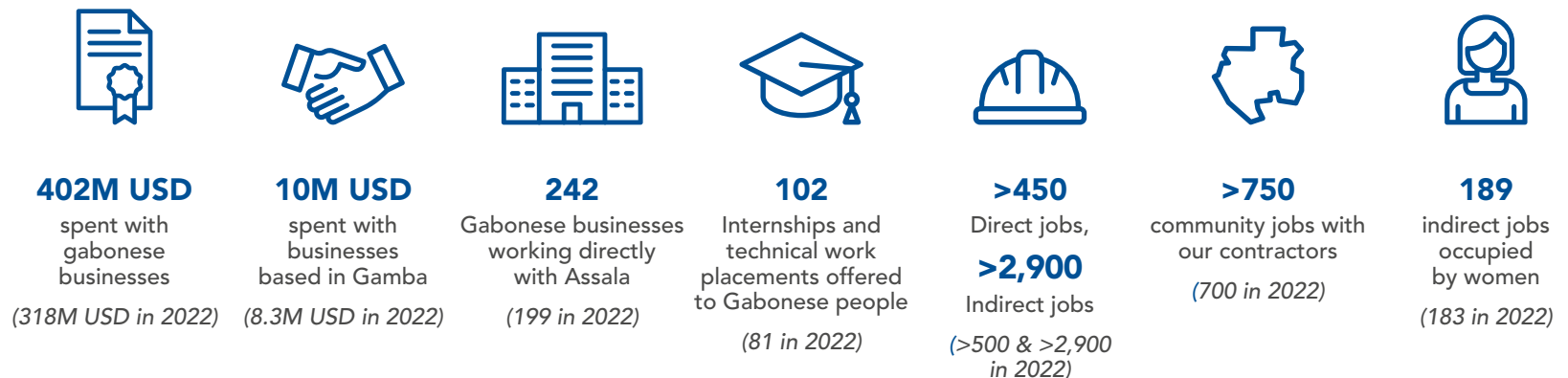
One of our Local Content pillars is to support education, health & entrepreneurial development in the communities local to our operations, including our offices in Port-Gentil.

Port-Gentil is a coastal town in the West of Gabon. Attractive beaches and predominantly clement conditions make the town popular for water sports,

swimming, and bathing. However, beaches are rarely monitored, and strong currents and rip tides pose a real threat to those entering the water. Port-Gentil suffers a high number of drowning incidents annually. We recognised the need to raise awareness within the community of the dangers of swimming in these areas, as well as to support our colleagues to learn basic swimming skills.

In 2023, we collaborated with Port-Gentil’s Mayor to install 20 signs along the coast and at main waterways to raise awareness of the danger of swimming in these areas. Additionally, we ran a voluntary course for our colleagues to learn to swim. By the end of 2023, 29 people had taken the course, and a further 10 in early 2024.

Assala Gabon’s 2023 Local Content highlights



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Assala's Social Performance strategy is, in the long-term, to support communities local to our operations towards sustainable socioeconomic autonomy. As such, it goes hand in hand with our Local Content approach.

In our Social Performance & Sustainability policy, we commit to protecting the health, safety, security, and environment of local communities neighbouring our activities. In this policy, we state our intention to minimise negative environmental and social impacts and effects on cultural heritage and to

accompany viable, sustainable, and economically diverse projects to dilute local reliance on the oil and gas industry. We aim to positively contribute to employment and increased local capacities through Local Content activities.

We recognise our individual and collective responsibility to respect communities and build win-win partnerships with local communities. In so doing, we maintain in the long-term our social licence to operate.

Our Social Performance strategy



PRE 2018 DEPENDENCE

Go to

National and local authorities, businesses and local communities were used to approaching the oil industry for all needs.



2019-2024 TRANSITION TO WIN-WIN PARTNERSHIPS

Economy strengthening and local excellence

Short-term: Assala supports the diversification of the economy.

Longer-term: Assala encourages Local Excellence to develop a sustainable workforce for businesses and public services.



2025 SUSTAINABLE AUTONOMY

Improved economic framework, increased opportunities

Assala, other industries, community business and public services underpin enhanced quality of life and increased opportunities for local residents.

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Community engagement

To best implement our Social Performance strategy, it is important for us to understand community concerns. Engaging with communities local to our operations allows us to consider challenges and opportunities for our mutual ambition to build win-win partnerships, in line with our Values. Our internal stakeholder engagement plan provides the framework against which we conduct our engagements.

Our active Community Liaison Officers (CLO) are a key resource for our work with local communities. The CLOs hold meetings, make visits and conduct other regular engagements to ensure open dialogue is maintained. This approach is essential to our social licence to operate and is part of our daily activities as a responsible operator.

When developing our operational plans, we carry out Environmental & Social Impact Assessments (ESIA) and consider the potential for negative impact on land or resource rights of communities surrounding our operations. Currently, there are no communities living in close proximity to Assala's operations, whereby there would be security or other risks requiring their voluntary or involuntary resettlement. This will remain the case throughout our five-year drilling and workover plan.

In line with our Values, Spirit, and Code of Conduct, we respect the fundamental human rights of all people. Populations classified as indigenous peoples, according to the International Labour Organisation's definition¹, do not reside near our operations. If encroachment from farmers, illegal loggers or poachers were to occur, Assala would work with Gabonese authorities, through our dedicated Government relations team and our CLOs, to mitigate risks to people, the environment, and our assets. Furthermore, we collaborate with our environmental partners and Gabon's Ministry for the Environment's local representatives to conduct regular wildlife protection patrols in our concessions. This ensures illegal activities, that may include encroachment, are largely deterred.

Complaints or concerns arising from communities are recorded by our CLOs and managed in accordance with our dedicated Complaints Management Procedure. More details on this procedure can be found in the Governance section of this report.

Key definition:

Environmental Social Impact Assessment (ESIA): Assessment study of the direct and indirect impacts of a project on the ecological balance, the quality of life and the environment of the communities resident in the area where the project is located and in the adjacent areas.



1. International Labour Organization (ILO), Indigenous and Tribal Peoples Convention, 1989 (No. 169).

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Community engagement in figures (Assala Gabon)

	Number				
	2019	2020 ¹	2021 ²	2022 ³	2023
Engagements with community members (number of meetings and interactions)	78	103	430	970	909 ⁴
Engagements with local authorities (number of meetings and interactions)	28	92	202	195	322 ⁵
Disruptions (number of community-led events that disrupt operations, such as road blockades)	1	2 ⁶	0	2 ⁷	4 ^{8,9}

1. In 2020, a dedicated position was created within Assala Gabon to engage with authorities in local communities. Furthermore, in the context of COVID-19, telephone engagements increased to mitigate heightened community anxiety, follow up on issues, and maintain connections when safe face-to-face interactions were not possible.
2. Normal community engagement activities recommenced in 2021 and increased substantially to accompany communities during the COVID-19 pandemic.
3. Community engagement activities increased as COVID-19 barrier measures and logistical constraints eased.
4. No engagements were held in August or September due to the Gabonese election period.
5. Increase relates to more frequent engagements with local authorities following the implementation of FDCL projects in 2023.
6. Neither disruption targeted Assala specifically, nor had an effect on our production levels. Our CLOs worked with community leaders to resolve tensions.
7. Disruptions related to construction works of the quay at Mayonami (See Connecting Gamba to the rest of Gabon, in Social). Our CLOs worked with the concerned party and community leaders to resolve tensions, ensuring no impact on Assala's facilities or production.
8. Disruptions related to community discontent over the availability of employment opportunities, in particular with other operators nearby, maintenance required on a diesel generator in a community local to our Rabi field, and a request for increased salaries from a contracting company.
9. Assala's facilities or production were not impacted. Tensions were resolved as follows:
 - Employment opportunities: engagement with community leaders in the relevant zone – the complaint pertained to all operators in the zone and was not directed uniquely towards Assala.
 - Diesel generator maintenance: Assala's operations teams intervened to make the necessary repairs and put in a place a more efficient preventative maintenance monitoring system.
 - Salary increase from contracting company: Assala notified the company in question, which proceeded to engage directly with concerned community members.

Social Performance projects and initiatives

Social investment is one of our Local Content pillars. Through our Social Performance projects and initiatives, we support educational, health and entrepreneurial development in communities local to our operations and encourage a transition towards sustainable socioeconomic autonomy. This is how we live by our Value to build win-win partnerships, ensuring long-term benefit from our operations. This is also in line with our Social Performance & Sustainability Policy.

Supporting economic diversification

Diversifying local economies to ease reliance on the oil and gas industry is an important challenge incorporated into our Social Performance strategy. In 2023, Assala explored the feasibility of three projects to support our efforts to achieve socioeconomic autonomy. In 2024, these feasibility studies delivered by our partners will be reviewed by our teams.

Gamba: construction of a fish farm

We engaged with an expert in the implementation of industrial projects supporting sustainable development. Their brief was to conduct an economic and practical feasibility study for the construction of a fish farm in Gamba. Our aim was to explore how Gamba's community could become a key player in the local and national fish market, and in so doing, broaden the area's economic activity. Requiring considerable capital investment, this ambitious project is being studied by Assala's teams to ensure its viability in the long term.

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Port-Gentil: repurposing plastic waste

Plastic waste is a global problem, and with extremely limited recycling options in Gabon, it is a visible issue in areas local to our operations.

Assala Gabon engaged with a non-profit organisation to explore the development of a plastic recycling and repurposing project in Port-Gentil. Portugal-based JYC Recycling is a plastic waste-reduction company with a mission to boost recycling, and to turn plastic waste into useful materials. JYC Recycling visited our teams in Port-Gentil, studied the local plastic waste issue, engaged with an existing, Gabonese-owned plastic collection centre, and concluded that a business based on recycling plastic would be viable.

Within the existing centre, JYC Recycling will install the necessary machinery to repurpose plastic waste and produce plastic beams to be used in construction, as well as small school supplies such as rulers, from waste. Assala has donated this machinery and facilitated the import logistics in support of this project.

This project is designed as a sustainable initiative to reduce plastic waste in the local environment, repurpose and resell it. We will demonstrate the possibilities of leveraging environmental protection as a tool for economic growth by providing the tools and knowledge necessary to create a circular economy. In this way, we aim to empower Port-Gentil's community and to encourage alternative sources of revenue, in line with our Values and our Social Performance strategy.

Gamba: Agricultural development

Assala Gabon asked the *Institut Gabonais d'Appui au Développement* (IGAD) to conduct an initial study in communities local to our Gamba assets to establish avenues for further development of the agricultural sector. This project, which will gain traction in 2024, aims to support the acquisition of materials and provision of training for farmers and market gardeners in Gamba. In the more remote North assets areas, Assala will finance the acquisition of materials to support the agriculture sector.



Rondani

Our *Rondani* project is our flagship integrated social and environmental project for sustainable agriculture, improved standards of living and biodiversity protection.

The integrated nature of *Rondani* means that we consider environmental challenges and opportunities alongside social opportunities and challenges. *Rondani* is therefore underpinned by our social performance strategy, which aims to support the diversification of local economies.

To implement *Rondani*, we work towards three key outcomes:

- Increased yields by implementing soil quality improvement techniques, which also prevent biodiversity loss resulting from slash-and-burn agricultural practices.
- Reduced human-elephant conflict by installing barriers to protect farmers' fields from wildlife.
- Developing partnerships between our caterers and local farmers to encourage local produce sourcing.

The opportunities and challenges to achieve these outcomes are explored in the *Rondani* case study in the Environment section of this report.

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Nurturing academic excellence

Education is part of Assala's Local Content approach. We seek to recruit from communities local to our operations. However, our induction training - which includes critical HSSE elements and is mandatory for all personnel - has highlighted an increasing issue with literacy in both Assala's and suppliers' new hires. To address educational gaps, we make grassroots investments to encourage and support children and young people to reach their academic potential.

Assala Excellence Prize

Since the 2017/2018 school year, Assala has recognised and celebrated academic achievements in schools surrounding our operational sites and offices through our Excellence Prize. Since the prize's inception, 161 young people have been recognised with an award.

In 2023, we celebrated the prize's sixth edition. 44 pupils from 24 schools local to our sites and offices were awarded with a certificate, as well as school supplies to support them with their ongoing studies.

Four young people also benefited from a four-week professional immersion placement either within our company or with one of our suppliers. By supporting these placements, we aim to demonstrate the value of academia in the communities local to our operations by linking studies to the world of work. In so doing, we are nurturing a workforce for tomorrow.

For Assala, it's important to continue highlighting the value of education in a globalised and technical world. This is why we offered the 2022 recipients of our Excellence Prize the opportunity to attend six months of English and IT skills courses as part of our ongoing commitment to upskilling the communities local to our operations and to nurturing academic

excellence. We will continue offering this opportunity to future Excellence Prize laureates.

Other 2023 investments in grassroots education

2023 initiatives also included the sponsorship of Port-Gentil's Business School's graduation, as well as a donation of IT equipment to Gamba's public high school. With this equipment, the school has created a multimedia room to support its 250 pupils and 20 teachers to improve their IT literacy. Assala also donated more than 300 pieces of sporting equipment to a local school board. Furthermore, we donated a braille device to the Ogooué-Maritime Association for the Disabled, which was then provided to a primary school-aged, visually impaired pupil.

Promoting civic pride

We aim to implement initiatives which raise awareness of the importance of safety, cleanliness and the maintenance and preservation of natural spaces to support sustainable community development. We make donations to improve shared spaces, such as playpark equipment and games for children. In so doing, we aim to promote civic pride.

In 2023, our teams took the initiative to refurbish a local health centre, which has fallen into disrepair and was unavailable to the community. Work included refabrication of outer walls and roof repairs, repainting and flooring, and new furniture, which rendered the facility fully operational, ready to serve the community again. We then supplied to this centre, and several others, basic medication.



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Beyond ad-hoc projects, we strive to share these values through two flagship projects.



My Village, My Pride

In 2019, Assala launched a programme to encourage civic duty in the communities surrounding our operations. Until 2022, we focused on supporting local villages to control undergrowth around their homes and shared spaces, address litter and reduce stagnant water. We shared knowledge and donated tools and equipment to prevent the incursion of reptiles, help protect farm animals from predators and ingestion of garbage, and discourage malaria-harboured mosquitos.

While initial results were promising, these dropped over time as local residents did not see a direct, long-term economic impact from these activities. In 2023, we looked at alternative means to align sanitation and economic motivations. In 2024, we will use our Local Content approach to engage with farmers already selling produce to our caterers, as well as with local community personnel working on our sites. We aim to demonstrate the value of maintaining equipment, acquiring technical skills and applying good hygiene principles to support employment opportunities and improved health.

1. Absolute poverty is a condition where household income is below a necessary level to maintain basic living standards (food, shelter, housing). Source: <https://www.economicshelp.org/blog/glossary/definition-of-absolute-and-relative-poverty/>

2. Source: <https://www.theguardian.com/society/2024/mar/21/poorest-uk-families-hardest-hit-cost-living-crisis-official-figures>

3. Source: https://england.shelter.org.uk/media/press_release/at_least_309000_people_homeless_in_england_today

My School, My Pride

Following the end of COVID-19 restrictions in Gabon in 2022, Assala began piloting our “My School, My Pride” initiative in the 2022-2023 academic year, with similar objectives to our successful “My Village, My Pride” project. Following engagements with school administrators, our local environmental partner Ibonga, and local farmers, we identified two approaches: cleanliness and hygiene, and cultivating vegetable gardens. At the end of 2022, we had chosen four primary schools to engage with this project.

In 2023, the local primary schools engaged in a friendly intercollegiate competition to create the best vegetable garden and to implement clean-up initiatives in their schools. To support them, Ibonga provided useful tips and Assala provided gardening tools. Through this project, pupils gained valuable practical gardening skills, as well as knowledge of environmental protection and conservation.

The initiative continues in 2024.

Investing in the community via the Fonds de Développement des Communautés Locales (FDCL)

Assala invests contractual funds in projects to develop infrastructures and support wellbeing in the communities local to our operations. Between 2022 and 2023, Assala completed 29 projects, including the construction of three new classrooms, as well as sports facilities in local schools; the installation of community water pumps; medical facilities upgrades, and the provisions of a dedicated ambulance boat for emergency use.

Supporting London-based charities

One of Assala's Values is to build win-win partnerships, which means that we play an active role in supporting the communities around us. In our UK office, we focus on our efforts on vulnerable people living locally. In 2023, 12 million people in the United Kingdom, including 3.6 million children, were living in absolute poverty¹, meaning that families were choosing between eating regularly, paying essential bills, including heating, or keeping their homes. One in 10 people living in poverty relied on food banks in 2023, reflecting high levels of food insecurity in the UK². According to UK homelessness charity Shelter, one in 182 people in England were homeless in December in 2023, a rise of 14% from 2022³.

In 2023, Assala Energy donated £30k to our local foodbank, and has donated £65k to this organisation since 2019. Our 2023 donation supported the purchase and delivery of meals to more than 2,200 people. We also donated £20k to the Barons Court Project, a homelessness support charity providing housing and employment support, but also a place to shower and receive a warm meal. Since 2022, Assala has donated £35k to this project, which receives more than 14,000 visits from approximately 600 people every year.



Construction of sports ground at Mandji's High School.

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Social Performance investments

Funding type	Funds/budget (k USD)					Actual investment (k USD)				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Contractual	7,903	7,338	10,769	16,895	28,116 ¹⁰	2,460 ¹	7,088	10,723	3,613 ⁸	18,657 ⁹
Assala discretionary										
Gabon-based projects	1,188	382 ²	466	286	779 ⁷	1,188	542 ³	580 ³	515 ^{3,4}	780
UK-based projects	37	39	34	12	50	37	39	117 ⁵	60.5 ⁶	50

1. Although Assala's budget for contractual funds was established in the usual way in 2019, a part of this expenditure was deferred pending the creation by the Government of the Commission necessary for its approval, which explains the difference between the budget and the actual spend.
2. In 2020, the prime d'attractivité paid to teachers based in Gamba, as well logistical support provided by Assala to Gamba's high school, moved from discretionary to contractual funds. Ad-hoc projects carried out in 2019 were not repeated in 2020.
3. Not including logistics support to the community.
4. Increase against budget relates to ad-hoc projects carried out in 2022.
5. Increase against budget relates to additional support in response to the COVID-19 pandemic. Beneficiaries: The Prince's Trust, Hammersmith and Fulham Foodbank, Tower Hamlets Education Partnership.
6. Increase against budget relates to additional support in response to economic context of the United Kingdom. Beneficiaries: Hammersmith and Fulham Foodbank, The Barons Court Project, St Mungos.
7. In 2023, Assala budgeted additional discretionary funds in support of economic diversification feasibility studies.
8. Part of this expenditure was deferred pending approval from the Gabonese Government Commission responsible for allocating funds to appropriate projects.
9. Higher investment by the PID PIH commission in local projects in 2023 as compared to 2022, which utilised funds rolled over from the 2022 period.
10. Increased contributions to the fund were driven by a change in fiscal terms for two of Assala's production sharing contracts.

Providing logistics and utilities support to the community

Our Social Performance strategy is such that we are encouraging communities towards sustainable autonomy, where they are no longer reliant on the presence of oil and gas companies for their socioeconomic development. As such, we aim, in the long term, to reduce our free-of-charge provision of basic services. Instead, in line with our Values, we intend to build win-win partnerships, where Assala and communities benefit mutually. This intention underpins in our approach to logistics and utilities support.

Supplying gas to the town of Gamba

Assala provides an uninterrupted supply of gas to the town of Gamba's power plant, which delivers electricity to the community. In so doing, we leverage our ability to provide less-carbon intense fuel source to the community against our drive to protect local biodiversity and reduce emissions: the need for traditional and ad-hoc energy sources, such as wood, charcoal and diesel is lessened, as is the requirement to transport large quantities of diesel, which is more polluting than gas, to a town far from Gabon's refinery. Furthermore, this reduces our need to flare gas produced naturally as part of the hydrocarbon

extraction process. Given that there is currently no gas commercialisation infrastructure in Gabon, and as such, a relatively small demand, we are giving purpose to this valuable product, in line with our Values.

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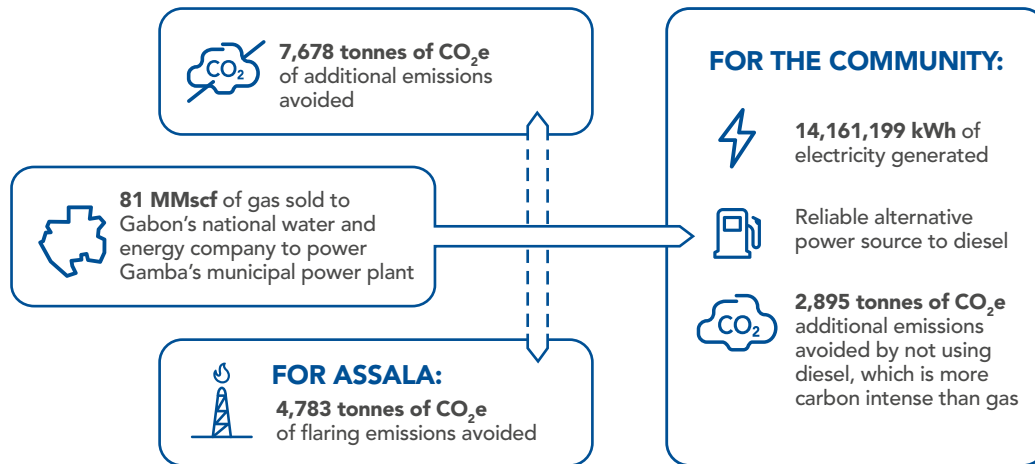
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Impact of Assala's gas provision on power availability:



Conveying goods for the community

On our company-chartered marine and river vessels, we regularly provide logistical support to Gamba's communities and businesses, free of charge, ensuring access to basic goods and services, including food, water, and gas. This service, a significant subsidy to local businesses, is in place whilst we await the inauguration of the community-operated barge. Assala's commitment is to community autonomy, diversification, and development, in line with our Social Performance strategy, and as such, we intend to phase it out once the Mayonami Community Barge is in place.

Mayonami Community Barge: Connecting Gamba to the rest of Gabon

Gamba town, close to our Gamba Terminal, is disconnected from Gabon's road network from the south, due to the major Nyanga river. Currently, local communities use a privately-owned and -operated barge to transport vehicles and their drivers, and pirogues to transport goods and people across the river. Larger vehicles, such as lorries, are not able to make the crossing, causing logistical and planning issues for residents and businesses alike.

To address this issue, Assala purchased a larger barge via contractual funds, which will be operated by Gabon-based *Compagnie*

Nationale de Navigation Intérieure et Internationale (CNNII) on behalf of the local community. The barge will better facilitate the movement of vehicles and goods between Gamba and the rest of Gabon, provide a more secure and reliable service to local businesses, and cut down transport times. By easing logistical constraints, the objective is to stimulate the local economy, encouraging development and diversification.

To support the safe implementation of the barge, Assala constructed quays on either side of the Nyanga. In 2023, the necessary technical tests were carried out, and the safety and

integrity of the vessel were certified by a third party and signed off by the local authorities. In 2024, Assala will construct accommodation and an office for the barge operator.

This is a complex, highly anticipated project. Its sustainability is key. As such, Assala has tirelessly navigated the administrative challenges to ensure that the barge will remain viable once launched – expected in the first half of 2024.

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Logistics support to the community (2020 – 2023)

	Units				Cost/Unit (USD)				Total (k USD)			
	2020	2021	2022	2023	2020	2021	2022	2023	2020	2021	2022	2023
Koumaga Lagoon Barge Cargo (trucks)	343	474 ¹	271 ²	403 ³	482	265 ⁴	517 ⁵	528	165.3	125.6	140.1	212.8
Koumaga Lagoon Barge (pedestrian passengers)	415	540 ⁶	240 ^{2,7}	401 ⁷	67	95 ⁸	100 ⁹	103	57.6	51.3	24	41.3
Port-Gentil / Mayonami (food/goods/containers/ gas cylinder carriage)	158	133 ¹⁰	86 ^{4,10}	443	1,721	2,006 ¹¹	902 ¹¹	920 ¹²	271.9	266.8	77.6	40.5
Port-Gentil / Mayonami (water tank)	94	102 ¹³	92	47 ¹⁴	1,721	750 ¹¹	797 ¹¹	920 ^{11, 12}	161.8	76.5	73.3	43.2
Helicopter (passengers)²⁷	179	146 ^{15,16}	3 ^{16,17}	23 ¹⁸	Various	Various ¹⁶	1,051 ¹⁶	1,051	64.6	90.6	3.2	24.2
TOTAL									691.2	610.8	318.2	362

1. Activity increased on the lagoon following the easing of travel conditions for goods.

2. Assala's operational logistics requirements increased, reducing capacity for community transportation.

3. The commercial gas supplier to the communities used the Koumaga and the Mayonami routes in 2023; previously, only Mayonami.

4. Cost for lagoon barge service reduced by the operator.

5. Increased cost due to new contract.

6. Improved tracking of community support per month.

7. Number of passengers is relative to the number of trucks transported.

8. Changes to the boat increased fuel type and consumption, which impacted cost.

9. Passenger tariff increased due to increased fuel costs.

10. Gas cylinder supplier stopped using the service during 2021.

11. Assala recalculates its rates annually to capture changes in fuel price & to loads transported.

12. Space on the Port-Gentil / Mayonami barge is sold in 20 cubic feet zones. The price is fixed per unit.

13. Increase in trips.

14. A water shortage in Port-Gentil meant that the barge sometimes departed with empty water tanks.

15. Fewer passengers were transported due to operational requirements.

16. In 2022, Assala adjusted this indicator from Aircraft/Boat/Helicopter passengers to count helicopter passengers only, more accurately reflecting our logistics support to the community.

17. Following the end of COVID-19 logistical constraints, Assala's provision of air and water transport was adjusted in accordance with increased availability of public services. Furthermore, Assala's suppliers introduced their own transport services for their employees, reducing reliance on Assala's transport provision.

18. In 2023, Assala refined this indicator to include journeys made by authorities in support of Assala's community projects. See Local Content and Social Performance sections of this report for more details.

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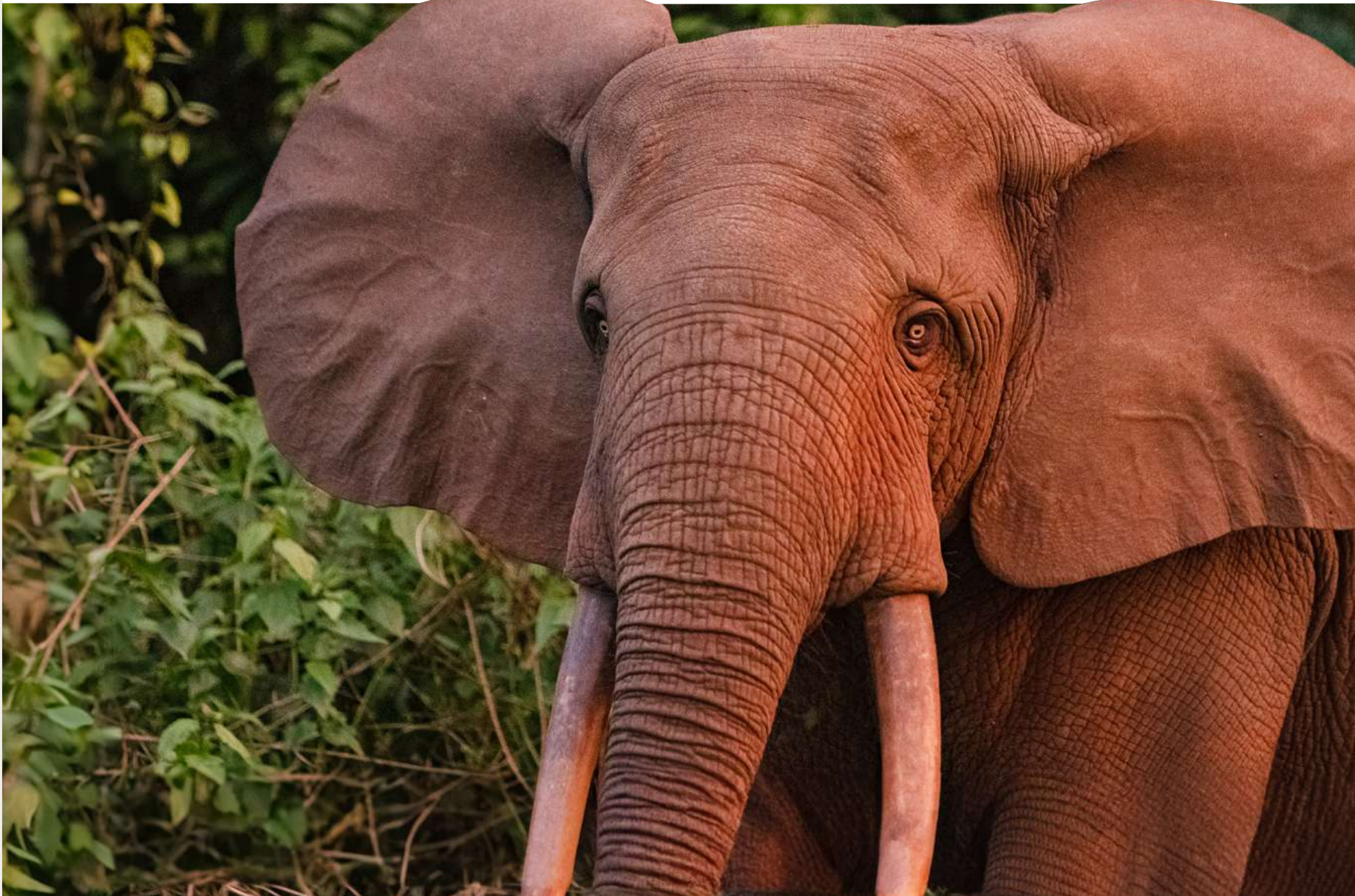
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We are privileged to work, operate, and live in Gabon. The country's unique position in the heart of the Congo Basin affords us the rare opportunity to actively contribute to its conservation. We do this through our commitment to, and compliance with national and international standards, promoting responsible business.

As an oil and gas company, tackling the environmental concerns surrounding us is crucial. From a purely commercial standpoint, this is part of our social licence to operate and ensures the continuation of our activities. It provides value to our stakeholders, including local communities, and shareholders, which include the State of Gabon. It is also our duty. In this period of necessary and important climate action, this is a balancing act.

Our role in the just transition

We have a responsibility to contribute, safely and compliantly, to the socioeconomic development of our host country and we believe that every country has the right to seek revenue from its national resources during the energy transition. As such, we must identify, address, and mitigate the impacts that our operations may have on the environment. This is our role in the just transition towards a greener, fairer, more inclusive economy which provides decent work opportunities for all. While our industry is a key, global source of energy, industry, revenue and socioeconomic development, Assala will play a part in this transition.

Ultimately, we believe that responsible, less carbon-intense oil and gas operations are not only possible, but essential to a just transition towards global carbon neutrality. We always have. This is why we invest in cutting our flaring and reducing our GHG emissions globally across our operations; and in optimising our equipment and facilities to mitigate our impact. It's why we drive internal and external focus on biodiversity protection, responsible water use, and waste management. And it's why, at the end of their life, we are committed to safely and responsibly decommissioning and remediating our sites in line with national regulation and international best practices and standards.

Our hope is that, at the end of our tenure, we will have grown our business for the better, leaving an environmental legacy to be proud of.



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Our environmental commitments

“Operate responsibly and safely” is an Assala Value. We apply this to environmental issues to guide us in our conservation behaviours and efforts, as well as in our operational activities. Doing so supports us to do the right thing, and to perform our role as a responsible operator.

We do not produce oil at any environmental cost.

Our commitments are not only environmental, they are also strategic. They enable us to derive value for our stakeholders, promote a just transition and operate responsibly, putting the safety of our people and our environment above all else.

Key commitments made in our HSSE policy

- Outperform minimum local and international requirements, subscribing to and complying with relevant national and international legislation, standards and requirements that align with our Values. These include International Finance Corporation (IFC) Performance Standards, Equator Principles, the Paris Agreement (and specifically the World Bank’s “Zero Routine Flaring by 2030” target), labour laws and working conditions of our host nations.
- Contribute to biodiversity conservation by protecting ecosystems and natural habitats. Proactively protect the environment, managing and/or mitigating our impact on the environment, systematically working towards zero net impact.
- Actively seek to limit Assala’s greenhouse gas (GHG) emissions in line with the Paris Agreement to achieve climate-neutral activities by 2050, including the exploration of offsetting opportunities that directly benefit the environment and communities in our host countries as a priority, thereby positively contributing to sustainable, local economic development.
- Commit to having a net positive impact on biodiversity in the areas in which we operate and integrating biodiversity issues when planning our operations.
- Commit to using water more efficiently and sustainably, achieving water neutral status by 2030.
- Commit to using all other natural resources and energy more efficiently in our operations. Work alongside and consult with stakeholders on environmental issues.
- Commit to identifying, monitoring and reducing our non-greenhouse gas (GHG) air emissions as part of our continual efforts to minimise our impact on the environment.
- Ensure the leadership team has overall responsibility for addressing risks posed by water scarcity.

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Swiftly reducing carbon emissions on a global scale is accepted as essential to slowing the onset of climate change. As a responsible operator, Assala has always integrated this requirement into our approach to our business and how we operate.

In the Emissions section of this report, we explore how we've done this and how we intend to continue improving our performance in the longer term, securing safe, less carbon-intense oil and gas production from mature fields for our stakeholders and shareholders.



Non-greenhouse gas emissions

Other air emissions are defined as non-carbon dioxide and non-methane emissions i.e., non-Greenhouse Gas (non-GHG) emissions. Although emitted when fossil fuels are burned, non-GHGs do not have the ability to heat the planet. Rather, these emissions impact overall air quality.

Non-GHGs make up a very small proportion of our business's environmental footprint, when compared with tonnes of CO₂e produced through the combustion of greenhouse gases (GHGs) (See table: Other air emissions: volumes produced (2020-2023)). Additionally, since non-GHG reduction is ultimately a by-product and added advantage of cutting down the combustion of fossil fuels, Assala's focus is the reduction GHGs released to the atmosphere from our operations. This is our primary leverage and most effective use of our expertise and resources to support climate efforts.

Addressing non-GHGs is an important global issue and we have put the means in place to begin doing so.

Non-GHGs: Our plan of action

Since 2020, we have been working to reduce the three GHGs relevant to our operations (NO₂, CH₄ and CO₂) as part of our environmental and strategic commitments. We implemented an ambitious and aggressive gas flaring reduction plan, involving significant investment in expertise, equipment, and facilities (See Gas Flaring Reduction (GFR) plan). By leveraging this capacity to reduce our flaring, we tapped into a major opportunity to reduce our emissions globally, including non-GHGs.

Although this strategy is proven effective, we recognise that non-GHGs are of key concern to internal and external stakeholders, as well as important to the environment surrounding us, despite the remote location of our operations.

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As such, from 2024, we set the objective to implement a dedicated non-GHG emissions reduction plan, in addition to our existing gas flaring reduction plan.

As of this report's publication in April 2024, the first phase of this plan has already been initiated: our teams are preparing an inventory of all equipment fitted with NO_x¹ reduction devices. As part of this review, we will evaluate the effectiveness

of these devices, comparing with non-equipped machines, and consider the appropriateness and applicability of making further installations. This will allow us to proceed to map possible non-GHG reductions from 2024 onwards.

In the meantime, we continue to cut our emissions as we implement our gas flaring reduction plan.



Other air emissions: volumes produced (2020 – 2023)

Emissions		Volumes produces in tonnes			
		2020	2021	2022	2023
Oxides of nitrogen	tNO _x	2,686	2,894	2,745	2,840
Non-methane volatile organic compounds	tNMVOC	2,890	2,646	1,416	1,184
Sulphur dioxide	tSO ₂	21	24	21	28
Carbon monoxide	tCO	1,969	1,919	1,817	1,748
Particulate matter	tPM	480	408	361	352
GHG	tCO₂e	1,064,101	979,416	924,656	884,663

1. Oxides of nitrogen – a non-GHG emitted from the burning of fossil fuels.

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Greenhouse gas emissions

Since 2020, we have been working to reduce the three GHGs relevant to our operations¹. This is part of our strategic commitment as a business, and more importantly, our environmental commitment as a responsible operator.

We measure and account for our scope 1 and 2 emissions to understand where we can reduce them, whilst continuing to deliver value for our stakeholders. This is how we work towards our commitment to operate in line with, and aim to outperform, the World Bank's "Zero Routine Flaring by 2030" target and align our activities to the Paris Agreement's carbon-neutral by 2050 objective.

We are committed to deriving value from mature oil and gas assets to provide essential revenue to our host nation, fuelling its socioeconomic development towards a just transition, whilst supporting the achievement of global climate goals.

Key results in 2023



Flaring:

Year on year reduction since 2020
2023: 35% reduction in flaring against 2020 levels



Carbon intensity:

Year on year reduction since 2020
2023: 36.9kg CO₂e / boe₂
(44.7kg CO₂e / boe₂ in 2020)



1. NO₂, CH₄ and CO₂

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In line with Ipieca's 2020 sustainability reporting guidance, Assala reports our GHG emissions according to the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol (2011). As such, GHG emissions are classified as scope 1, scope 2, and scope 3 according to their source in the value chain.

For Assala, concretely, this means that scope 1 and 2 emissions relate to our operations and activities under our control. For more details, refer to Assala's Basis of reporting, found on our website and in the appendices¹ to this report. Scope 1 and 2 emissions are the source of Assala's carbon intensity figures.

Scope 3 emissions are generated in the value chain, and do not come under GHG reporting scope. However, as a responsible operator, we recognise the importance of accounting for, reporting on and, where possible, managing and reducing scope 3 emissions. To do so is part of our commitment to the Paris Agreement's carbon neutral by 2050 objective. In this 2023 report, we have explored the challenges and opportunities associated with scope 3 emissions reporting in a comprehensive, transparent case study. See Case study: Scope 3 emissions for further information.

GHGs: Our plan of action

Since taking over operatorship in 2018, Assala has prioritised reducing our carbon footprint. This has involved reviewing emissions by their source in our operations, considering the associated opportunities and challenges, and implementing a solution to tackle them.

In 2020, we developed a fit-for-purpose roadmap for GHG reduction which took into account our specific business circumstances as an upstream oil and gas production company, operating in Gabon. Since its foundation in 2022, our board appointed ESG committee reviews our progress against our targets and approves any proposals to adapt the plan². Our GHG roadmap can be found in the Metrics & targets section of this report.

Each year, our Operations teams develop and implement projects and initiatives to support our staying on course. In 2021, as part of our roadmap, we published our short-, medium-, and long-term ambitions to reduce our carbon footprint for the first time. We continue to progress against these goals, overcoming the operational challenges we are faced with along the way.

By short-, medium- and long-term, Assala understands the following:

- **Short-medium term:** 2020-2030
- **Long-term:** 2030-2050



1. Print version only.

2. Refer to the Governance section of this report for more information on ESG governance in Assala.

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Aims and strategy for GHG reduction¹

All sites: Quantify and address fugitive emissions on our sites.

37kg CO₂e/boe

Flaring < 30%

Toucan: Utilise full gas compression capacity more than 80% of the time.

Gamba: Connect 14 ESP wells to 3 ESP substations to rationalise energy use and capitalise on energy provision made by Gamba's power plant.

Gamba: Electrify Vembo camp water pump.

All sites: Meet internal gas flaring reduction objective.

30kg CO₂e/boe

Rabi: Power drilling rig camp with electricity.



All sites: Adopt a revised plan to reduce flared gas volume by 80% by 2025.

45kg CO₂e/boe

Gamba: 41M USD investment in infrastructure to improve gas compression capacity for better energy efficiency.

39kg CO₂e/boe
Flaring < 20%

All sites: Reduce venting & fugitive emissions by 20% against 2022 levels²

37kg CO₂e/boe

Flaring < 35%

Rabi: Begin upgrade of compression capacity for better energy efficiency.

Rabi: Explore diesel topping plant project.³

Toucan: Operate three gas compressors simultaneously at least 1/3 of the year.⁴

Koula: Improve gas compression capacity.

All sites: Carbon neutrality

All sites: Meet the World Bank's "Zero Routine Flaring by 2030" target

Toucan: Upgrade gas compression capacity for better energy efficiency.
Rabi: Implement diesel topping unit.

Toucan: Operate three gas compressors simultaneously at least 1/3 of the year.

Rabi: Finalise upgrade of compression capacity for better energy efficiency.

Rabi: Explore gas commercialisation opportunities.

Rabi: Electrification of field water pump (currently diesel operated).

Rabi: No diesel generators in continuous service at the end of 2024.

Rabi: Replace HP flare tip.

Rabi & Gamba: Analyse ESP performance and evaluate new candidates for ESP conversion.

Toucan: LP gas transfer line to reduce flaring in Toucan and allow gas reinjection at Rabi.



Continue to explore innovative solutions to reduce flaring, venting and fugitives, and to optimise power generation



Minimise our carbon footprint



Mitigate our environmental impact



Explore gas commercialisation

1. See table: Overview of 2023 emission reduction projects for detailed information on project statuses.

2. Objective revised following second survey of emissions.

3. Project delayed to 2026 due to business context.

4. Objective revised to 2024 due unavailability of required parts in 2023.

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Overview of 2023 emission reduction projects

The below projects, completed or initiated in 2023, contribute wholly or in part to the reduction of the above emissions sources. Further insight into Assala's short- to mid-term projects is available under Aims and strategy for GHG reduction.

Asset/Project name	Emission reduction aim	Budget (M USD)	Expenditure to YE 2023 (USD)	2023 expenditure	Completion status
Rabi / Fuel gas compression system	To install a dedicated fuel gas compression system to reduce flaring at Rabi fields, while continuing to meet production demands	15.9M	15M	14.7M	Q3 2024
Atora / Power distribution system upgrade	To update the Atora power distribution system to allow tie-in of a new gas engine, removing the requirement for the continuous use of diesel engines to operate the water injection and supporting future ESP conversions	4.2M	3.6M	0.7M	Q1 2023
Rabi / Flare tip replacement	To upgrade the high- and low-pressure flares in Rabi central station flares, improving combustion efficiencies to reduce GHG emissions	1.48M	1.2M	1M	Q2 2024
Atora / Full field development	To upgrade power plant capacity, allowing large-scale ESP deployment to reduce flaring	45M	0.9M	0.9M	Q3 2025
Gamba / Power plant upgrade	To install a 4 th gas-powered turbogenerator to further rationalise energy use	9M	3M	3M	Q4 2024
Gamba / Produced water reinjection	To inject a maximum volume of the water ¹ to the reservoir via four identified wells, replenishing the reservoir to minimise emitted gas ²	15.7M	0.4M	0.4M	Q4 2024
Rabi / Diesel topping unit	To use a crude side stream to produce diesel for use in our operations, reducing scope 3 emissions as logistics requirements reduced ³	26M	1M	1M	Q1 2026
Toucan / Gas Compression Upgrade	To upgrade gas compression capacity with a new compressor to reduce flaring at Toucan fields to 0 by 2023, while continuing to meet production demands	9M	0.01M	0.01M	Q2 2026

1. Volumes currently rejected to sea, after Induced Static Flotation (ISF) treatment to bring OIW within compliant limits.

2. Added advantage: cessation of water rejection to the sea. See Liquid effluent reduction and management initiatives for more details.

3. Find out more in Source: Power generation and Case study: Scope 3.

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To tackle our scope 1 and 2 GHG emissions, we evaluate the reduction opportunities as well as challenges presented by each of the emissions sources in our operations. In line with our fit-for-purpose approach, our strategy to address our emissions adapts to meet our business objectives. From the outset, our projects are implemented with emissions mitigation in mind.

Cutting flaring is our primary leverage to reduce our emissions and carbon footprint. It is therefore a key focus area of our GHG roadmap. Tackling venting and fugitives, as well as power generation are also important opportunities to achieve our goals.

Our approach to reducing our emissions restates our belief that responsible, less carbon-intense oil and gas operations are not only possible, but essential to a just transition. This movement towards global carbon neutrality must also consider people and the need for continued socioeconomic progress in developing economies.

Source: Flaring

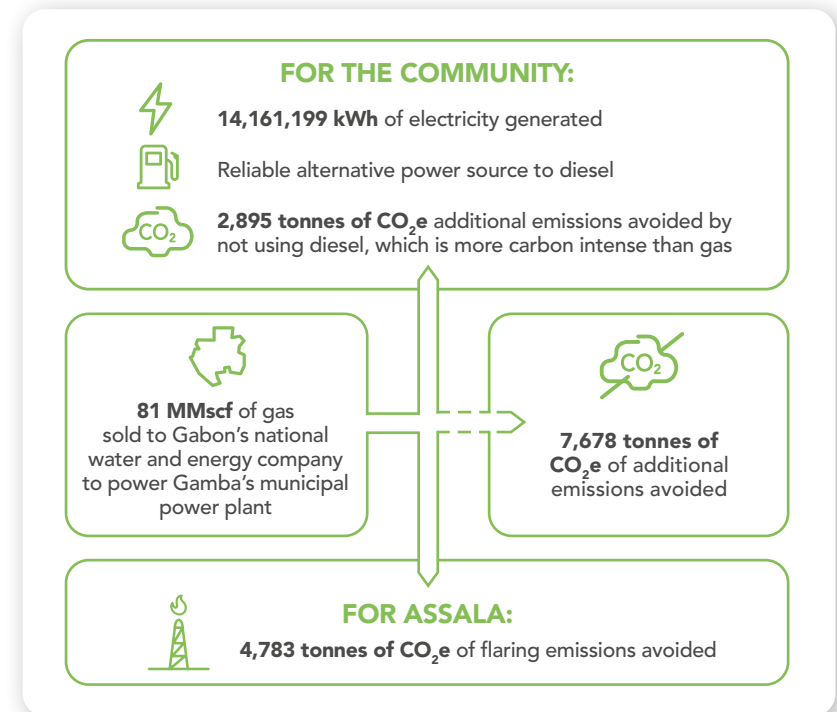
Our aim is to meet, or to outperform, the World Bank's "Zero Routine Flaring by 2030" target. To realise this objective and put an effective, realistic Gas Flaring Reduction (GFR) plan in place, we first considered the operational challenges of flaring reduction for Assala, an operator of mature assets in Gabon. These include:

- **High Gas to Oil Ratios (GOR) in mature assets:** Oil reservoirs often contain gas and water, which are in continuous movement. Once wells are producing and oil extracted, this migration can accelerate and increase GOR. As assets age, the production of gas as a by-product of oil extraction increases also.
- **Lack of gas commercialisation opportunities:** Currently, there is no economically viable gas commercialisation scheme in country to take our produced gas to market.

Both challenges needed to be addressed for a GFR plan to be practicable. To navigate the latter, Assala has engaged with Gabon's national taskforce for gas commercialisation since its inception. In the meantime, we also sell our gas to Gabon's national water and energy company. Through this partnership, we provide an uninterrupted supply of gas to a municipal power plant local to our Gamba operations, which delivers electricity to the community.

This plays into our "win-win" Value: gas is used to provide reliable electricity to the community and, in so doing, reduces Assala's need to flare this valuable source of power.

Impact of community gas provision on Assala's flaring levels:



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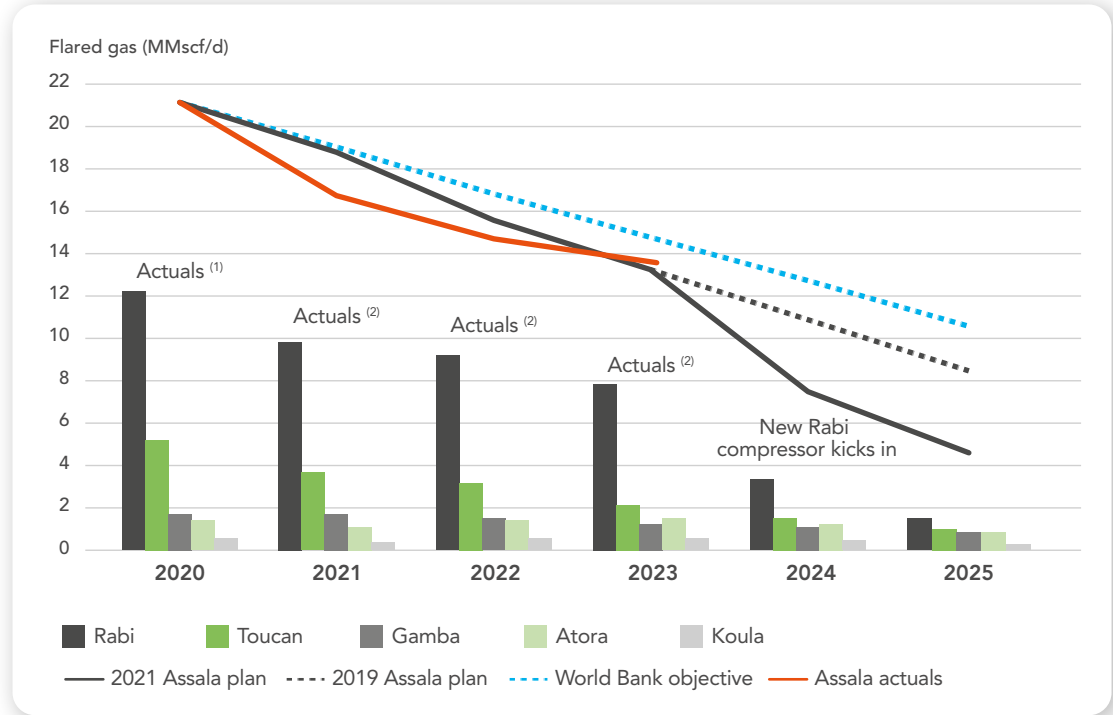
On an operational level, we monitor our production closely, and deliberately shut in wells with high GOR, limiting the requirement to flare produced gas at its source – a concrete example of how our commercial commitments do not outweigh our environmental ones, and how we will not produce oil at any environmental cost.

However, gas production during oil extraction is an inevitability. It is an ongoing operational challenge to manage it responsibly. We make significant CAPEX investments to implement projects which will optimise our activities and reduce our requirement to flare, keeping our ambitious GFR plan on track. Such projects involve repurposing our produced gas, either reinjecting it into wells to maintain production or using it to generate the power required for our activities. This is how we continue to deliver value to our stakeholders and shareholders, including the State of Gabon, whilst also reducing our carbon footprint. These projects are explored in this Emissions section of this report.

Gas Flaring Reduction (GFR) plan

In 2021, Assala adopted a revised Gas Flaring Reduction (GFR) plan to reduce our routine flaring by 80% by 2025, against 2020 levels. This plan remains in operation, and we have consistently beaten our own targets. In terms of the reduction of our carbon intensity, flaring accounted for 34% of our scope 1 and 2 emissions in 2023.

In 2023, we see a smaller than anticipated downtick against our 2021 plan. This is due to technical difficulties on the compressors at our Toucan field, compounded by an unavailability of spare parts to make necessary repairs. Assala operates mature fields, with ageing assets in remote locations within the Gabonese equatorial rainforest. Every year, we invest in the integrity of our assets to pre-empt such



situations. However, sometimes, they are a reality of our business. To address these difficulties, we will finalise maintenance on Toucan's compressors in 2024, and in 2026, we will complete the upgrade of this site's compression capacity, investing 9M USD to meet our flaring commitments.

Source: Power generation

Assala's operations require constant, reliable power to provide value for our stakeholders and shareholders, including the State of Gabon. To this end, and given the nature and location of our operations, power generation activities contributed most significantly to our 2023 carbon footprint. The

breakdown of Assala's carbon footprint is explored under Carbon intensity reduction.

Reducing the impact of these energy requirements present significant operational challenges for us, including:

- **Ensuring we have enough reliable power for our operations:** Without adequate power reserves, our operations would be forced to stop, removing a crucial source of revenue for a developing economy, and impacting our ability to continue as a business.

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- Addressing High Basic Sediments and Water (BSW) wells in mature assets:** Oil reservoirs often contain gas and water, which are in continuous movement. Once wells are producing and oil extracted, this movement can accelerate and increase BSW to Oil ratios. As assets age, the production of water as a by-product of oil extraction increases. Such high BSW wells require gas-lift technology and high-pressure gas to maintain production levels, meaning more high-pressure gas is required for reinjection.
- Navigating the lack of access to alternative energy sources and the location of Assala's operations:** In Gabon, hydropower solutions are found in Kinguélé, in the northeast of the country. The hydropower supply is used by the mining industry in this area, as well as by the national grid. Assala's operations are in southwestern Gabon, remote and deep within the equatorial rainforest, where civil infrastructure is extremely limited. Furthermore, Gabon's national grid is currently at capacity and does not have margin to support Assala's energy-intensive operations.

Studies conducted by our Operations team found that converting the gas, present naturally in our wells, to fuel gas is currently the least carbon-intense way to provide constant, reliable power to our operations. The alternative is to use diesel, which is more carbon intense.

We aim to avoid diesel where possible, by replacing it with fuel gas and optimising our consumption.

These are the current opportunities we leverage to optimise our energy consumption:

- Shutting in high BSW wells:** We monitor our wells to pinpoint those with high BSW, and, similarly to high GOR wells, shut them in. This reduces the requirement to support these wells with gas-lift using carbon-intensive, high-pressure fuel gas from gas fields.
- Optimising our energy sources:** We recognise that there is currently no viable alternative to the use of fuel gas and/or diesel in our operations. However, this recognition does not equate to an acceptance of carbon-intense activities. Instead, we implement innovative solutions to power our operations as efficiently as possible. This includes investing in our gas compression capacity on even the most remote of our operational sites, to increase the usability of our produced gas. This is less carbon-intense than diesel. Gas is used to power essential machinery, such as Electrical Submersible Pumps (ESP) at well sites and allow us to gradually retire diesel-driven generators from our operations.

We do not accept that there is no alternative to carbon-intense oil & gas activities where we operate.

- Accepting our need for diesel:** Whilst it is our objective to phase out the use of diesel generators across our sites, and to have no diesel generators in continuous service at Rabi by the end of 2024, we require reserves of this fuel for back-up purposes. To address the logistical costs and scope 3 emissions associated with transporting diesel to our remote sites, our Operations and Projects teams are developing a diesel topping unit at Rabi. By using a crude side stream, Assala will be able to produce our own diesel for use in our operations, on site. This project is planned for completion in 2026.

Source: Venting and fugitives

According to the Global Methane Pledge¹, of which both Gabon and the United Kingdom are signatories, methane accounts for about half of the net rise in global average temperatures since the pre-industrial era. Although methane is a short-lived climate forcer, meaning that it survives for less time in the atmosphere than other greenhouse gases, it has a powerful global warming potential (GWP), retaining more heat than CO₂.

In 2021, we committed to conduct site-based emissions measurements to pinpoint and address direct methane sources on our operational sites.

The results of a Methane Emissions Survey conducted in 2022 gave Assala a more accurate view of direct methane sources, allowing us to identify opportunities to reduce these emissions in 2023 and beyond. In 2022, we set a target of a 20% reduction against 2022 levels in 2023. In 2023, we conducted a similar survey, slightly later in the year (*versus* 2022) due to political constraints. This 2023 survey demonstrated that, due to various factors, this target was not met.

In 2023, and according to our plan, we implemented repairs and remediation actions to address sources of methane identified in the 2022 survey. In these areas, we saw a measured decrease in methane in 2023. For example, strengthening measures made on dehydration tanks at Gamba and Toucan had a positive impact on fugitive emissions around these installations. However, the methane balance increased in other, previously identified areas, and new sources emerged, resulting in an overall balance increase, against 2022 levels.

However, we are not deterred. Rather, resolute.

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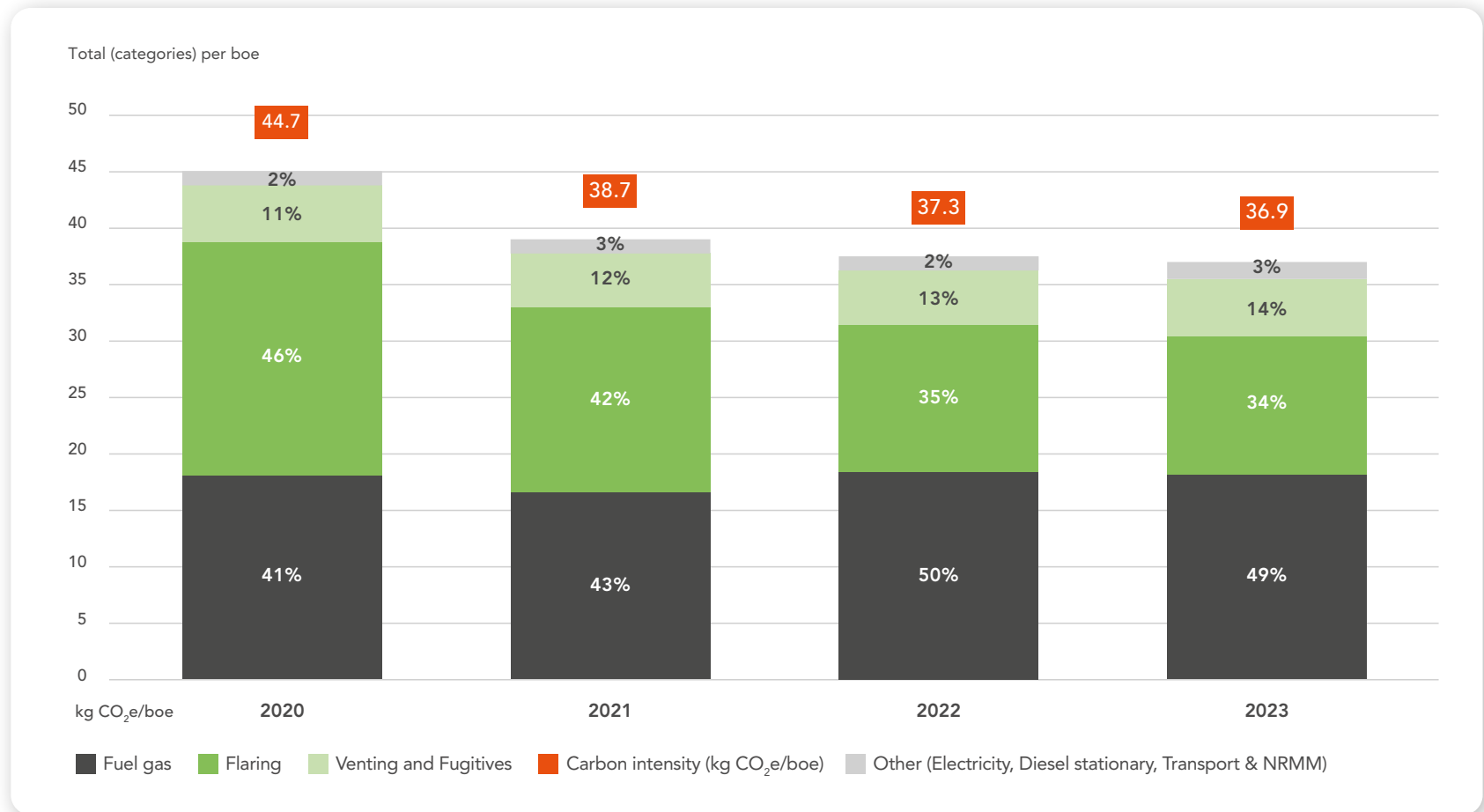
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By collecting two years of data, Assala is in a strong position to develop a robust action plan to expediently address the most significant sources of methane in our facilities. This work is underway, with the highest-emitting installations identified for remediation actions. Assala's assets are ageing, and improving their integrity is a primary leverage for reducing venting & fugitive emissions. From 2024 onwards, Assala will conduct two surveys per year. In so doing, we will develop a clearer picture of maintenance requirements as they emerge, allowing us to implement remediation actions more quickly, as well as identify preventative maintenance requirements.

Carbon intensity reduction

Our emissions reduction strategy has allowed us to drive down our carbon intensity, year on year, since 2020. 2023 is no different.



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GHG emissions breakdown

GHG emissions ¹	Unit	2020	2021 ²	2022 ³	2023
Scope 1: GHG emission at operated sites	tCO ₂ e	1,063,494	978,523	923,775**	883,917*
Carbon dioxide	tCO ₂	868,140	789,325	793,364	753,369
Methane	tCH ₄	7,574	7,354	5,106	5,115
Nitrous oxide	tN ₂ O	20	18	9	9
Scope 2: GHG emissions from purchased electricity	tCO ₂ e	607 ^{3,4}	893 ^{3,4}	880**	747*
TOTAL (scope 1 & 2 emissions)	tCO₂e	1,064,101⁴	979,416⁴	924,656	884,663
Carbon intensity (scope 1 & 2 emissions)	kg CO ₂ e/boe	44.7	38.7	37.3	36.9
Energy use (scope 1 & 2 emissions)	GJ	8,480,008 ⁴	8,258,177 ⁴	9,173,040	8,842,236
Hydrocarbon flaring	MMscf	7,195	6,031	5,429**	4,981*
Hydrocarbon flaring	MMscf/d	20	17	15**	13.6*

1. Calculations scope based on Ipieca's 2020 sustainability reporting guidance for the oil and gas industry.

2. In March 2021, Assala took over a fifth site, Atora, hence a larger area of operations in 2021, when compared to 2020.

3. In 2022, Assala revised the methodology to calculate our scope 2 GHG emissions from purchased electricity. We expanded our scope 2 emissions disclosure to include electricity purchased for Assala Energy's United Kingdom office. We also reviewed previously reported estimations for electricity consumption in Assala Gabon's Gabon-based facilities, according to our revised methodology. When estimations are still required to calculate electricity consumption at certain Assala Gabon facilities (due to availability of reliable meter readings), Assala now applies an increased kWh/m².

4. Restatement: previously, scope 2 GHG emissions from purchased electricity disclosures, and any estimations therein, were based on Assala Gabon's Gabon-based facilities only and did not include any United Kingdom-based facilities. In 2022, the contributors to our scope 2 emissions disclosure were refined (see footnote 3). According to this new methodology, these additional contributors and any revised estimations have been retrospectively included in 2020 and 2021 figures, as well as in 2022's disclosure.

*Information independently assured in 2023.

**Information independently assured in 2022.

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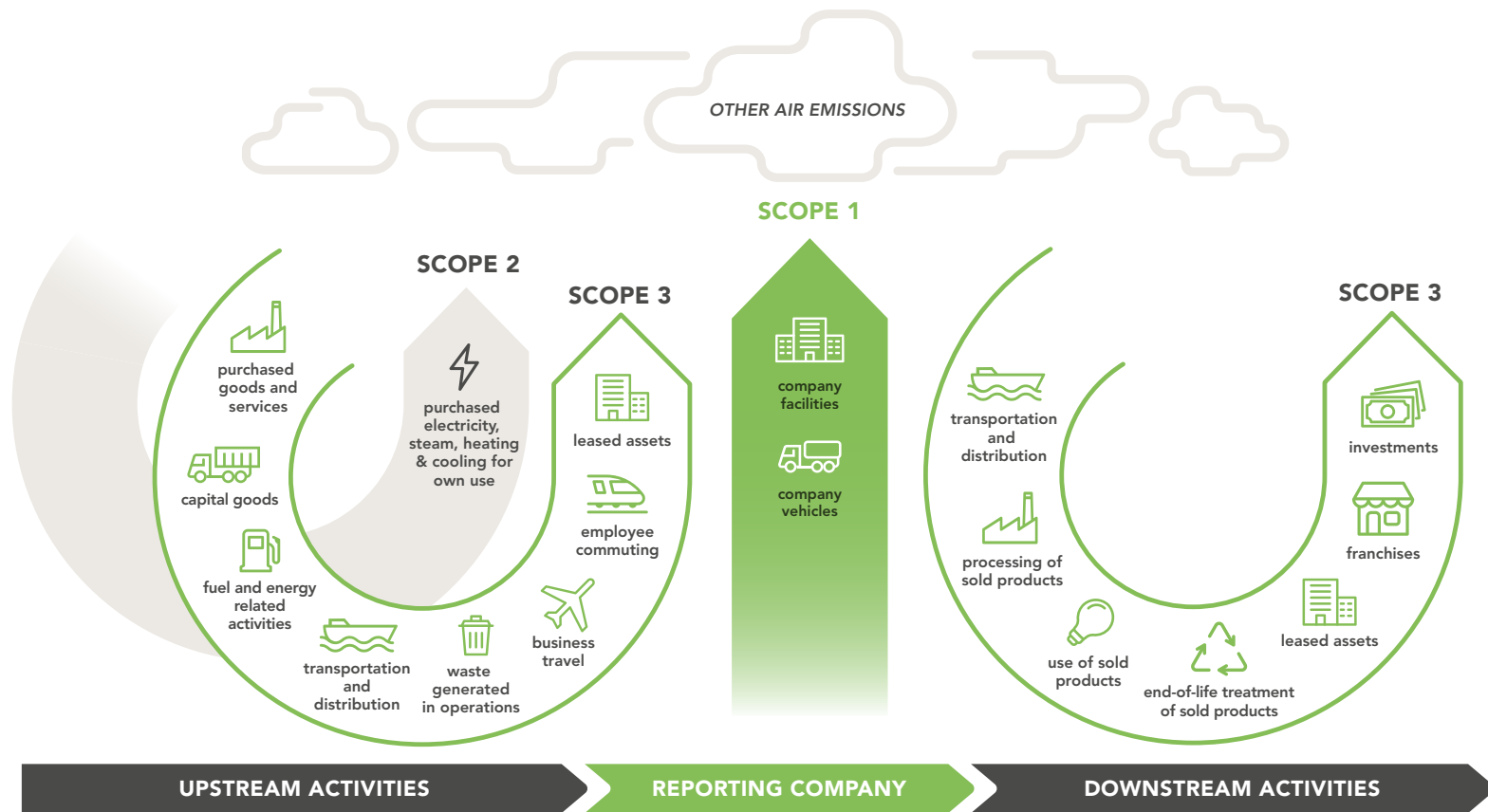
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Case study: Scope 3 emissions

In 2022 and 2023, we conducted review exercises of scope 3 emissions produced throughout our value chain, gaining important insight into the opportunities and challenges for an upstream oil and gas producer when it comes to accounting for and addressing scope 3 emissions.

Emissions sources in the value chain of an oil and gas company¹



1. Adapted from WRI/WBCSD, Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), Figure 1.1, Overview of GHG Protocol scopes and emissions across the value chain: https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-ChainAccounting-Reporting-Standard_041613_2.pdf

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Approach & results

Assala recognises the mounting expectation from the international community that oil and gas companies address scope 3 emissions in the value chain. We also acknowledge the expectation that companies such as ours would adopt these emissions as our own. Before taking a position on such expectations, we required insights into what scope 3 looked like for us.

As such, in early 2023, and again in early 2024, we commissioned an external consultancy to undertake a scope 3 emissions assessment for the periods January 1st 2022 – December 31st 2022, and January 1st 2023 – December 31st 2023 respectively. The project's aim was to develop a two-year account of emissions generated up and down the value chain, enabling us to identify the most material scope 3 emissions sources and to evaluate our ability to address them.

We undertook a comprehensive review of all 15 scope 3 categories, as defined by WRI and WBCSD's Greenhouse Gas Protocol (2011)¹. In 2022 and again in 2023, five categories were deemed not applicable to our operations - 8, 9, 13, 14, 15 - and were scoped out of the assessment. As a breakdown in tCO₂e, total scope 3 emissions in the value chain were estimated as follows:

Associated operations (estimates) ¹	tCO ₂ e	
	2022	2023
United Kingdom operations	7,073	5,643
Gabon operations	319,865	306,495
Combined operations²	6,282,078	6,904,964
TOTAL	6,609,017	7,214,932
TOTAL per barrel of oil produced	0.51tCO₂e/bbl	0.49tCO₂e/bbl

1. Results within this table are estimates only and are accurate to the number of significant figures presented. Any inconsistencies in totals versus individual values are due to rounding and should not be viewed as erroneous.

2. Here, "combined operations" refers to scope 3 emissions which could not be solely attributed to the operations of one entity, United Kingdom or Gabon. Such emissions are attributed to the value chain as a whole.



1. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

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WRI/WBCSD GHG Protocol's 15 categories of scope 3 emissions: value chain estimates¹

Category	Relevance		Tonnes CO ₂ e		Percentage of total scope 3 emissions	
	2022	2023	2022	2023	2022	2023
1. Purchased goods and services: All cradle-to-gate emissions from the extraction, production, and transport of goods and services not included in categories 2-8.	●	●	48,451	54,143	<1%	1%
2. Capital goods: All cradle-to-gate emissions from the extraction, production and transport of capital goods purchased during the accounting year.	●	●	92,480	74,056	1.4%	1%
3. Fuel and energy: Extraction, production, and transport of purchased fuels and energy, not already accounted for in scope 1 and 2, including extraction, production, and transport emissions of purchased fuels and energy, transmission and distribution losses and generation of purchased energy sold to end users.	●	●	7,692	7,927	<1%	<1%
4. Upstream transportation and distribution: In this case the term "upstream" refers to emissions from the transportation and distribution of products (excluding fuel and energy products) purchased on acquired by the reporting company in the accounting year in vehicles and facilities not owned or operated by the accounting company, as well as other transportation and distribution services purchased by the accounting company in the accounting year (including both inbound and outbound logistics).	●	●	322,654	297,097	4.9%	4%
5. Waste generated in operations: Emissions of waste management suppliers that occur during disposal and treatment of waste generated in the company's operations.	●	●	1,832	1,668	<1%	<1%
6. Business travel: Emissions of transportation carriers that occur during the transportation of employees for business-related activities.	●	●	705	1,575	<1%	<1%
7. Employee commuting: Transportation of employees between their homes and their worksites.	●	●	230	226	<1%	<1%
8. Upstream leased assets: In this case the term "upstream" refers to operations of assets leased by the company (company is the lessee) not included in scope 1 and scope 2.	●	●	n/a ⁵	n/a ⁵	n/a ⁵	n/a ⁵
9. Downstream transportation and distribution: In this case the term "downstream" refers to transportation and distribution of products sold by the company between the company's operations and end consumer (if not paid for by the accounting company) including retail and storage.	●	●	n/a ²	n/a ²	n/a ²	n/a ²

● Most relevant, highest priority ● Relevant and important ● Not very relevant (or n/a), lowest priority



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WRI/WBCSD GHG Protocol's 15 categories of scope 3 emissions: value chain estimates¹ (contd.)

Category	Relevance		Tonnes CO ₂ e		Percentage of total scope 3 emissions	
	2022	2023	2022	2023	2022	2023
10. Processing of sold products: Processing by third parties of intermediate products sold by the accounting company.	●	●	522,858	581,569	8% ³	8% ³
11. Use of sold products: Direct use-phase emissions of the end use of goods and services sold by the company.	●	●	5,610,788	6,195,458	85% ⁴	86% ⁴
12. End-of-life treatment of sold products: Emission of waste management from the waste treatment and disposal of products sold by the company at the end of their life.	●	●	1,068	1,214	<1%	<1%
13. Downstream leased assets: In this case the term “downstream” refers to emissions from the operations of assets owned by the company and leased to other entities, no included in scope 1 and scope 2.	●	●	n/a ⁵	n/a ⁵	n/a ⁵	n/a ⁵
14. Franchises: Emissions from the operations of franchises not included in scope 1 and scope 2.	●	●	n/a ⁵	n/a ⁵	n/a ⁵	n/a ⁵
15. Investments: Operations of investments in the accounting year not included in scope 1 and 2.	●	●	n/a ⁵	n/a ⁵	n/a ⁵	n/a ⁵

1. Results within this table are estimates only, and are accurate to the number of significant figures presented. Any inconsistencies in totals versus individual values are due to rounding and should not be viewed as erroneous.

2. All of Assala's distribution is upstream. Estimate emissions are accounted for in Category 4.

3. Based upon general assumptions as no specific data from refineries were available.

4. Based upon primary data and an assumption as to the portion of hydrocarbon product that would be used for petrochemicals.

5. Assala does not have any upstream or downstream leased assets, franchises or investments.

● Most relevant, highest priority ● Relevant and important ● Not very relevant (or n/a), lowest priority

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Challenges

When it comes to accounting for scope 3 emissions, the challenges for an upstream oil and gas producer are multiple.

Firstly, we have limited, or even no control, nor an ability to influence positively the most consequential categories in our value chain¹. The emissions which fall into these categories vastly outweigh all other emissions across scopes 1, 2 and 3. They include the emissions from processing (not already included in scopes 1 & 2) of oil and gas, and the use of purchased oil and gas sales by end-users. At this base consumer level, Assala has little to no control.

Secondly, contributing factors to scope 3 emissions accounting cast doubt over data robustness. These factors include:

- **Potential multiple double-counting:** Several companies may account for the same scope 3 emissions. For example, the ubiquitous use of fuel across supply chains and activities means that emissions related to fuel consumption (refining, transportation, processing, and use) risk being counted within each supply chain member's scope 3 emissions. Multiple double-counting is compounded when end-user emissions are factored in. This warps our understanding of the true impact of Assala's operations and generates reticence amongst oil and gas producers to adopt these emissions as their own.
- **Reliance on value chain partners to provide data:** The quality and availability of supplier data may vary widely depending on the size and capacity of the organisation. It should be noted that, despite

collaboration with our supply chain, Assala will have both a lesser degree of influence over data collection and management practices, and a lesser degree of knowledge about data types, data sources, and data quality.

- **Broader need for secondary data, assumptions, and modelling:** The availability of reliable data from the reporting company's supply chain means that, sometimes, estimates may have to be made for suppliers which do not already calculate their own emissions. In Assala's case, this consideration impacts many of our local, Gabonese suppliers.
- **Reporting assurance:** With the above factors in mind, emissions that are calculated by multiple stakeholders and from a mix of sources, methodology and data integrity will be difficult to assess and verify to the same standards as we report our scope 1 and scope 2 emissions.

Thirdly, and more specifically to our business, we have limited opportunity to address even the lesser consequential categories. Where larger, more varied businesses can diversify and transition their business models over time to mitigate scope 3 emissions in their value chains, this is not the case for Assala. Operationally speaking, we are extremely restricted by the commercial, logistical, energy, waste treatment and public infrastructures in Gabon, which impacts our ability to seek potentially less emissions-intense alternatives to our current solutions. Beyond our operations, we are contractually and morally bound to support and contribute to Gabon's socioeconomic development by deriving value from the country's natural resources. This is part of the role of oil and gas companies in the just transition towards a greener, fairer, more inclusive economy, especially in developing nations such as Gabon.

Even with these challenges, we recognise the importance of understanding the full extent of scope 3 emissions so that society and industry may respond appropriately, armed with as much data as possible. We believe that it is our duty as an operator to lead awareness on all emissions and on the responsibility of each party, regardless of their position in the value chain.

Opportunities

The primary purpose of these scope 3 assessments was to identify opportunities to refine activity data or emission factors. We continue to monitor these opportunities to strengthen this disclosure. Our aim is to respond to future emissions reporting requirements, and to prioritise areas for data improvement, within our value chain.

By making this data available, we restate our position as a responsible operator, striving to be transparent on the impact of suppliers and consumers within our value chain, as well as our own impact as a supplier and consumer of oil and gas products.

An added advantage is an increase in our own awareness of scope 3 emissions, which allows us to consider solutions to minimise and mitigate these where possible. In 2023, we identified opportunities as a positive by-product of existing projects, commercial agreements, and initiatives.

1. WRI and WBCSD's Greenhouse Gas Protocol (2011) categories 10 & 11.

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Key opportunities to address scope 3 emissions:

Category 3 – Fuel and energy:

In 2026, we plan to install a diesel topping unit at our Rabi field. This new installation will allow us to use a crude side stream to produce diesel for use in our operations, reducing the logistics required to transport required volumes of diesel to our remote facilities, as well as the emissions associated with its production down our value chain. This reduction in scope 3 emissions is an added advantage to the increased fuel security for the company, as well as to the OPEX savings made through reduced purchase and logistics costs.

Category 9 - Downstream transportation and distribution:

In 2023, we updated our commercial offtake agreement, committing to scope 1, 2 and 3 emissions data sharing between Assala and the buyer of our crude. This allows us to better understand the scope 3 emissions produced in our value chain and contributes to more accurate reporting of these figures on an annual basis.

Our position

Assala has integrated the goals and objectives laid out in the Paris Agreement into our strategy. Namely, working towards global carbon neutrality by 2050. Additionally, we are committed to achieving zero routine flaring by 2030, in line with the World Bank's objectives. This means that we are focusing on climate action areas within our sphere of influence: scope 1 & 2 emissions generated directly from our operations.

In 2022, our Chief Executive Officer, David Roux, summarised the challenges we face, the opportunities we see, and defined our position on scope 3 emissions as an upstream oil and gas producer, operating in Gabon:

“Assala’s ESG strategy considers both the expectations of the global community and those of our host nation, which rightly continues to seek revenue from its own natural resources to fund and promote socio-economic growth. The former consideration drives us to reduce our scope 1 and scope 2 GHG emissions, in line with the Paris Agreement. The latter drives us to ensure tangible benefit from our operations at a local level.

This philosophy is adopted in our approach to scope 3 emissions reporting. The lion’s share of scope 3 emissions in our value chain are generated from the use of our product once it has been sold to the consumer. Over this, Assala has absolutely no influence as an upstream producer: how an end-user transforms or consumes crude oil is outside of our control. Furthermore, the production and sale of oil and gas is driven by market demand, which is also, ultimately, beyond our control. As such, any significant reduction of scope 3 emissions within our value chain would have to occur at a consumer level. Nonetheless, and in line with our strategy, we strive to understand these emissions, although our limited influence over the use of sold products presents, in itself, a challenge to these efforts: there is no guarantee that data we receive from our value chain is robust.

Therefore, we cannot make commitments to either producing accurate scope 3 emissions data or, indeed, making any reductions in this area. That said, we make and publish estimations on these emissions for transparency and to develop our shared understanding of how we, each of us, as consumers, can reduce our emissions.”

The data we collected in 2023 solidified this position. The production of oil and gas is driven by a consumer demand, which itself is motivated by socioeconomic development. Until consumer behaviour changes, companies like Assala will responsibly continue to meet the need for hydrocarbons. We remain committed to reducing our impact in areas we can control, within the sphere of our own operations.

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Offsetting and carbon credits

The term “carbon offsetting” refers to investments from individuals or companies to invest in environmental projects, such as increasing or protecting existing carbon storage through planting or preserving trees, to compensate for GHG emissions that occur elsewhere. Carbon offsetting can be accomplished through the purchase of a carbon credit: a token representing the avoidance or removal of greenhouse gas emissions in tCO₂e.

Companies, institutions, and countries purchase carbon credits to offset them against their own emissions, allowing them to achieve their existing or residual carbon footprint reduction goals.

Carbon credit markets, depending on their type, are regulated by either governments or independent certification bodies.

Our position on carbon offsetting in the context of our operations

Assala operates in Gabon, a carbon positive nation thanks to the carefully preserved Congo Basin. Gabon is covered by more than 22 million hectares of equatorial rainforest, which equates to approximately 80% of the country's surface area.

In Gabon, carbon credits are based on REDD+ carbon sequestration, a framework created by the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP) to guide activities in the forest sector that reduce emissions from deforestation and forest degradation, as well as the sustainable management of forests and the conservation and enhancement of forest carbon stocks in developing countries¹.

The UNFCCC verifies the preservation of Gabon's share of the Congo Basin, as well as a demonstrated improvement in its carbon reduction level on a yearly basis, which allows the country to certify their ability to offset carbon and release REDD+ carbon credits to the market². Such sales of carbon credits have the potential to be an important source of revenue for the State of Gabon.

Naturally, therefore, Assala considered investing in Gabon's carbon credits to not only abate our emissions, but also to support the diversification and development of Gabon's economy, in line with our Social Performance strategy and biodiversity commitments discussed in this report.

An external study of our operations was commissioned to review abatement opportunities for Assala. The study considered the feasibility of green energy sources, such as solar and wind power, as well as carbon capture. Due to the location of Assala's operations, the surrounding biodiversity, and Gabon's energy infrastructure, the study concluded that abating our carbon footprint to zero through the purchase of carbon credits is not viable.

As such, our focus remains on mitigating and avoiding emissions by optimising our activities to reduce our carbon intensity.



1. https://unfccc.int/topics/land-use/workstreams/redd/what-is-redd?gclid=Cj0KCQiAo-yfBhD_ARIsANr56g44kGHwfhy9UukBGdDY

2. Under REDD+, carbon credits are sometimes referred to as REDD+ Results Units (RRU).

BIODIVERSITY



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Our ethos is Respect. Protect. Preserve.

We are privileged to play an active role in the preservation of the natural environment surrounding our operations by investing in biodiversity protection, striving to use natural resources sustainably, prioritising safe processes across our operations, and managing and mitigating waste on our sites.

Doing so is in line with our core Value to operate responsibly and safely, which guides us in our conservation behaviours and efforts, as well as in our operations.

Our commitment is to have a net positive impact on biodiversity in the areas where we operate by building partnerships with local, national and international environmental NGOs, establishing Biodiversity Management and Action Plans and developing *Rondani*, our integrated sustainability project for sustainable agriculture, improved standards of living, and biodiversity protection.

“ ESG is all about people. At Assala, it's about making sure we do not do business at any cost. People are our priority and our HSSE standards underpin this approach. For us, ESG is about working together to learn from each other and making the lives of people around us better, be they working for us directly or indirectly or living in communities near our operations. It's about environmental conservation and socioeconomic development evolving hand in hand, complementing each other, and making sense. And it's about doing the right thing for our hosts, for our shareholders and lenders, who have supported us over the years and taken the leap of faith to trust us with their assets, be they the nations' natural resources or financial investments.

The sustainability of a business today is rightly heavily reliant on its ESG credentials gained through tangible results.

Including these concepts in our Integrated Management System, specifically in our standards, policies and procedures, was a stimulating exercise, and one that continues today. This is a dynamic, ever-evolving operating framework. However, as with so much, the real hurdle was shifting mindsets, internally and externally. Six years on from the creation of Assala, ESG is truly integrated across our departments and teams. We see ESG compliance as an opportunity to improve. Everyone working with us is encouraged to go beyond the “what” of ESG and understand the “why”. We are not afraid to identify our weaknesses or our gaps – indeed, it keeps us open, humble and able to listen. ESG is not a one-off, nor a destination. It's an improvement journey, with challenges, and throughout, opportunities to grow. We have never been in the business of ticking a box.

This part of the Assala project is so exciting: getting buy in, engaging in ideas and ways of working so that our ESG commitments propel us to do better. This is not just in the moral sense, but critically, our framework helps us to adapt to our ever-changing environment, in a fit-for-purpose way, so that ESG makes good business sense. Today, it's part of how we work, in line with our Assala Values, our Spirit and corporate culture. Our consistent performance, recognised by auditors and ratings agencies alike, demonstrates who we are as a company and why we can all be so proud of our achievements.”

Caroline Sawyer
HR, HSSE & Corporate Affairs Director,
Assala Energy

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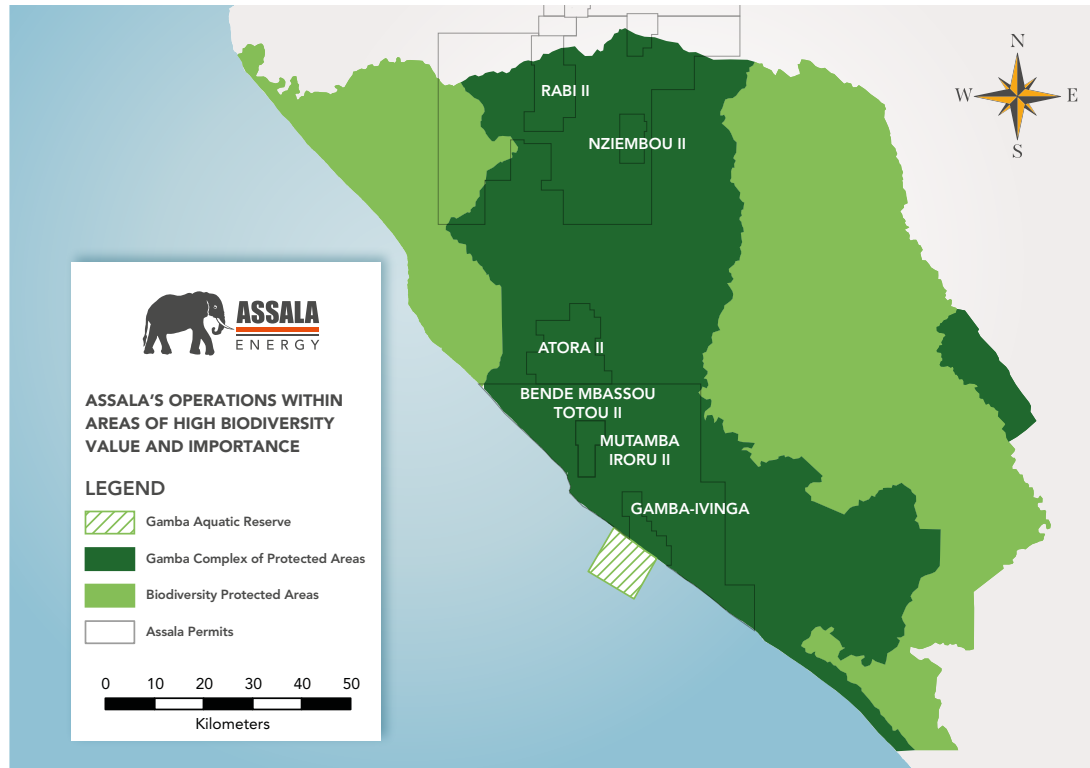
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Biodiversity and our operations



Assala's Rabi-Complex and Gamba licences are in the Gamba Complex of Protected Areas (GCPA), and are surrounded by national parks, critical habitats and areas of high biodiversity value and importance, including the Petit Loango and Sette Cama sites. Our concessions also make up part of the "industrial corridor" running through the GCPA, meaning that wildlife is free to roam across our sites. The location of these sites within the Congo Basin demands increased focus on forest protection to preserve its crucial carbon sequestration capacity.

We recognise the importance of the environment and biodiversity in which we operate, and the conservation responsibilities that come with it.

Our approach to respecting, preserving, and protecting these valuable areas, in which we are privileged to operate, and to maintaining their ecosystem services, is guided by our Biodiversity Management Plan (BMP), published in 2021. From our BMP, we derived our Biodiversity Action Plan (BAP), which identified key opportunities to strengthen our approach. Our progress on BAP actions is mapped in the Metrics & targets section of this report.

Key definition:

Ecosystem service¹: The benefits that ecosystems contribute to human well-being.

1. Ipieca Sustainability reporting guidance for the oil & gas industry (2020).

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External analysis and engagements with key stakeholders, conducted as part of the development of our BMP, identified priority species according to the International Union for Conservation of Nature (IUCN)'s Red List of Threatened Species, as well as key habitats. Amongst other species of conservation focus, African forest elephants and marine turtles were identified as being of high concern for stakeholders. This has informed our partnerships with Gabonese national and international environmental institutions and NGOs, through which we seek to focus on the areas and species where we can have the most positive impact.

We are driven to invest in the conservation of all flora and fauna within our areas of operation. Therefore, we adhere to the Equator Principles and align our activities with the International Finance Corporation's Environmental and Social Performance Standards (IFC PS) to assess, manage and mitigate the risks to biodiversity associated with our activities. In 2024, we are working to close an outstanding action from the annual audit of our adherence to the IFC PS relating to biodiversity offsets: prepare a biodiversity offsetting strategy for new projects, which applies a risk mitigation hierarchy to ensure no net loss to, and preferably a net gain in, biodiversity.

Since we took over operatorship, we have seen an increased presence of animals, including ICUN species of conservation focus such as elephants, demonstrating that Assala provides a safe environment away from pressures on their habitat and environment.

Conservation projects and partnerships



Smithsonian
Conservation Biology Institute

Assala's environmental partnerships contribute to biodiversity conservation in Gabon, inform our BMP, and uphold our respect, protect, preserve ethos.

We collaborate with Ibonga, supporting initiatives for the protection of marine turtles and the environmental conservation of coastal areas.

Four key goals of the Assala/Ibonga partnership:

- Ensure the protection of marine turtle habitats on the Sette Cama and Port-Gentil coastlines.
- Ensure monitoring and response to any oil spills on the beach.
- Provide monitoring and identification of marine turtle "hot spots" on Gamba's beach.
- Participate in environmental education of local communities.

We also worked with Space for Giants to contribute to the Gabon national initiative to construct specialised, electrified fences to help reduce human-wildlife conflict. These fences incentivised sedentary farming with increased yields, providing an alternative to slash and burn techniques which result in deforestation. This three-year partnership ended in 2023.

Since 2017, Assala has worked with the Smithsonian National Zoo and Conservation Biology Institute on implementing Smithsonian's Centre for Conservation and Sustainability's Gabon Biodiversity Programme (GBP). This project integrates conservation needs with development priorities to sustain biodiversity. The GBP has six main goals, which guide Assala's internal and external initiatives and trainings to ensure tangible benefit for communities and wildlife.

Six main goals of the GBP:

- Minimise the risk of biodiversity loss and promote the integrity of Assala's concessions.
- Use best practices to mitigate site-specific wildlife risk.
- Avoid and minimise habitat loss by changing agricultural practices to reduce deforestation from slash-and-burn.
- Support education, training, outreach and partnerships.
- Promote the value of the Rabi Forest Monitoring Plot and contribute to protecting ecosystem services.
- Promote a shared vision for the development of the Gamba Complex, reflecting conservation and development opportunities.

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In 2023, our collaboration with these organisations continued with engagements across our sites and communities local to our operations in support of the GBP's six main goals.

2023 conservation engagements

	Activity description	Environmental partner	Engagement
Monitoring wildlife	Turtle protection: Number of turtle monitoring patrols	Ibonga	1131 patrols ^{1,2}
	Turtle protection: Number of infant turtles released to the sea	Ibonga	985 ³
	Biodiversity protection: Number of anti-poaching patrols in Assala's southern concessions	Smithsonian National Zoo and Conservation Biology Institute & the <i>Brigade de la faune</i>	52 patrols
	Biodiversity protection: number of snares removed	Smithsonian National Zoo and Conservation Biology Institute	91 snares ⁴
Raising awareness	Sessions on Assala's Wildlife Safety Rules, including risks associated with the presence of elephants in our concessions	Smithsonian National Zoo and Conservation Biology Institute & Assala security personnel	542 individuals ⁵
	Sessions on environmental protection in local primary schools	Ibonga	1436 primary school pupils in 7 primary schools over 56 sessions in Gamba and Port-Gentil
	Sessions on environmental protection for of local people at Pont Dick beach, Gamba	Ibonga	894 community members in 18 sessions
Research & training	Sessions on conservation principles in local primary schools	Smithsonian National Zoo and Conservation Biology Institute	349 pupils
	Training for ambassadors to deliver environmental awareness sessions in primary schools	Ibonga	Activity cancelled due to election period (Aug. – Sept. 2023)
	Financial support for applied research on plants, animals, and human impacts on the environment	Smithsonian National Zoo and Conservation Biology Institute	5 Gabonese scientists ⁶
Activities	Guided tours, facilities and maintenance of Biodiversity Centre & specimen collection at Gamba	Smithsonian National Zoo and Conservation Biology Institute	118 visitors ⁷
	Beach cleaning sessions to collect waste	Ibonga	862kg in 2 sessions
	Marking World Environment Day: Workshop with local actors to discuss solutions for plastic pollution in Gamba	Ibonga, Smithsonian National Zoo and Conservation Biology Institute, local actors and organisations	38 participants, including 12 children

1. This ESG report runs from Jan. 2023 to Dec. 2023. These figures relate to the turtle nesting season (Oct. 2022 – March 2023).

2. 546 in Gamba, 294 in Port-Gentil, and 291 in Sette Cama.

3. 95% eggs hatched.

4. Snares uncovered in areas patrolled by Smithsonian National Zoo and Conservation Biology Institute & the *Brigade de la faune*.

5. Assala site-based employees and contractors.

6. Previously 6. Personnel change within Smithsonian National Zoo and Conservation Biology Institute.

7. Centre now open to the public.

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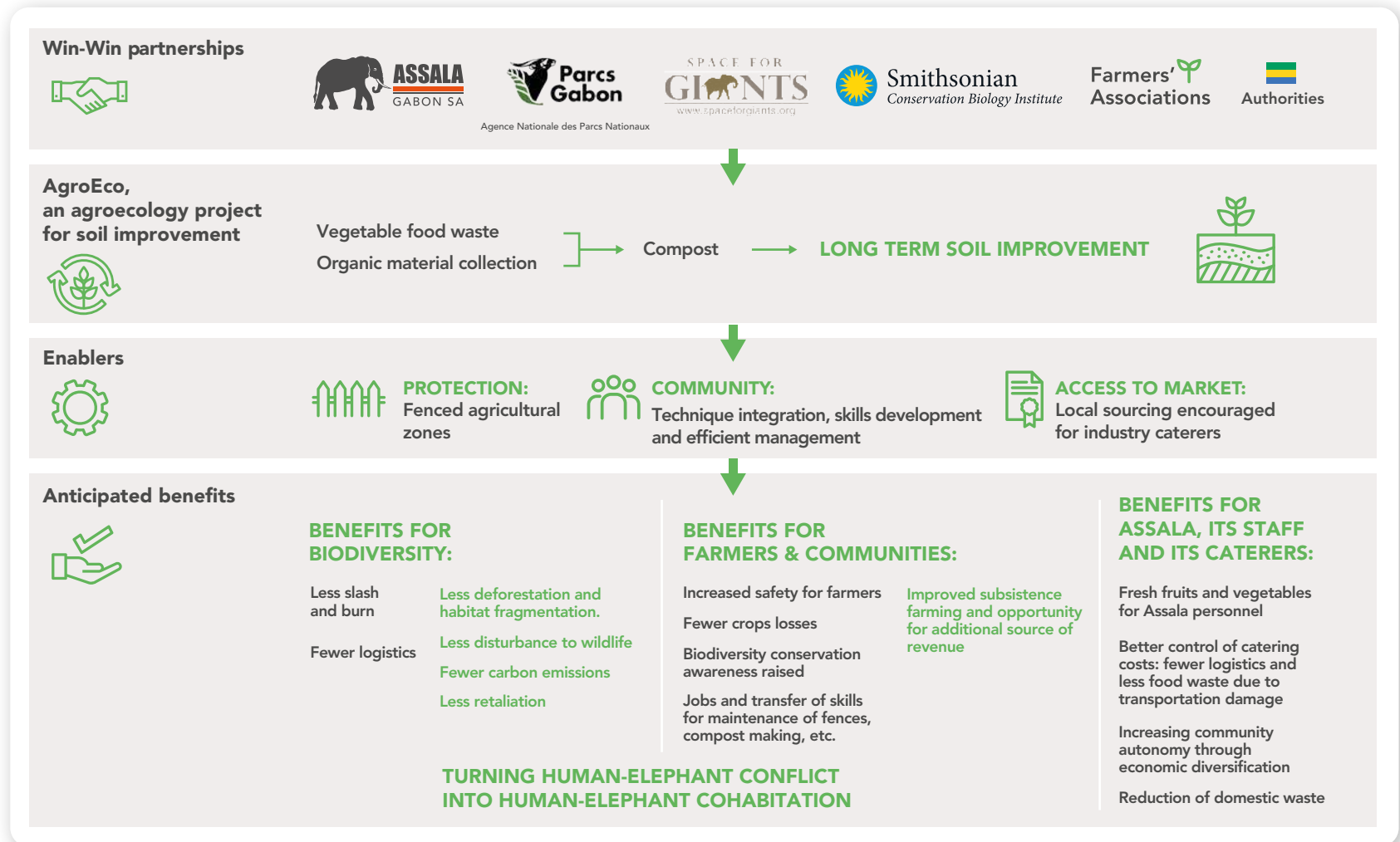
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Case study: Rondani

Our *Rondani* project is our flagship integrated social and environmental project for sustainable agriculture, improved standards of living and biodiversity protection.

In Myene, *Rondani* means to love yourself, accept and appreciate your surroundings in harmony with other people and wildlife.



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Assala collaborates with Space for Giants, Smithsonian National Zoo and Conservation Biology Institute, Gabon's National Park Agency, the local Farmers' Association, and industry caterers in this three-dimension project:

- **Agroecology:** composting organic waste produced by Assala's caterers to enrich sandy soil in open plains to improve farmers' yields, while reducing traditional slash and burn techniques within the equatorial rain forest.
- **Reduce human-elephant conflict:** providing pipes for reinforced barriers and funding the construction of electrified fences to protect Farmers' Association plantations from elephants and, as a result, increase yields and encourage sedentary farming, reducing deforestation.
- **Local sourcing and access to markets:** encouraging the purchase of local products by Assala's caterers to increase access to revenue for local communities, thus promoting economic diversification and providing a source of fresh, local produce on Assala's operational sites.

Working in tandem: Rondani and Assala's Social Performance strategy

The integrated nature of *Rondani* means that we consider environmental challenges and opportunities alongside social opportunities and challenges.

Rondani is therefore underpinned by our social performance strategy, which aims to support the diversification of local economies.



The development and consequent evolution of the *Rondani* project illustrates Assala's ability to use flexibility to remain fit-for-purpose, while working to best practice standards.

1. Agroecology

Before embarking on encouraging new farming techniques, it was crucial to have real, science-based data.

Responding to the requirements of our stakeholders, this aspect was run in two phases.

2019 – 2022

In the early years of the project, we supported Smithsonian National Zoo and Conservation Biology Institute's three-year soil improvement research, which explored the effects of different mixtures of biochar and compost on manioc, a staple food in Gabon. Yields from forest and savannah plots enriched with different mixtures of biochar and compost, cultivated from organic food waste from Assala's sites, were compared with control plots. The aim was to demonstrate the benefits of soil enrichment from compost: improvement in yields, while reducing the traditional slash and burn techniques within the equatorial rainforest.

2023

At the end of this experiment in 2023, we refocused the project, considering the practical applications for local communities and their ability to upscale. The results of Smithsonian's experiment, combined with feedback from local farmers, demonstrated that the production of biochar was too complex, too slow, and too expensive to be useful in local farms: farmers require sufficient yields for subsistence at the very minimum, and therefore an efficient, low-cost solution.

As such, soil improvement comes from compost, cultivated by local farmers using organic waste delivered weekly from Assala's camp in Gamba.

In 2023, 21 local farmers across three farming cooperatives received 10,470kg of organic waste to support with enriching sandy soil in open plains to improve yields.

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2. Reducing human-elephant conflict

Human-wildlife conflict is a national issue. The problem is complex, caused by a combination of factors including population growth and resultant increased food needs leading to habitat loss; industrial activities including logging and agricultural activities; increasing elephant populations resulting from successful biodiversity protection initiatives, and climate change that disrupts normal forest patterns and decreases natural food sources for wildlife, as well as farmers' yields.

The damage caused to crops by raiding elephants provokes anger from farmers, as the crop losses are often considerable. The improvement of farmers' yields, and the protection of crops are interminably linked, for the sake of wildlife, as for farmers.

Assala approached this issue from two angles. First, we partnered with the international NGO Space for Giants in a nationwide initiative to erect specialised electrified fences. We also launched an initiative to donate, and support with the erection of stationary, non-electric barriers upcycled from pipes no longer used on our sites.

Nationwide initiative: specialised electrified fences

We invested 1.2M USD, with five Assala-funded barriers built by 2023. Two of these barriers are found locally to our Gamba operations: Ghietu-y-Batou and Weligha.

The national initiative saw the fabrication and construction of both fixed fences, covering an area of 570 hectares across Gabon, and mobile barriers, covering an area of 200 hectares. The fixed barriers encourage sustainable, sedentary farming, decreasing the traditional slash and burn technique associated with more transient agricultural practices. These work for farming cooperatives – a new concept in Gabon – and require time to be organised effectively. The mobile barriers are adapted to small-holdings and traditional farming methods, providing faster, but less sustainable benefit to farmers.

Assala's partnership with Space for Giants ended in 2023 upon the completion of this initiative.

Local, Assala-led initiative: reinforcing existing barriers

Access to the specialised, electrified fence areas was prioritised for farmers whose plantations were inside the forest. These farmers clear vast areas through slash and burn, and then move on within a year or two due to the poor soil quality. In an attempt to mitigate this, the fenced off areas would often be placed far away from existing plantations to encourage farming on grass plains and the use of alternative soil enrichment techniques. This was the case for farms local to our Gamba operations.

However, some of Gamba's farmers were located nearer the town and were already sedentary, operating within open areas, using basic composting techniques. These local farmers required a more accessible solution for protecting their crops. In response, Assala launched an initiative to donate pipes, cleaned and retired from our operations, to protect local plantations and market gardens from raiding elephants. The immediate benefit: added protection reducing human-elephant conflict.

In the longer term, farmers can implement composting methods to improve their yields, with reduced risk of forfeiting their gains to wildlife. With more reliable yields, cooperatives can offer their produce to larger buyers, such as the catering companies used by Assala and its Supply Chain, as well as other customers, creating a more sustainable source of income.

In 2023, Assala donated and supported 21 local farmers across three farming cooperatives with the erection of three barriers.

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3. Local sourcing and access to markets

The final piece of the *Rondani* puzzle is ensuring that local farmers can reap socioeconomic benefit from their increased yields. Developing access to markets for local farmers and market gardeners is one of the ways in which we work towards win-win partnerships, as well as in line with our Social Performance strategy.

Since 2020, and as part of our Local Content and Social Performance approaches, we have encouraged our caterers to purchase locally in their Business Performance Reviews. Indeed, a 10% year-on-year increase in volumes of locally sourced produce is one of our Social Performance department's KPIs.

Local sourcing in figures¹

Assala assets	2021		2022		2023	
	Value (k USD)	Weight (kg)	Value (k USD)	Weight (kg)	Value (k USD)	Weight (kg)
South assets (Gamba, Atora)	194	85,049	278	92,449	171 ²	304,336 ²
North assets (Rabi, Toucan, Koula)	13	5,790	19	16,703	80	50,217
TOTAL	207	90,839	297	109,152	251	354,553
Annual increase	—	— ³	—	20%	—	224%

1. Weights and values are relative to site size, POB, availability of produce from local supplies, and goods purchased. Values are converted to USD using the average annual foreign exchange rate values for the relevant year.

2. In 2023, catering companies and local farmers and suppliers engaged in a consultation to review pricing arrangements. A mutual agreement was reached which saw a competitive decrease in the market price of some items.

3. Monitoring began in 2021.

Challenges and opportunities

The *Rondani* project offers us an opportunity to build win-win partnerships, leveraging environmental protection as a tool for socioeconomic growth:

- **For communities:** a reliable source of organic material to generate compost provides a viable alternative to the slash-and-burn farming technique, encourages improved yields, improves subsistence farming, and offers an additional source of revenue.
- **For Assala:** a more reliable source of local, fresh fruit and vegetables on a daily basis offers more choice for caterers and staff. It also reduces logistics costs and emissions associated with transporting produce from further afield. Additionally, we redirect our organic waste towards a worthwhile, necessary use, whilst contributing to community economic autonomy.
- **For the environment:** a viable alternative to slash-and-burn reduces habitat loss in the equatorial rainforest.

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A further advantage is a contribution to two of the Gabon Biodiversity Plan's six goals:

- **Avoid and minimise habitat loss by changing agricultural practices to reduce deforestation from slash-and-burn** through the provision of a viable alternative in compost.
- **Use best practices to mitigate site-specific wildlife risk** through the provision of a reliable barrier mechanism to discourage elephant visits to plantations.

There are, nonetheless, challenges. Namely, the important cause and effect of increasing yields in an environment where human-wildlife conflict is prevalent. There is also a need to build awareness and understanding amongst local farmers that consistency in supply is vital for continued business with caterers providing food to personnel working for Assala. Any lack of supply quickly becomes a significant problem especially on remote sites. In 2024, we will explore avenues to address these challenges.

This is an ongoing project, which responds to the requirements of community, environmental, and business needs. Ultimately, through *Rondani*, Assala aims to:

- Drive forward our environmental commitment to protect, respect and preserve the biodiversity surrounding our operations by mitigating factors which contribute to human-wildlife conflict and slash-and-burn agricultural practices.
- Demonstrate the positive impact of our social performance strategy, which supports growth in the local agricultural sector and encourages local communities, dependent on the presence of oil and gas operations for socioeconomic development, to diversify and move towards sustainable autonomy by supporting the growth of the agriculture sector.
- Draw on our ambition to build win-win partnerships with communities local to our operations, ensuring long-term benefit from our operations, by putting our Values at the core of our *Rondani* project.

Looking forward

To address the challenges associated with *Rondani* and further its successes, we launched an initiative with the *Institut Gabonais d'Appui au Developpement* (IGAD) to further develop the agriculture sector in Gamba. This project, which will gain traction in 2024, aims to support the acquisition of materials and provision of training for farmers and market gardeners in Gamba. In the more remote North assets areas, Assala will finance the acquisition of materials to support the agriculture sector.

Furthermore, in 2024, Assala will support the creation of a Gamba-based business which focuses on compost creation, to promote sustainable job creation and circular economy, underpinned by effective waste management, in areas local to our operations.

We aim to encourage the diversification of local economies away from reliance on oil and gas activities, encouraging sustained yields in support of subsistence farming.

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Raising awareness

Raising awareness of environmental conservation in our teams is indispensable to the success of our efforts. We do this by marking national and international days dedicated to the biodiversity issues closest to our activities and where we operate, and by engaging with our environmental partners to run awareness sessions on these topics.

Cohabiting safely with wildlife

In 2023, Smithsonian National Zoo and Conservation Biology Institute raised awareness across our sites of Assala's Wildlife Safety Rules (*Règles de sécurité : animaux sauvages*). Such sessions are part of our annual conservation engagements with Smithsonian in support of the Gabon Biodiversity Programme. With wildlife allowed to roam freely across our installations, these sessions are essential to mitigating potential risks associated with human-wildlife cohabitation and ensuring the safety of both. In 2023, 542 staff and contractors attended awareness sessions.

World Environment Day

Assala marks World Environment Day every year, on or around the 5th of June, with events across our sites and offices.

In 2023, World Environment Day's theme was "Solutions to Plastic Pollution". In recent years, Assala has made enormous progress in reducing plastic waste in our operations. So, for us, this was an opportunity to bring our teams together to reflect on the impacts of plastic pollution, and to explore national and company-led initiatives to combat this. More than 700 people attended one of three sessions organised throughout the day.

Assala's initiatives to reduce plastic waste in our operations are discussed in context in the Waste section of this report.



It all adds up

We regularly communicate with all personnel working with us that "it all adds up" (Les petits gestes comptent). This campaign, which has run in our offices and in our sites since 2021, encourages us all to take small steps to minimise our personal environmental impact, recognising how even the smallest daily actions can have a positive effect on our collective and personal environmental impact.

In 2023, we evolved this campaign to include a reminder on responsible water use, reflecting the commitments made in our HSSE policy to use water more efficiently and sustainably. This campaign is explored in more detail, and in context, in the Water section of this report.

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Forest coverage monitoring

Since taking over operatorship in 2017, we monitor forest coverage loss and gain in the more than 3,200km² of the Congo Basin covered by our licences. We use satellite imagery, combined with Global Forest Watch¹ analysis, and, since 2021, have applied learnings from other proprietary airborne data from technologies such as LiDAR (recorded as part of Assala's eFTG² acquisition), to improve our understanding of both the forest loss, as well as forest gain resulting from our presence.

Forest conservation: our projects & partnerships

As part of our conservation partnerships, we collaborate with Smithsonian National Zoo & Conservation Biology Institute on the promotion of the value of the Rabi Forest Monitoring Plot and protection of its ecosystem services – one of the aims of the Gabon Biodiversity Programme (GBP). This 25-hectare plot is within our Rabi concession, is a conservation area, and provides data for studies on forest regeneration, carbon dynamics and biodiversity³. The area is also part of Smithsonian's ForestGeo⁴ global earth observatory network, which examines the effects of climate change. Through data sharing and learning from each other, Assala and Smithsonian are able to better understand forest coverage and the health of the ecosystem, and therefore better protect this area of important biodiversity.

- <https://www.globalforestwatch.org/>
- Non-intrusive airborne acquisition survey of enhanced Full Tensor Gravity Gradiometry (eFTG): State-of-the-art technology used to help determine the subsurface structure by measuring variations in gravity response related to density changes of rocks at / below the surface.
- <https://forestgeo.si.edu/sites/africa/rabi>
- <https://forestgeo.si.edu/>

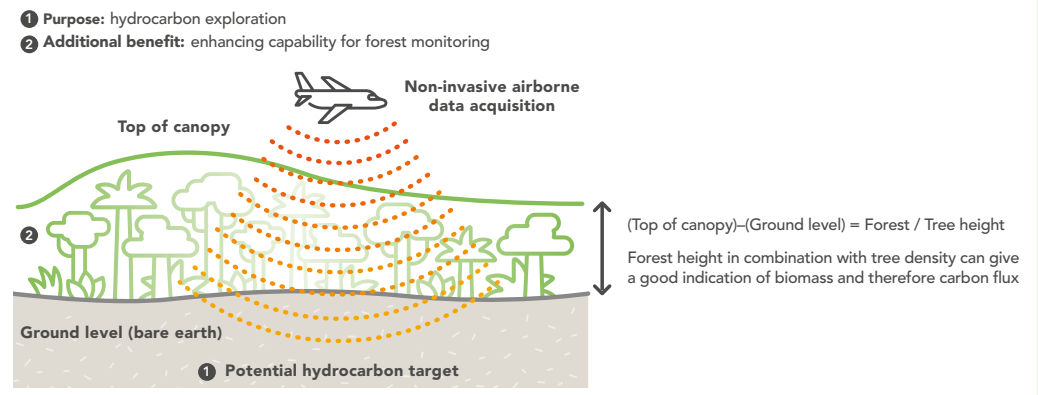
Looking back: applying learning from proprietary data

In 2021, Assala undertook a non-invasive airborne acquisition survey over its northern exploration and production licences to identify new exploration and development opportunities. An aircraft flew over the rainforest measuring the Earth's gravity¹ and magnetic fields to better understand the subsurface and potential for hydrocarbons. The specialist equipment also used high-powered laser ("LiDAR") to acquire high-resolution 3-dimensional models of the Earth's surface. The superior quality of this particular LiDAR system surpassed Assala's expectations, and allowed the team to consider wider applications, in particular environmental projects in Gabon.

Unlike satellite imagery, the laser technology we used was able to penetrate the tiny gaps

in the rainforest canopy. This meant we were able to determine both the top of the forest canopy and also, importantly, the "bare-earth" true-ground level, with centimetre-scale accuracy.

Assala proactively engaged with Smithsonian to combine Assala's information with ongoing research of the Rabi Forest Monitoring. Since 2021, we have explored further applications of these Assala-acquired images combining it with existing Smithsonian research. One example is in using Assala's LiDAR data calibrated to Smithsonian's on-the-ground measurements to analyse forest biomass and carbon flux covering vast areas of rainforest covering Assala's licences and possibly beyond. The study of possible applications continues.



1. Non-intrusive airborne acquisition survey of enhanced Full Tensor Gravity Gradiometry (eFTG): State-of-the-art technology used to help determine the subsurface structure by measuring variations in gravity response related to density changes of rocks at / below the surface.

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Additionally, we continue to work with local authorities by alerting them to illegal logging activities within our concessions.

Beyond our partnerships, through our Rondani project (See Case study: *Rondani*), we actively encourage the reduction of slash-and-burn agricultural practices – another aim of the GBP – by offering a viable alternative to local farmers and market gardeners.

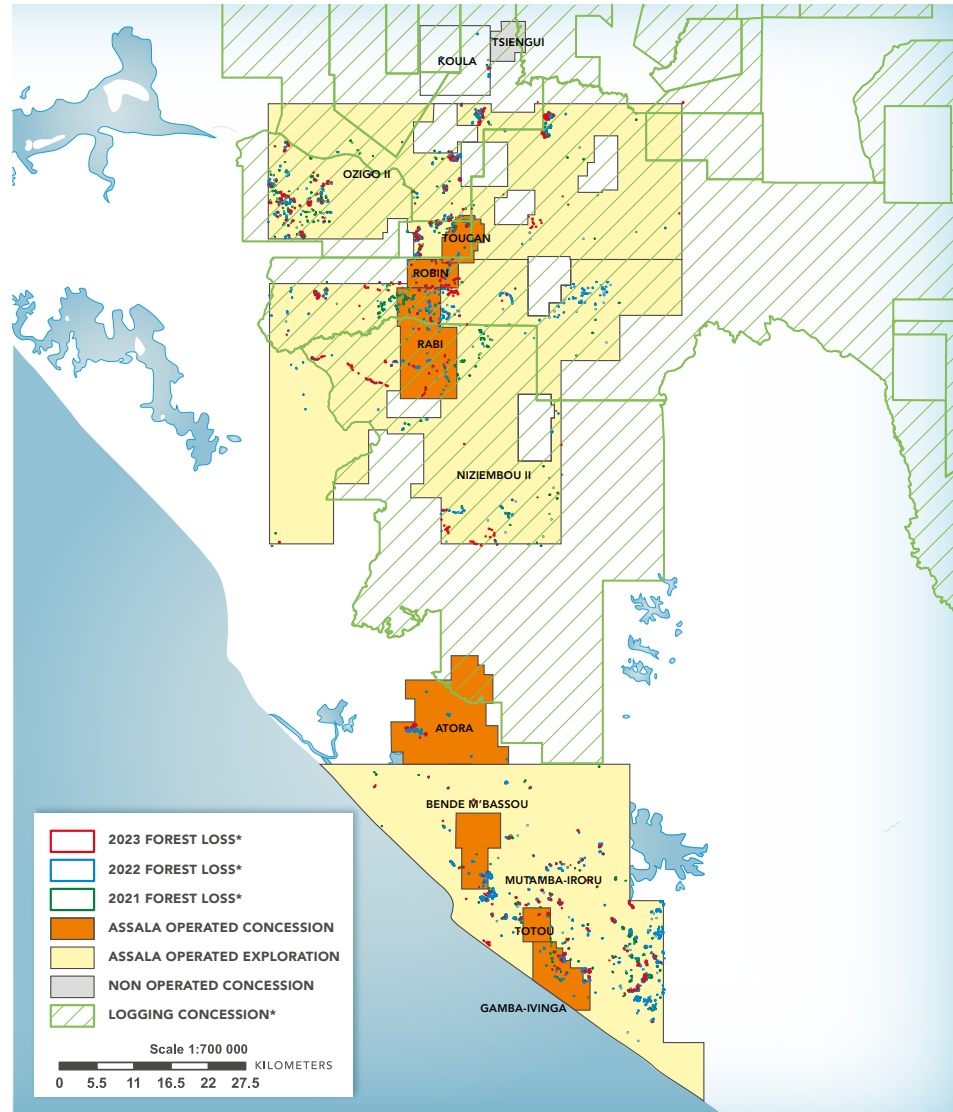
Forest conservation: our operations

We recognise the eventual impacts of our activities, and work to mitigate them, as part of our commitment is to have a net positive impact on biodiversity in the areas where we operate.

Nonetheless, 2023 analysis of Global Forest Watch data revealed that there had been significant forest loss in our concessions between 2021 and 2022. As a result, our team conducted further analysis which highlights that 94% of forest loss within Assala concessions is attributable to other activities in the rainforest and is not linked to Assala's activities. This includes logging (legal and illegal), activities of other oil and gas operators within our concessions, storm damage and diseases affecting the forest canopy.

We mapped our areas of operation against authorised logging concessions and referred to Smithsonian ground-truthing data to identify potential areas of illegal logging, which would both contribute to forest loss within Assala's licence areas.

Forest clearance activities in Assala's concessions



*As per Global Forest Watch analysis.
Source: Hansen/UMD/Google/USGS/NASA

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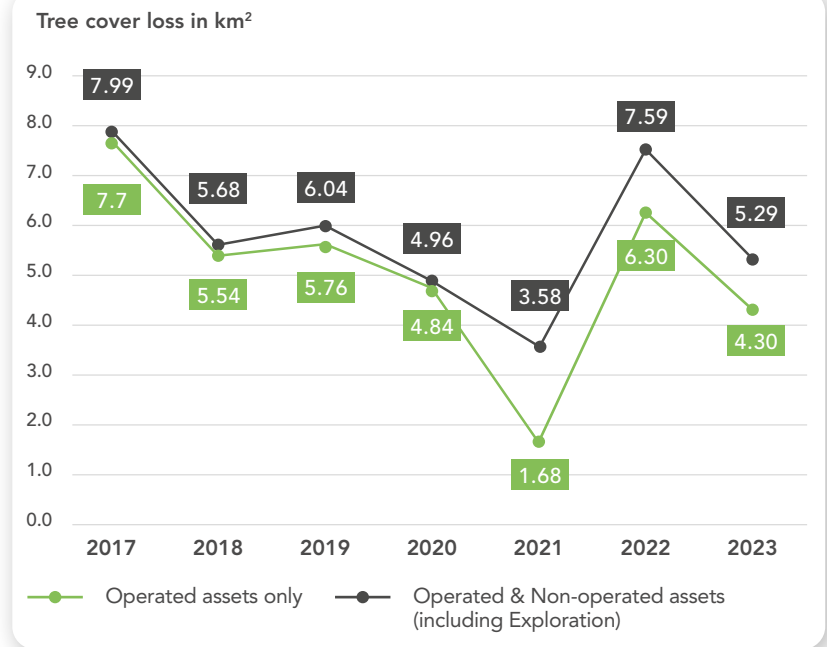
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From this analysis, we see that Assala operates alongside logging companies and during 2022, significant legal logging has occurred within Assala's northern asset boundaries. We also see that there has been clear illegal logging in our southern concessions, in areas known by Smithsonian for illegal logging and also beyond the Smithsonian ground-truthed deforestation localities.

Of note, the 2022 GFW data indicate that Assala's activities accounted for only 6% of forest loss over our concessions. Forest loss within known logging concessions accounts for 38.1% of forest loss. However, a staggering 55.9% of forest loss was outside on logging concessions and Assala's activities. Assala cannot accept responsibility for these instances of forest clearance, however Assala is sharing our analysis with local and international conservation NGOs, as well as local and national authorities to support a reduction in illegal logging, in particular.



Attribution of forest loss (2022 – 2023)¹

Year	Total forest loss (km²)	Of which associated with Assala assets ² (km² / %)	Of which within logging concessions boundaries (km² / %)	Of which outside logging concessions boundaries (km² / %)
2022	7.59	0.45 (6%)	2.89 (38.1%)	3.37 (55.9%)
2023	5.29	0.86 (16.2%)	3.20 (60.5%)	1.23 (23.3%)

1. GFW publish forest cover loss data in approximately Q2 of each calendar year. When comparing GFW data with Assala's own insights, we observe that forest loss associated with our activities in one year can partly appear in the year following the loss i.e., 2022 clearance activities partly appear in 2023 GFW data. This time lag is likely due to frequent, consistent cloud cover in Gabon, which obstructs GFW satellite imagery and analysis.

2. All forest loss calculated by GFW within Assala's field boundaries, and within 100m buffer of pipelines, roads and well pads (in the reporting year).

Sometimes, our operations do require forest clearance for the construction of civil and production infrastructures. When we plan activities, we first look at how we can use existing roads, pipelines, and drilling facilities, such as well pads. We routinely integrate ESG criteria from the beginning of each project. Our Subsurface, Operations and HSSE teams collaborate from the outset, ensuring teams are aligned on the preferred approach, before undertaking a rigorous Environmental and Social Impact Assessment (ESIA) process, which requires approval from multiple authorities linked to the Gabonese government. We also follow best practices outlined in the International Finance Corporation's Performance Standards (IFC PS), our adherence to which is audited annually, to ensure minimal negative impact to the biodiversity and ecosystem services. At the end of every project, we review its outcomes, how effectively, or not, we applied best practices, and draw lessons to be applied in future activities. We also work actively on our rehabilitation plans. This is part of our journey of continuous improvement.

In 2024, we will align our internal ESIA process with IFC standards to ensure all audit findings combined with our own proactive initiatives are implemented.

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Key definition:

Ecosystem service¹: The benefits that ecosystems contribute to human well-being.

Environmental Social Impact Assessment (ESIA): Assessment study of the direct and indirect impacts of a project on the ecological balance, the quality of life and the environment of the communities resident in the area where the project is located and in the adjacent areas.

1. Ipieca Sustainability reporting guidance for the oil & gas industry (2020).

Looking back: applying expertise to minimise forest loss

Some of the 2022 forest clearance activities in our concessions can be attributed to the Exploration and Appraisal campaign on our southern and central exploration licences. This campaign required the construction of new well pads and access roads. For this project, we followed our usual application of best practices and standards, following the Gabonese government ESIA and NEIS processes.

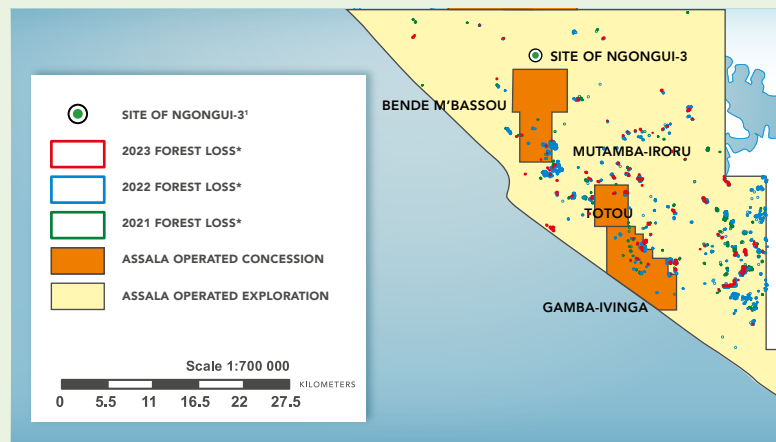
From our 2022 E&A activities, we observed only minor forest loss (0.45km²) being highlighted by the GFW data. This clearly illustrates that non-Assala-related deforestation is much more prevalent, and as such provides the

opportunity for Assala and our partners to work collaboratively to alert the authorities of illegal logging, and its precise location, to improve the protection of our rainforest.

At Assala, we have applied learnings from previous projects of this size and scale, leveraging internal and external operational expertise to level-up our environmental approach and minimise, as far as possible, the forest loss associated with our activities.

One such activity, on our southern exploration licence, Mutamba Iroru II, demonstrates the construction of a compact pad, transporting machinery and equipment by water to avoid building additional civil infrastructure, such as access roads. Further, in November 2022, we drilled the N'Gongui-3 well on a remote island in the Ndogo Lagoon, we designed a compact well pad, maintaining a forest curtain around the operational area to reduce the visual impact of the activities.

This design mindset reflects our respect, protect, preserve ethos and demonstrates our commitment to integrate ESG criteria from the outset, in all projects.



1. Site of Ngongui-3, which does not appear in GFW data.
*As per Global Forest Watch analysis.

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Compact pad and minimal civil infrastructures at Ngongui-3 during E&A activities.

We recognise our responsibility to restore deforested areas, resulting from our activities or those of the previous operator, within our concessions. As such, we are exploring reforestation and rehabilitation opportunities and have sought advice from our environmental institutional partners on how best to do this. In Gamba, this is an ongoing project, consisting of developing a nursery for local tree and plant species before working with communities on replanting activities. In collaboration with the Ecole Nationale des Eaux et Forêts in Gamba, a pilot project will be launched in 2024.

“ Since Assala’s arrival in Gabon in 2017, and to the end of 2023, we have drilled 56 new wells, performed over 150 workovers, and extensively modernised and expanded our assets’ oil and gas processing facilities. Every day, our Geologists and Petroleum Engineers work alongside their Operations, Projects, and Drilling colleagues to deliver projects which embed safety and environmental impact considerations into the very essence of their design.

Assala’s Subsurface experts start every project by evaluating potential risks, both below and above ground. Our work includes prognosing reservoir pressure in unexplored geological formations, designing well trajectories which safely thread between legacy wellbores, and collaborating with other departments to minimise our surface footprint. Assala’s emphasis on conserving the precious equatorial rainforest and the rich biodiversity within our exploration and production concessions consistently dictates where we locate new wells, production infrastructure and facilities to keep disturbance to a minimum. Indeed, our geological studies trigger the integrated approach embedded in Assala’s corporate culture which ensures that ESG matters are thoroughly evaluated and actioned from conception to execution. Our Geoscientists also continuously monitor Assala’s drilling, both remotely and on site, so that rig crews are briefed at every stage of the operation.

Reserves quantification is one of Assala’s core skills, including the evaluation of natural gas resources. We continuously strive to minimise GHG emissions by reducing the amount of gas produced by our fields. Our geological models accurately map gas accumulations, allowing us to optimise where new wells should be placed so that they remain far from gas-bearing reservoirs. As part of our ESG stance, we will not hesitate to shut-in wells as soon as they begin to produce at a high gas to oil ratio. We have also converted many legacy wells to operate with electrical submersible pumps, reducing their demand for high pressure lift gas, which is instead reinjected back into the reservoir.

The Subsurface team is proud of our multi-faceted contributions to Assala’s ESG success story. Our efforts have been validated by our host Government and Joint Venture partners in terms of their support for our ongoing asset redevelopment, appraisal, and exploration programs.”

Mark Allen
Subsurface Director,
Assala Energy

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Key definition:

Environmental Social Impact Assessment (ESIA): Assessment study of the direct and indirect impacts of a project on the ecological balance, the quality of life and the environment of the communities resident in the area where the project is located and in the adjacent areas.

Fresh water¹: The definition varies according to local statutes and regulations. Where no regulation exists, freshwater is defined for reporting purposes as non-brackish water and may include drinking water, potable water and water used in agriculture. The total dissolved solids (TDS) concentration of this type of water is up to 2,000mg/L.

Fresh water consumption¹: The difference between fresh water withdrawn and fresh water returned.

Fresh water withdrawal intensity¹: The difference between freshwater withdrawal and defined unit of production, such as barrels of oil.

Fresh water withdrawn¹: The volume of freshwater a facility discharges (directly or via a third party) into the same source or a different source within the same catchment/watershed.

Process wastewater¹: Water associated with operations that comes into contact with hydrocarbons or other chemicals.

Produced water¹: Water that has been brought to the surface during the production of hydrocarbons including formation water, flow-back water and condensation water.

Water neutral²: The reduction of an individual's or company's water footprint as much as reasonably possible and offsetting the impact of the residual impact; ensuring that water withdrawn does not exceed the current available levels of fresh water.

Water stress^{3,4}: Freshwater withdrawal as a proportion of available freshwater resources; the ability or lack thereof, to meet the human and ecological demand for water.

1. Ipieca Sustainability reporting guidance for the oil & gas industry (2020)
2. <https://www.lawinsider.com/dictionary/water-neutral>
3. https://www.sdg6data.org/en/country-or-area/gabon#anchor_6.1.1
4. Global Reporting Initiative (GRI) 11: Oil and Gas Sector 2021, Sector Standard

Assala's operations in Gabon consume water and produce liquid effluents throughout their cycle, with volumes and discharge qualities monitored in line with Gabonese national regulation and following IFC Performance Standards. As a responsible operator, it is our duty to consider the risks and environmental impacts of our water consumption and production, and identify opportunities to optimise and improve our performance in this area.

In 2022, and in line with our Spirit, we set the aim to develop a robust, responsible, and fit-for-purpose approach to water consumption and management, treating water as a resource shared by communities, ecosystems, and industries. We evaluated our approach to water and effluent management in the international, national, and local contexts, and made engaged modifications to our internal processes. In 2023, we published our Water and Effluent Management Framework.



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Water and Effluent Management Framework

When developing our Water and Effluent Management Framework, we started at a policy level, committing to using water more efficiently and sustainably, and to achieve water neutral status by 2030, in line with our Health, Safety, Security and Environment (HSSE) policy. In this policy, we also commit to reporting regularly on effluent issues, including effluents resulting from our operations (produced water and process wastewater). This reporting is carried out as part of our health, safety, and environmental management system – audited to ISO 14001 standards.

We then formed a committee within our SSE team to establish our water and effluent management plan and roadmap. In 2023, Assala Gabon's Water and Effluent Management Framework was published internally, constituting an important step in our journey to improve our risk evaluation and management of freshwater and effluents.

Framework objectives

The objectives of this framework are to:

- Provide information to framework users on what is required by the law, as well as on the national and international standards Assala follows for the use, monitoring and treatment of water and effluent.
- Support the implementation of best practices for sustainable water management in our industry.
- Outline our internal water and effluent monitoring model.
- Map site-level procedures against this company-wide framework to ensure effective integration from the ground, up.

Framework risk evaluation¹

To assess the risks associated with freshwater consumption and effluent production in the context of our operations, we first analysed the applicability of Aqueduct Water Risk Atlas² metrics. Aqueduct Water Risk Atlas is a World Resources Institute (WRI) water risk mapping tool, screening water-related challenges arising from environmental and social externalities. Recommended by Ipeica, it helps companies, investors, governments, and other users understand where and how water risks and opportunities are emerging worldwide.

The tool uses the following indicators³ as measures for water risk:

- **Physical risks – quantity:** measures risk related to too little or too much water, by aggregating all selected indicators from the tool's Physical Risk Quantity category. Higher values indicate higher water quantity risks.
- **Physical risks – quality:** measures risk related to water that is unfit for use, by aggregating all selected indicators from the tool's Physical Risk Quality category. Higher values indicate higher water quality risks.
- **Regulatory and reputational risks:** measures risk related to uncertainty in regulatory change, as well as conflicts with the public regarding water issues. Higher values indicate higher regulatory and reputational water risks.

Analysis of our operations against these indicators demonstrated that within Assala Gabon's operated areas, quantity and quality of available freshwater resources posed a low physical risk to our operations. Indeed, according to United Nations Water, which collects data in relation to UN SDG 6, Clean water & sanitation, Gabon is the least water-stressed nation on the African continent, with 94% of Gabon's water bodies having good ambient quality when compared to other countries and areas in the region (based on 2017 – 2020 data)⁴. Indeed, annual rainfall in Gabon is abundant and spread almost throughout the year. Precipitation levels range from 1500mm to 3500mm per year, according to the World Bank⁵. This means that none of Assala's operations were in water stressed areas in 2023.

1. Assala Gabon only.

2. https://www.wri.org/applications/aqueduct/water-risk-atlas/#/?advanced=false&basemap=hydro&indicator=w_awr_def_tot_cat&lat=30&lng=-80&mapMode=view&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&threshold&timeScale=annual&year=baseline&zoom=3

3. https://www.wri.org/applications/aqueduct/water-risk-atlas/#/?advanced=false&basemap=hydro&indicator=w_awr_def_tot_cat&lat=30&lng=-80&mapMode=view&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&threshold&timeScale=annual&year=baseline&zoom=3

4. https://www.sdg6data.org/en/country-or-area/gabon#anchor_6.1.1

5. <https://climateknowledgeportal.worldbank.org/country/gabon/climate-data-historical#:~:text=The%20country%20has%20a%20moist,rainfall%20of%20200%E2%80%90250%20mm>

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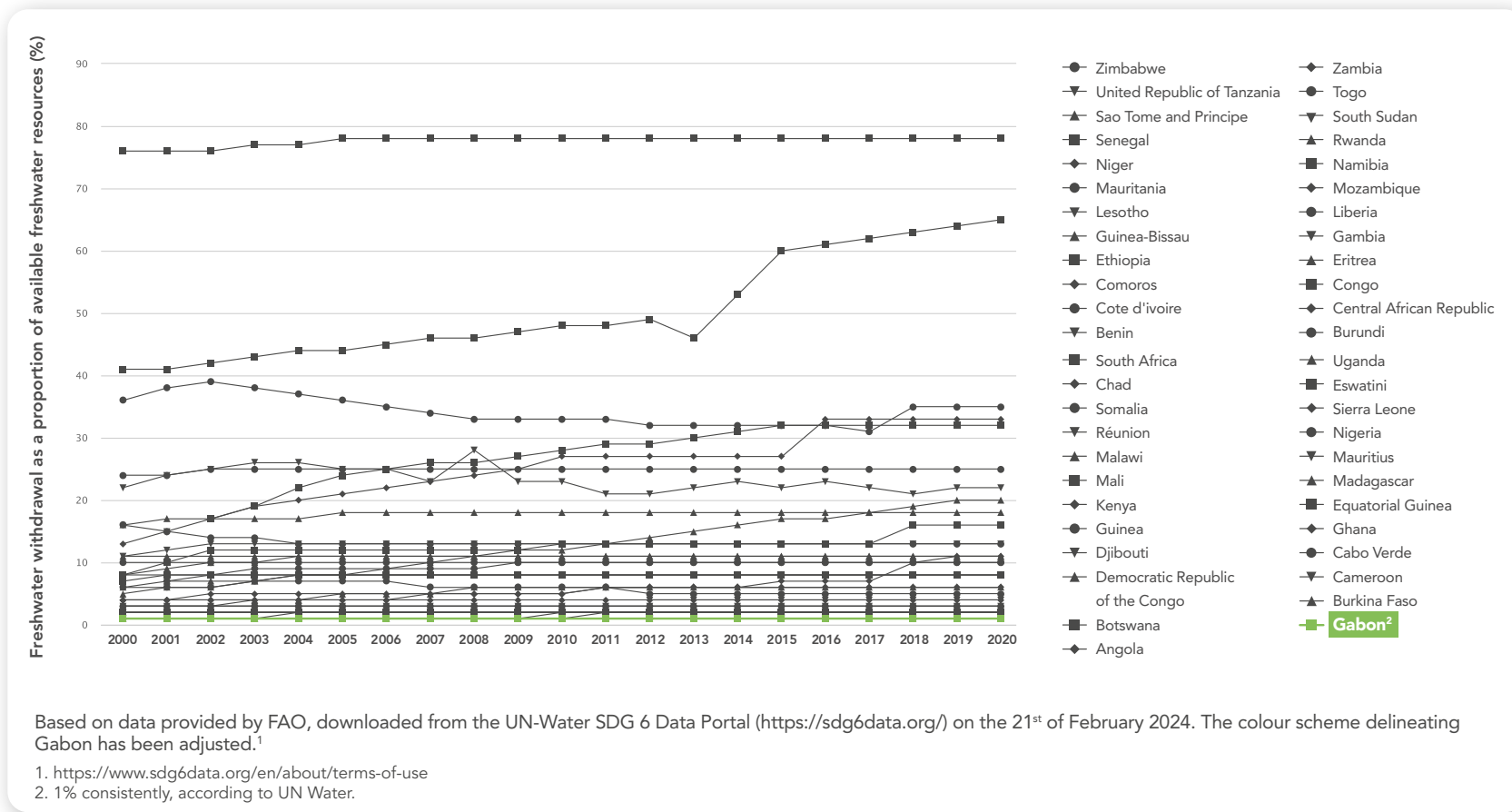
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Water stress in Gabon

Levels of freshwater withdrawal as a proportion of available freshwater resources in Gabon, change over time, compared to other countries (and areas) in the region, according to UN Water¹.



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However, the regulatory and reputational risks surrounding water use, as well as effluent quality were deemed high. As such, from 2023 onwards, our priority is ensuring that the means are in place to allow us to meet our water-neutral by 2030 objective and to effectively manage effluents from our activities.

Freshwater reduction and management initiatives

Assala requires fresh water for our activities and strives to responsibly manage our consumption. Strengthening our management involved formalising reporting required against national regulation and applied standards.

Freshwater management

During the development of our Water and Effluent Management Framework, we conducted an audit of requirements for each site, based on freshwater sources exploited: where fresh water is required on our operational sites, water is either withdrawn from Assala-owned wells or from a surface source, such as a river, pond, or lake, depending on the sources available at our remote locations. Freshwater is processed at site-based water treatment facilities and used for domestic purposes, including cleaning, catering and hygiene, for firefighting reserves, and for some industry processes, including construction, drilling, workover activities, as well as heating or cooling equipment.

Before we begin any new activities, we identify the nearest available water source to the operational site, which is analysed as part of a regulatory Environmental and Social Impact Assessment (ESIA).

Water withdrawn from Assala-owned wells is metred, and consumption is monitored by a dedicated team. A project is ongoing to install more metres across our facilities to ensure all freshwater withdrawal, regardless of source, is captured. Domestic grey water is gathered and treated within regulatory limits before disposal. Compliance is monitored through regular sampling by a third party. This ensures we understand freshwater composition and consumption from the outset, improving our ability to recognise and manage any eventual effluent issues.

Freshwater reduction

In 2023, we evolved our *It all adds up* awareness campaign to include a reminder on responsible water use, instilling in our teams our policy commitment to become water neutral by 2030. Drawing on tangible figures on the impact of our smallest actions, teams are encouraged to switch off the tap to save every drop. Indeed, on operational sites, taps in some mess halls are installed with more hygienic foot pedals, preventing the tap from being left running as personnel wash their hands.

To reduce our consumption of withdrawn freshwater on operational sites, we explored opportunities to reuse or recycle freshwater. Water used for heating or cooling equipment at the permanent production facilities on our sites is recycled in a permanent closed circuit, in line with IFC recommendations.

In an area with abundant rainfall, we considered collecting and reusing rainwater at our Toucan site for use in domestic processes, such as cleaning and for laundry services, in a push to reduce the amount withdrawn from Assala-owned wells. Availability of the necessary equipment to pilot this project, as well



as a redistribution of resources in the latter part of 2023 in response to pressing operational requirements hindered this project's progress, and ultimately put it on hold. The feasibility of reopening this important project will be reviewed in 2024.

In the meantime, we continue to monitor our freshwater consumption to identify optimisation opportunities as part of our journey of continuous improvement.

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Freshwater withdrawal metrics: Volumes consumed

We report volumes (m³) of freshwater consumed in our operations annually to the IOGP, and for transparency and improved reporting, disclose domestic volumes in our annual ESG report.

Potable, mineral water is not counted towards our freshwater consumption on operational or office sites, as this is transported into site and therefore does not affect local water tables.

	Volumes in m ³			
	2020	2021	2022	2023
Operational use (sites)^{1,3}	82,703	88,116	118,932 ⁴	122,656 ⁴
Domestic use (sites)³	— ²	— ²	141,896	146,060 ⁴
Domestic use (offices)³	— ²	— ²	8,263 ⁵	7,736 ⁶

1. Reported to IOGP.
2. Not reported.
3. Assala Gabon only.
4. Increase from previous reporting year relates to increased operational activities.
5. Includes office leased by CBG (lease terminated in March 2022); does not include Assala's office in Libreville due to unavailability of data at the time of reporting.
6. Includes Assala's office in Libreville.

Freshwater withdrawal metrics: Freshwater withdrawal intensity

Assala calculates our freshwater withdrawal intensity by dividing the annual volume freshwater withdrawn in m³ by our annual total production in m³.

	2022	2023
Freshwater withdrawal intensity^{1,2}	0.09%	0.09%

1. The difference between freshwater withdrawal and defined unit of production, such as barrels of oil.
2. Assala Gabon only.

Liquid effluent reduction and management initiatives

Water is naturally present in oil reservoirs and is extracted as part of the hydrocarbon production process. Such produced water, and other water that cannot be deemed fresh, are known as effluents. Effluents must be managed and responsibly disposed of.

Liquid effluent management

As a responsible operator, Assala monitors effluents produced and discharged during our operations. We ensure that all liquid effluents disposed to the environment are treated within thresholds of national and international environmental standards and best practices. Daily and monthly records of liquid effluent quality and volumes are kept so that we remain compliant with these thresholds.

Assala optimises our effluent management by recycling and reusing, as much as possible, effluent produced during our activities. For example, drilling mud, essential to drilling operations, is recycled and reused for future wells, reducing treatment and disposal requirements throughout the drilling process.

An ongoing challenge in our operations is the water produced during drilling activities. This is because our assets are ageing: oil reservoirs often contain gas and water, which are in continuous movement. Once wells are producing and oil extracted, this movement can accelerate the production of water as a by-product of oil extraction. This also presents a challenge for emissions reduction, explored in the Emissions section of this report.

In our northern permits and at Atora, produced water is disposed of in water disposal wells. At Gamba, until the end of 2024, water is treated within Gabonese government and International Finance Corporation limits and disposed of to the sea. Importantly, in 2022, we set the target to reduce the disposal of treated

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effluent to the sea at Gamba by up to 30% by the end of 2023, and to eliminate the use of this disposal method from our operations by the end of 2024. This target is on track.

Our teams seek opportunities to optimise how we manage produced water. To increase our produced water treatment capacity, we are upgrading our dehydration tanks at Rabi, and strive to further boost capacity across all fields to meet our targets and reduce our impact.

Liquid effluent reduction

Whilst reduction opportunities are limited given the nature of our operations, we are implementing projects at Gamba to ensure we meet our target reduce the disposal of treated effluent to the sea by up to 30% by the end of 2023, and to eliminate the use of this disposal method from our operations by the end of 2024.

To do so, we are investing massively in new installations on this field.

Treating wastewaters within compliant limits: Induced Static Flotation (ISF)

Induced Static Flow (ISF) units work to clarify waste waters by removing suspended matter such as oil and solids to improve the quality of produced or process water before disposal and bring it within international thresholds.

At our Gamba Terminal, such units are used to treat produced and process water to ensure it is suitable for discharge to the sea or other surface water sources. Before disposal, Assala complies with IFC best practice standards, which define an oil-in-water (OIW) ratio threshold for disposed produced water of 10mg/L¹, or 12ppm.

This is significantly below the State of Gabon's OIW ratio threshold of 50ppm (43mg/L). Discharged produced water is monitored daily, every two hours, by Assala's dedicated laboratory team, based at Gamba Terminal to ensure OIW ratios remain within regulatory limits. In 2023, the average OIW ratio at Gamba Terminal was 9.9ppm.

In 2022, Assala launched a project to install our third ISF unit at Gamba Terminal to allow us to manage our future produced water requirements and continue to adhere to our IFC-compliant OIW ratio standard. This third unit is due to be commissioned in Q1 2024 and will supplement existing water treatment capacity at Gamba.

Eliminating disposal to the sea: Produced Water Reinjection (PWRI)

The safe treatment and disposal of water, naturally present in oil reservoirs, is an environmentally and operationally strategic opportunity for Assala.

For us, produced water reinjection (PWRI) is a key method to manage produced or process water, allowing us to derive value from wastewaters. We either reinject this stabilised and treated water into dedicated water disposal wells safely removing it from our production, or into reservoirs, to maintain pressure to support hydrocarbon production, and in so doing maximising the water's value in our activities. An additional advantage: emissions reduction in high BSW-Oil ratio wells (explored in more detail in the Emissions section of this report).

In Q4 2022, we launched a PWRI project at Gamba, our most southern field. This project is ongoing. The objective of this initiative is to create a high-pressure water disposal network between the Gamba Terminal and the fields. Once implemented, Gamba's PWRI capability will also reduce the volume of treated produced water discharged to sea or surface water sources, allowing us to meet our targets.



ISF-3 unit at Gamba Terminal in November 2023.]

1. IFC Environmental, Health, and Safety Guidelines, Onshore Oil and Gas Development, page 22.

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Monitoring liquid effluent

Twice a year, Assala Gabon engages an external contractor to conduct ground water sampling to verify compliance with Gabonese regulation, as well as within International Finance Corporation Performance Standards for onshore produced water. Sampling zones and the relevant sampling parameters are established in Assala's internal ground and surface water monitoring procedure. In the case

of non-compliance, Assala's procedure defines that sites will be investigated, and mitigation measures put in place. In 2023, Assala invested 263k USD in ground and surface water sampling to ensure compliance and implement restorative measures where required.

Overview of 2023 effluent management projects

The below projects, completed or initiated in 2023, support us to effectively and efficiently manage liquid effluents in our operations.

Asset / Project name	Description	Budget (USD)	Expenditure to YE 2023 (USD)	2023 expenditure (USD)	Completion status
Gamba / ISF-3	To install a third Induced Static Flow unit to increase produced water treatment capacity	7M	4.3M	2.7M	Q1 2024 ¹
Rabi / T2402 Dehydration tank upgrade	To upgrade and increase produced liquid treatment capacity	3.2M	1.7M	1.3M	Q4 2023
Gamba / PWRI	To inject a maximum volume of the water ² to eliminate the discharge of produced water to the sea ³	15.7M	0.4M	0.4M	Q4 2024

1. Correction: Misreported as Q2 2023 in Assala's 2022 ESG report. Installation of ISF-3 completed in Q4 2023; commissioning completed in Q1 2024.

2. Volumes currently rejected to sea, after Induced Static Flotation (ISF) treatment to bring OIW within compliant limits.

3. Added advantage: minimisation of emitted gas. See GHGs: Our plan of action for more details.

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With mature assets and ageing infrastructure, process safety, asset integrity and proactive maintenance are focus areas for us. This is what supports us to keep process safety events (PSE) to a minimum. We take a continuous improvement approach to enhancing our y procedures and prevention measures and in so doing, avoiding PSEs and mitigating their potential impact.

Key definition:

Process Safety Event (PSE)¹: An unplanned or uncontrolled release of any material including non-toxic and non-flammable materials (e.g. steam, hot water, nitrogen, compressed CO₂, or compressed air) from a process, or an undesired event or condition that, under slightly different circumstances, could have results in a release of a material.

1. American Petroleum Institute Guide to Reporting Process Safety Events Version 3.1

At Assala, we implement an effective process safety management system that follows industry-standard approaches. We reduce the risk of process safety incidents through proactive, preventative maintenance activity and CAPEX investment to ensure the integrity of our assets. Our Operations, HSSE and Maintenance teams collaborate to prioritise repairs and upgrades on safety-critical elements (SCE), which may have the potential to lead to a PSE if left unaddressed.

Whilst physical prevention measures are key, we recognise that people are at the heart of our ability to reduce and eliminate PSEs on our sites. We implement the IOGP process safety fundamentals on all our sites and share this approach through regular awareness events, training, communication and competency development exercises. Our teams are trained in both safety and emergency response aspects, which ensure preparedness in the event of an incident. Training activities are audited both internally and externally in accordance with ISO 140001 and the International Finance Corporation Performance Standards.

All PSEs occurring on our sites are systematically reported in our Incident Management System. As such, all incidents are investigated, identified corrective actions are monitored and closed out, and learnings are adopted and cascaded across teams involved, helping to prevent recurrence. In 2023, we strengthened our process safety incident investigation reporting by developing a shareable tool, aiming to improve dissemination of learnings among teams.

Asset integrity

Maintaining the integrity of our assets is one of our key opportunities to prevent PSEs on our sites. Since we took over operatorship, Assala has invested significantly in projects to level up our asset integrity, meaning that we conduct our activities more safely, responsibly and efficiently.



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Overview of key projects to level-up asset integrity¹

Asset / Project name	Description	Budget (USD)	Expenditure (USD)	Completion status
Gamba/ Single Point Mooring (SPM) maintenance and replacement	To upgrade export terminal	24M	21.2M ¹	Completed Q1 2021
Toucan / Export line	To conduct in-line intelligent pigging inspection to identify and remedy potential corrosion	752k	614k ²	Completed Q2 2021
Gamba / Bende gas line	To conduct in-line intelligent pigging inspection to identify and remedy potential corrosion	656k	336k ²	Completed Q4 2021
Gamba / Oil pit construction	To construct an oil pit within Gamba Terminal ensuring effluent collection & processing	400k	375k	Completed Q4 2021
All / Main oil line	To repair coating, perform maintenance, and clear road access	683k	683k	Completed Q1 2022
Rabi / T2401 dehydration tank	To upgrade produced liquids treatment capacity	3.8M	3.8M	Completed Q1 2022
Gamba / Single Point Mooring 6 (SPM6) annual inspection	To inspect SPM6's subaquatic systems, including floating hoses, anchors, and core infrastructure	762k	410k ³	Completed Q2 2022
Toucan / Partial replacement of export line	To replace 15km of Toucan's export line (portion identified for replacement through intelligent pigging)	4.9M	6M	Completed Q4 2022
Gamba / Bende gas line repair	To repair onshore and subaquatic portions of Bende gas line (portion identified through intelligent pigging)	517k	483k	Completed Q4 2022
Gamba / T3401 dehydration tank upgrade	To inspect and perform maintenance on main oil line desalination tank T3401	6.9M	5.6M	Completed Q2 2023
Gamba / Heat exchanger upgrade and integrity campaign	To inspect and repair heat exchangers	1M	600k	Completed Q3 2023

1. This project came in under budget due to robust financial and project management.

2. Downtime related to COVID-19 restrictions was used to conduct detailed market research to identify a suitable service provider, initiate a robust tender process, develop internal competencies to reduce dependence on external suppliers, study alternative technologies for integrity repairs. Outcome: positive cost impact.

3. Following inspections, the project scope was adjusted to meet identified maintenance requirements.



1. Projects completed between 2021 – 2023.

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Overview of key projects to level-up asset integrity¹ (contd.)

Asset / Project name	Description	Budget (USD)	Expenditure (USD)	Completion status
Gamba / Bundwall pavement	To upgrade bundwall pavements for strengthened containment in the event of spills	501k	503k	Completed Q2 2023
Atora / Export line & Cluster trunk lines	To carry out intelligent pigging inspection of export line and Cluster A & C's trunk lines	700k	600k	Completed Q4 2023
Rabi / T2402 dehydration tank	To carry out cleaning and inspection of dehydration tank T2402	3.2M	2M ⁴	Completed Q4 2023
Rabi / GSD Oil line	To carry out intelligent pigging inspection of two 12" Rabi GSD oil lines	600k	400k	Q3 2024
Gamba / T1504 storage tank	To inspect and perform maintenance on the storage tank T1504	8.8M	1.8M	Q3 2024
Atora / Export line	To carry out necessary repairs (portion identified through intelligent pigging)	600k	100k	Q3 2024

4. Tank required minimal repairs after inspection and was returned to service following repairs.

Maintenance on safety-critical elements

Process safety and well physical barriers are classified as safety critical elements (SCE), which have defined performance standards and associated safety critical tasks to verify and/or maintain their performance standards. All the SCE are monitored in a digital maintenance management system, which tracks details such as inspection, testing, calibration, and preventive maintenance routines. Any derogation from planned maintenance or non-conformance to a performance standard is approved by the appropriate technical authority or competent authorised person and notified for corrective action, respectively.

When we took over operatorship, legacy overdue maintenance reduction was a priority in order to reduce the likelihood of PSEs resulting from deficiencies on SCE. Since 2021, all legacy overdue maintenance has been resolved. In 2022, to enhance clarity compared with previous years' reporting, we adapted our disclosure on this indicator to represent our journey of continuous improvement and our fit-for-purpose approach more accurately. We have continued with this methodology in 2023.

At yearend 2023, there was no outstanding¹ maintenance on SCE on Assala's sites. 41 maintenance activities on SCE were falling overdue at year end, *versus* 51 in 2022. This reduction reflects

organisational streamlining throughout the year, which aligned the SCE maintenance schedule with the production shutdown schedule. Each of these 41 activities were risk assessed by our teams according to our approach and a deviation agreed.

	2022	2023
Number of maintenance activities on SCE <u>falling overdue</u> at yearend	51	41
Number of maintenance activities on SCE <u>outstanding</u> at yearend¹	0	0

1. Here, "outstanding" means maintenance that has fallen "overdue" according to the equipment's maintenance latest-allowed-finish date, but that has a "deviation" to extend this date in place.

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Maintenance approach to safety-critical elements

Site inspections and observations are carried out daily. From observations made, a risk analysis is conducted to best define priorities for corrective actions, based on the likelihood of occurrence and potential severity of the potential process safety event (PSE). A latest-allowed-finished-date is set for any maintenance on safety-critical elements (SCE). This date can be extended (a "deviation") following a second risk assessment, carried out by both Operations and HSSE teams, and agreed by Assala's management team. For all deviations, a new maintenance latest-allowed-finish-date is agreed, and mitigations are put in place, with regular control measures, to ensure integrity of the safety-critical element until the planned, deviated maintenance commences.

Our approach is fit-for-purpose. If, for example, the SCE maintenance activity indicates there is a requirement for a total facility shutdown, the latest-allowed-finish-date can be risk assessed, and a deviation agreed so that the two dates coincide. This approach allows planning, resource and impact efficiencies to be made.

1. Here, "outstanding" means maintenance that has fallen "overdue" according to the equipment's maintenance latest-allowed-finish-date, but that has a "deviation" to extend this date in place.



Spills and Losses of Primary Containment

Our emergency response teams respond to loss of primary containment (LOPC) and spill alerts immediately. Once the source of the LOPC or spill has been identified and addressed, the incident is investigated to ensure the root cause is located and necessary repairs are made.

Where necessary, any contaminated soil is excavated and treated through landfarming, rendering it safe for return to the environment, as was the case at a Tier 1 PSE at our Rabi field in Q3 2022 (See Case study: Landfarming, in Environment).

In 2023, Assala strengthened our incident reporting system, with improved criteria for monitoring and reporting LOPCs and spills, meaning that incidents were more accurately captured with increased granularity.

Increases in LOPCs in 2023 were also linked to the increase in operational activity.

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LOPC monitoring (2020 – 2023)

Assala classifies loss of primary containment (LOPC) according to the IOGP's 4-tier approach to process safety events (PSE).

In 2023, our targets for LOPCs were:

IOGP category:	Tier 3 (with consequences) ¹	Tier 2	Tier 1
Assala's 2023 target:	< 20	< 2	0

1. For Assala, all Tier 3 events are LOPCs with consequences which do not meet the criteria for a Tier 1 or Tier 2 process safety event (PSE).

Key definition:

Loss of Primary Containment (LOPC)¹:

An unplanned or uncontrolled release of any material including non-toxic and non-flammable materials (e.g. steam, hot water, nitrogen, compressed CO₂, or compressed air).

Primary containment²: A vessel, pipe or barrel designed to keep a material within it.

Process Safety Event (PSE)³: An unplanned or uncontrolled release of any material including non-toxic and non-flammable materials (e.g. steam, hot water, nitrogen, compressed CO₂, or compressed air) from a process, or an undesired event or condition that, under slightly different circumstances, could have results in a release of a material.

Tier 1 and 2 PSE¹: Process safety KPIs covering major and less severe losses of containment (LOPC) incidents and indicate the failure of multiple barriers.

Tier 3 PSE¹: Process safety KPIs recording an operational situation typically considered a "near miss", which has challenged the safety system by progressing through one or more barrier weaknesses to result in an event or condition with (i) consequences that do not meet the criteria for Tier 1 or Tier 2 (see above) (ii) no actual consequences, but the recognition that, in other circumstances, further barriers could have been breached and a Tier 1 or Tier 2 PSE could have happened.

Tier 4 PSE¹: Process safety KPIs covering the implementation (operating discipline) and effectiveness (performance) of the Management System Elements that support the performance of key barriers.

Secondary containment²: An impermeable, non-leaking physical barrier specifically designed and maintained to keep spilled materials from reaching soil or water.

Spill to the environment²: Any unintended release of liquids or solids associated with current operations, from primary or secondary containment, into the environment.

1. IOGP, 2018, Report 465 "Process safety – Recommended practice on Key Performance Indicators".

2. Ipieca Sustainability reporting guidance for the oil & gas industry (2020).

3. American Petroleum Institute Guide to Reporting Process Safety Events Version 3.1

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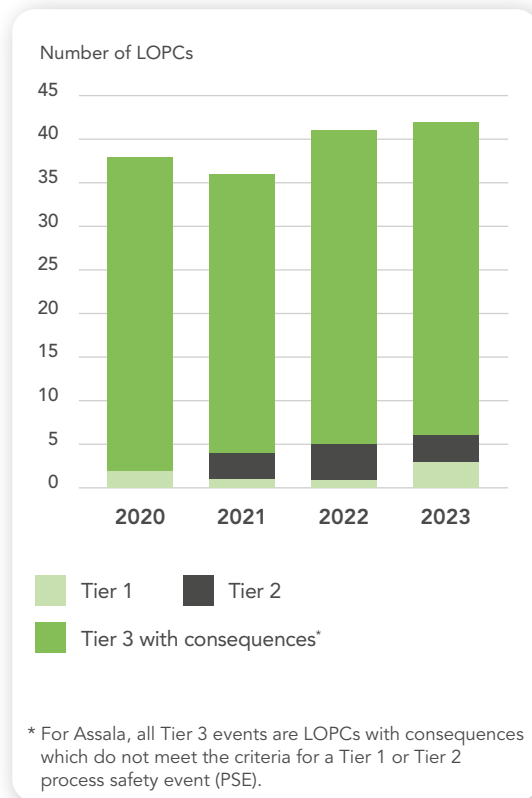
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Whilst Assala did not meet our PSE target against this framework, none of the reported spills nor LOPCs resulted in harm to people, the environment, or our assets, and were promptly contained.



Spills monitoring (2021 – 2023)

Spills are classified according to IOGP’s oil spill response tiering system¹. According to this system, all spills occurring from Assala’s facilities were tier 1, meaning they required only a site/local resource response.

2023’s rise in spilled hydrocarbon volume may be primarily attributed to a tier 1 spill at our Rabi field in Q3 2023. Upon discovery, teams were immediately alerted, triggering the activation of Assala’s Emergency Response procedure. The spill area was promptly contained by emergency response teams, and the spilled hydrocarbons recovered by vacuum truck. Extensive remediation activities were then

carried out, including the removal of contaminated soil to Assala’s dedicated landfarming site. The incident was appropriately reported in Assala’s Incident Management system, and, following investigation, identified corrective actions were closed out, and learnings are adopted and cascaded across teams involved.

Following a spill, Assala leaves no residual hydrocarbons in the environment. Where volumes reach land, hydrocarbons are either vacuumed and returned to secure containment, or contaminated soil is excavated and treated through landfarming. All spill volumes reaching the environment are safely recovered.

	Number of spills (> one barrel)			Volume (barrels)			Volume (litres)		
	2021	2022	2023	2021	2022 ¹	2023 ²	2021	2022 ¹	2023 ²
Spill from primary containment	6	8	18	23.6	57.5	591.6	3,754	9,150	94,142
Contained³	4	4	1	11.7	13.4	32.8	1,859	2,132	5,220
Reaching land	2	3	17	11.9	32.8	551.1	1,895	5,217	87,697
Reaching water	0	0	0	0	0	0	0	0	0

1. The increase in spills volumes in 2022 is primarily due to a Tier 2 spill at our Toucan field in Q4 2022.
 2. The increase in spills volumes in 2023 is primarily due to a Tier 1 spill at our Rabi field in Q3 2023.
 3. 100% of spill volumes recovered from secondary containment.

1. 2. IOGP Report 526, Tiered preparedness and response, 2015 defines oil spill tiers as:
 Tier 1: Resources necessary to handle a local spill and / or provide an initial response
 Tier 2: Shared resources necessary to supplement a Tier 1 response
 Tier 3: Global resources necessary for spills that require a substantial external response due to incident scale, complexity and / or consequence potential

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Emergency response and preparedness

Our teams' preparedness for incidents and emergencies on sites is of strategic importance to ensure the mitigation of our potential impact on people, the environment, and our assets. We are committed to ensuring that our teams feel safe on site and are trained and competent to manage the risks associated with our industry.

Our HSSE and Learning and Capability teams collaborate to develop our annual Emergency Response training programme:

- **Firefighting:** Since 2021, we have successfully trained 82 level 1 (basic training) firefighters, and 76 level 2 (large scale intervention) firefighters. With certifications valid for three years, in 2024, we will commence a refresher training programme for these individuals. We maintain awareness and readiness by including key fire-fighting response knowledge in fire extinguisher maintenance sessions and in emergency response exercises. In 2023, we made it a mandatory requirement for all contractors to have undergone firefighting training before joining us on operational sites.

- **Oil spill response:** In 2023, we prioritised comprehensive oil spill response training provision on our sites. Using an International Maritime Organisation (IMO)-approved vendor, identified staff have been trained to respond effectively to oil spill incidents. 45 personnel undertook level 3¹ training, equipping them with the expertise to manage and supervise oil spill response operations effectively. Additionally, 30 personnel received specialized level 2¹ training, focusing on frontline response activities, including equipment deployment and containment procedures. These initiatives underscore our commitment to environmental protection and ensuring swift, efficient responses to any oil spill incident.

- **Scenario exercises:** In 2023, we conducted 77 scenario exercises, against our target of 76. Of these 77 scenarios, 36 drilled our response to major accident hazard exercises. These drills assessed our readiness to respond to potential scenarios emerging from site-based safety studies as well as to identify areas for continuous improvement.

See also Emergency response and preparedness, in Metrics & targets.

Putting our training into practice: Major drill simulation exercise

In Q3 2023, Assala's Emergency response and preparedness team successfully planned and executed a major drill exercise, involving all levels of crisis response teams in both the UK and Gabon.

In 2022, we executed a drill simulating a tier 3¹ hydrocarbon spill from Assala's main oil line in the southern assets. In 2023, we simulated the same in the northern assets, allowing our teams to identify the strengths and areas of improvement in our major emergency response. 13 actions were identified, which are due to be closed out by Q2 2024.

1. IOGP Report 526, Tiered preparedness and response, 2015 defines oil spill tiers as:
 - Tier 1: Resources necessary to handle a local spill and / or provide an initial response
 - Tier 2: Shared resources necessary to supplement a Tier 1 response
 - Tier 3: Global resources necessary for spills that require a substantial external response due to incident scale, complexity and / or consequence potential

1. IOGP Report 499, Oil spill training, Feb. 2014, page 11 defines training levels as:
Level 1: First Responder
Level 2: Supervisor/On-Scene Commander
Level 3: Administrators and Senior Managers.

WASTE

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Responsibly managing materials and waste is an integral part of our commitment to mitigate our impact on the environment. At Assala, we aim to adopt sustainability into our activities. As an operator of mature assets, we approach the issue of waste from two angles.

The first is to integrate waste management principles into our strategy, meaning that we commit to ensuring that a waste mitigation and treatment plan is in place at the beginning of each new project. The objective of this commitment is to avoid accumulated waste on site, as well as meet regulatory requirements for waste management. As such, we are systematically working towards net zero environmental impact from our operations.

The second is to eradicate legacy waste from our operations. In Assala's case, most of this category of waste on our sites is inherited from the previous operator, and we have successfully developed and implemented a strategy to eliminate this from our sites.

Key definition:

Legacy waste: Waste that has been on our sites from more than three years.

Integrating waste management principles into our strategy

As an upstream oil and gas exploration and production company, Assala's most significant waste-related impacts relate to our own operations, with waste primarily produced during, or because of, our primary operations.

Our internal waste management standard supports us to better manage our waste and make reductions and optimisations where possible. Waste is categorised as either domestic or industrial (operational), and then grouped as either hazardous or non-hazardous:

- **Domestic waste:** waste produced in camps or offices
- **Industrial waste:** waste produced in operations (but not in camps or offices)
- **Non-hazardous:** waste that does not cause harm to people or the environment
- **Hazardous:** waste that poses actual or potential threats to public health or the environment and generally exhibits one or more of these characteristics: explosive, oxidizing, flammable, corrosive, toxic to humans, radioactive etc.

Labelling rules for waste disposal points, as well as regulatory and best practice disposal methods for all waste streams, are also outlined in our waste management standard. In 2023, we updated our

standard to include a cradle-to-grave waste monitoring system: all waste from any location must be accompanied by an electronic consignment note, from point of production to point of disposal. With this system, we can better track waste throughout its lifecycle and identify optimisations in our strategy because the data is more robust.

These guidelines support us to follow our strategy to implement a waste management plan at the start of every project. From the outset, we consider a waste management hierarchy (prevent, reduce, reuse, recycle, dispose), as well as opportunities for circularity by repairing and repurposing materials when it is safe and permitted to do so. This means we can anticipate the creation of waste as a by-product of our operations, allowing us to set realistic goals for our waste treatment plans and work towards our objective to avoid the accumulation of waste on our sites.

Sources of industrial waste in our operations include, for example, liquid effluents and cuttings from our drilling activities. Where effluents are either reinjected or disposed, cuttings are washed, stabilised and either stored or quarried on site, in line with International Finance Corporation onshore oil and gas development guidelines¹. On our sites, scrap metal is often repurposed in construction projects, where deemed safe to do so by our Operations and HSSE teams, and drilling mud is reused.

1. <https://www.ifc.org/content/dam/ifc/doc/2000/2007-onshore-oil-gas-development-ehs-guidelines-en.pdf>

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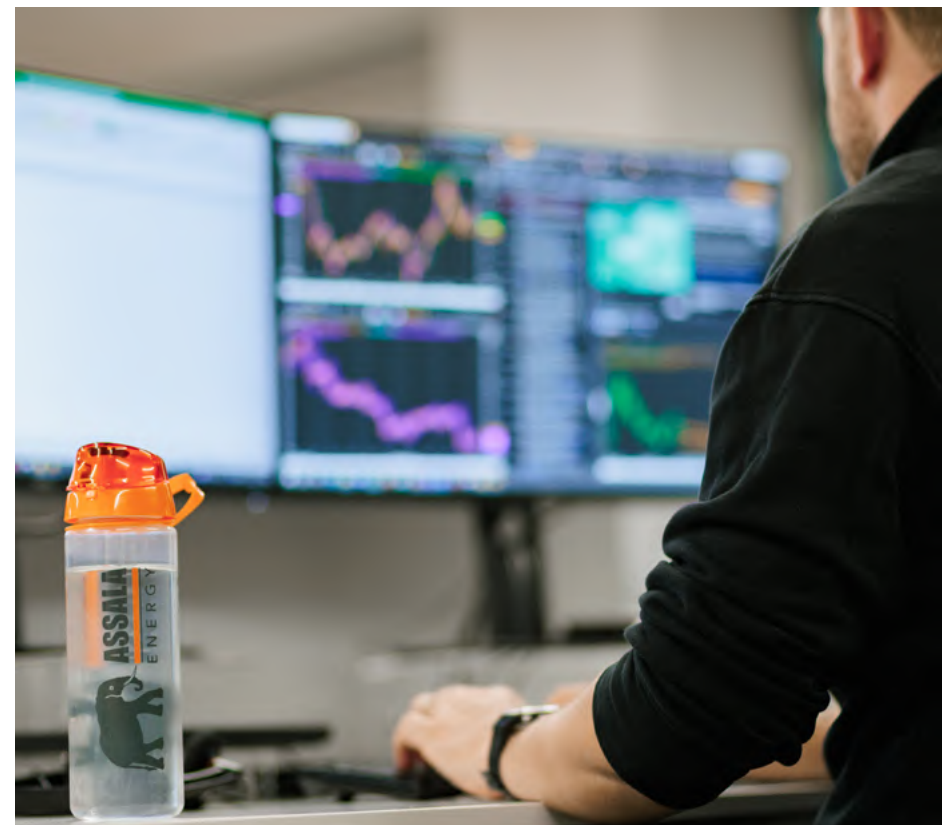
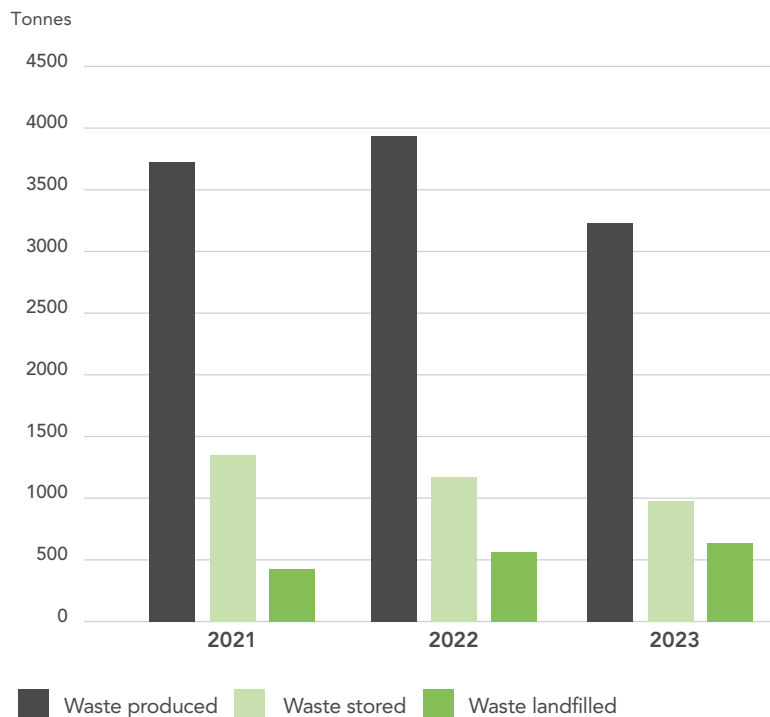
Where possible, we divert waste from disposal as part of our effort to reuse or recycle.

- **Plastic:** Since 2019, we have run our Zero Plastic Bottles initiative in our offices and on our sites, replacing single-use plastic bottles with reusable bottles and water coolers. Since then, we have prevented the use of more than 450,000 plastic bottles per year, and have recycled more than 25,000kg of legacy PET1 plastic through a third party.

- **Organic waste:** On our sites, we implemented food sorting to strengthen repurposing and recycling opportunities. As part of our Rondani initiative, food and other organic waste is donated to local agricultural cooperatives to be cultivated into compost. In 2023, more than 10,000kg of organic waste was diverted from disposal through this initiative.

Find out more about *Rondani* in a dedicated case study, in the Biodiversity section of this report.

Waste analysis (2021 – 2023)



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The efficient and sustainable management of waste requires local infrastructures which are currently under development in Gabon. The quantity of waste, the recycling or treatment facilities required, and the necessary government authorisations to engage a vendor are all considerations for Assala. Furthermore, fewer solutions are available for mixed domestic and some industrial waste, meaning waste is often stored on our sites until it can be responsibly recycled or disposed of, or landfilled, where there is no other alternative. As such, our protocol for storing and landfilling waste is defined in our internal waste management standard and shared with teams across our operations.

Eradicating legacy waste from our operations

Tackling legacy waste is Assala's choice as a responsible operator working to reduce the impact of our activities. We have worked to eliminate legacy waste on our sites since 2019.

Decommissioning industrial oil waste pits

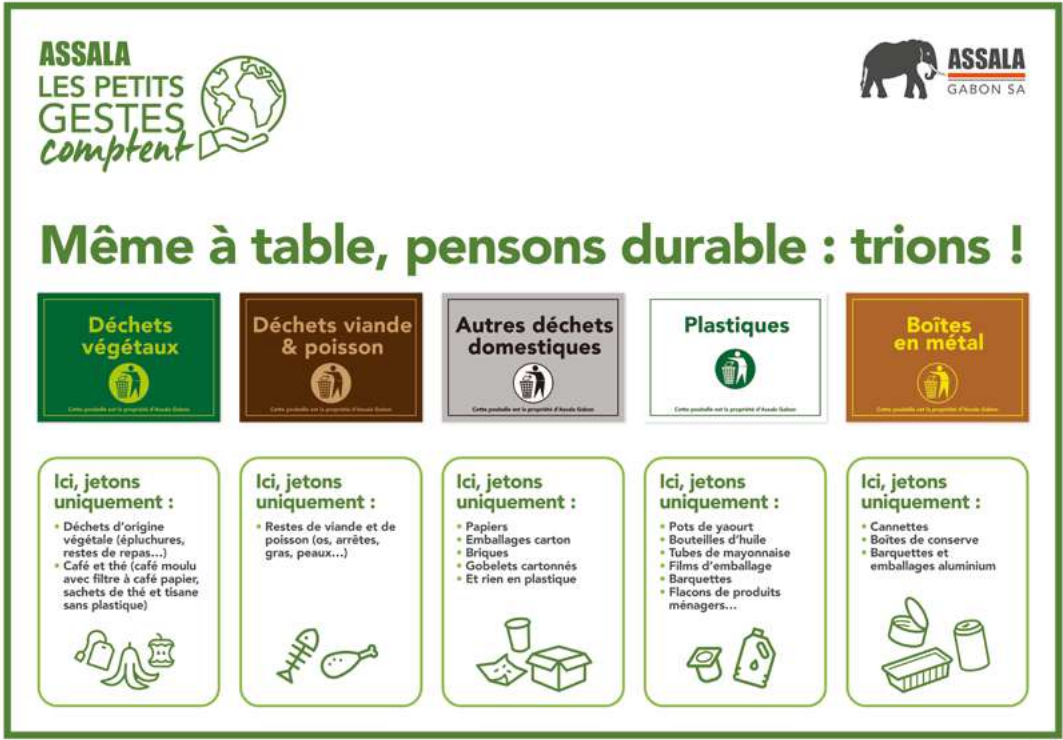
Sludge and oil residue are by-products of production operations and contribute to the accumulation of waste. As part of our waste management strategy, such material is reduced where possible, and otherwise responsibly managed.

However, previously, sludge and oil residue were stored in large, industrial oil waste pits. As part of our commitment to eliminate legacy waste, Assala has been working to decommission and restore these areas. Our approach is to treat sludge and contaminated soil through landfarming, allowing us to fill excavated areas with internationally compliant soil, and to reinject hydrocarbon liquids back into our production process.

Gamba-01 was successfully decommissioned in 2021. In 2023, Gamba-45 at Gamba, and the Merle pit at our Koula site were fully restored at the end of 2023, on schedule. According to our plan, Gamba-45 remains functional as a waste storage contingency, to be used only as a last resort.

Removing other legacy stored waste

In 2021, Assala committed to remove and safely dispose of all legacy, stored waste from our operational sites, as part of a two-year plan. By year end 2023, we had removed two thirds of all legacy stored waste. The completion date for this project was extended to yearend 2024 in response to administrative changes in Gabon.



ASSALA
LES PETITS GESTES comptent

ASSALA
GABON SA

Même à table, pensons durable : trions !

Déchets végétaux	Déchets viande & poisson	Autres déchets domestiques	Plastiques	Boîtes en métal
<p>Ici, jetons uniquement :</p> <ul style="list-style-type: none"> Déchets d'origine végétale (épiluchures, restes de repas...) Café et thé (café moulu avec filtre à café papier, sachets de thé et tisane sans plastique) 	<p>Ici, jetons uniquement :</p> <ul style="list-style-type: none"> Restes de viande et de poisson (os, arêtes, gras, peaux...) 	<p>Ici, jetons uniquement :</p> <ul style="list-style-type: none"> Papiers Emballages carton Briques Gobelets cartonnés Et rien en plastique 	<p>Ici, jetons uniquement :</p> <ul style="list-style-type: none"> Pots de yaourt Bouteilles d'huile Tubes de mayonnaise Films d'emballage Barquettes Flacons de produits ménagers... 	<p>Ici, jetons uniquement :</p> <ul style="list-style-type: none"> Cannettes Boîtes de conserve Barquettes et emballages aluminium

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Case study: Landfarming

The process

Assala treats legacy sludge, oil residue and black spot areas through ex-situ landfarming, a technique used to treat soils contaminated with hydrocarbons. The process reduces the hydrocarbon concentration through bioremediation, degrading harmful pollutants into nontoxic or less hazardous substances using enzymes and other microorganisms. This is a completely natural process. The treated soil is also mixed for aeration, stimulating the added nutrients and encouraging hydrocarbon loss to the atmosphere¹.

Soil conditions are controlled to optimise the rate of contaminant degradation to acceptable international standards.



1 Contaminated soil is safely transported to our dedicated landfarming site at Gamba.



2 Nutrients are added and aerated to improve efficiency of treatment process.



3 Treated soil is moved to lined beds to allow continuous monitoring of hydrocarbon degradation and soil quality improvement.



4 Once treated to within internationally compliant levels, soil is used to backfill excavated land and is covered with an ecolayer to encourage regrowth.



5 Assala operates in harmony with nature.

1. <https://www.sciencedirect.com/science/article/pii/S0048969717309099>

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The results

In December 2022, tests conducted by an external contractor demonstrated that Assala's landfarming process has been successful. Between May and December 2022, average hydrocarbon concentration in the soil had decreased from 78,000ppm to 3,000ppm, significantly below the threshold of 5,000ppm agreed with Gabon's Hydrocarbon Ministry's laboratory team (DGEL) at the beginning of the process. In early 2023, DGEL representatives also controlled and validated these results to ensure compliance with the agreed threshold. This threshold meets France's *Bureau de recherches géologiques et minières* recommendations¹.

Putting landfarming into practice: treating and remediating black spot areas

Since 2019, Assala has been working to remediate legacy black spots as part of a five-year plan. Black spots are sites of contaminated soil resulting from oil and gas production activities. Created by practices that, today, are unacceptable in our industry, black spots within Assala's assets were inherited and contribute to legacy waste. To date, Assala has invested 4M USD in this initiative.

Implementing solutions for the future

This technique allows us to eliminate legacy waste from our sites, as well as implement a solution for the future. In the event of a process safety event (PSE) leading to a spill, instead of storing contaminated soil, we can rehabilitate and return it to the environment, as was the case following a PSE at our Rabi field in 2023.

Continuous monitoring of ground water sources is crucial to the efficient identification of newly contaminated areas. In the event of an LOPC or spill, our teams are prepared to respond and, where necessary, remove soil to be treated at our dedicated landfarming site. See Spill and Losses of Primary Containment for more details on rehabilitation of spills areas.

At the end of 2023, more than 27,000m³ of contaminated land had been remediated through landfarming and had been used to backfill three excavated zones.

Our journey

	2019	2020	2021	2022	2023	2024
	Project initiated: 30 legacy black spots mapped	COVID-19 logistical constraints delay project Contractor identified to commence work in 2021	Analysis conducted by specialist contractor which reduced 30 black spots to 7	10800m ³ of inherited contaminated ground treated Concentration of hydrocarbons in excavated soil reduced to 3,000ppm	27,000m ³ remediated and backfilled into three excavated zones	16,700m ³ identified for remediation

1. <https://infoterre.brgm.fr/rapports/RP-52276-FR.pdf>

SITE CLOSURE AND REHABILITATION

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In line with our HSSE policy, Assala is committed to safely and responsibly decommissioning our operational facilities and restoring these sites in line with international best practices. Our ultimate objective is to ensure that each site is left in a non-hazardous condition for both people and wildlife, which will allow nature to retake the areas unaided.

Key definitions:

Decommissioning: facility closure, including wells, followed by removal of process equipment, buildings and structures.

Remediation: management of potentially contaminated soil, surface water and groundwater to prevent, minimise or mitigate our impact on people and the environment.

Reclamation: restoring the land to meet company, government, and/or local needs.

Environmental Social Impact Assessment (ESIA): Assessment study of the direct and indirect impacts of a project on the ecological balance, the quality of life and the environment of the communities resident in the area where the project is located and in the adjacent areas.

Assala's business has a 25-year horizon, with production licence extensions, as well as exploration licences, acquired in 2019. Site closure and major decommissioning operations are not currently part of our activities. Nonetheless, we plan for sustainable technical and physical decommissioning of our assets and reserve a fund for this endeavour. This decommissioning cost estimate and fund is revaluated and audited annually by our Operations and Finance teams, as well as by external parties.

For any future closure and rehabilitation activities, our approach will be determined by an Environmental Social Impact Assessment (ESIA) which considers social infrastructures, natural landforms, and ecosystems. Our decommissioning guidelines follow international best practices and standards, and any chosen methodology will be agreed with relevant authorities, namely Gabon's Ministries for Hydrocarbons and for the Environment, as well as through consultations with local communities.

Future closure and rehabilitation activities will involve oil and gas installations and equipment, as well as camps, offices and waste facilities.

Oil and gas installations:

From a technical and operational perspective, we consider the overall site closure process in three phases: achieving hydrocarbon free, facilities disposal, restoration and reclamation.

Phase 1: Achieving hydrocarbon free

Our primary objective is to clean all identified facilities and pipelines that have come into contact with hydrocarbons, before safely removing them from the environment (phase 2). Facilities include:

- Production process and utility facilities: pumps, compressors, tanks, fencing etc.
- Onshore pipelines: water injection lines, subsurface and surface lines etc.
- Wells: permanent abandonment to isolate hydrocarbon zones, aquifers, and saline water.
- Concrete and steel structures: telecom masts (if not able to be reused by the community), buildings such as workshops and offices, bridges etc.
- Earthworks: roads, air strips, vehicle parking (if not able to be reused by the community) etc.
- Offshore facilities: subsea pipelines, floating hoses, single-point mooring buoy etc.

Phase 2: Facilities disposal

The cleaned facilities will then be dismantled for disposal. Where facilities have not come into contact with hydrocarbons or other potentially hazardous materials, our approach is to explore reuse or recycling opportunities, in line with our waste management strategy, or leave cleaned and secured facilities in situ, in accordance with industry best practice.

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Phase 3: Post-decommissioning, restoration and reclamation

When decommissioning, due consideration is given to potential hinderances to site restoration and natural regrowth such as compacted surfaces, erosion, change in local hydrology etc. To mitigate this, Assala plans to, where possible, hand over civil infrastructures to the community or local authorities for use. Where this is not possible, an Environmental Social Impact Assessment (ESIA) will allow us to identify the best method to allow reclamation. Potential solutions could include the removal of bitumen from road surfaces to leave a natural underlayer, allowing vegetation to grow, or the management of streams or rivers to mitigate erosion. Before beginning any decommissioning operations, we will make a technical presentation to relevant authorities for their input and recommendations.

Camps, offices, and waste facilities:

For domestic and waste facilities, we consider the overall site closure process in three phases: safe removal (hazard identification and mitigation), secure demolition, remediation.

Phase 1: Safe removal (hazard identification and mitigation)

For each activity, we will develop a decommissioning scope and plan, including a risk assessment documenting hazards identified and mitigations measures to be taken during decommissioning. Waste resulting from these activities will be disposed of according to the asset's waste procedure. Additionally, we will conduct soil and hydrology tests to identify potential chemical, biological or physical hazards.

Phase 2: Secure demolition

The risk-assessed, cleaned assets will be dismantled or demolished for disposal. Waste storage facilities will be removed in the following order: sludge pits, liners, bundwalls. Containers used for housing or offices will be scrapped and sent for recycling, in line with our waste management strategy. Concrete structures will be appropriately demolished, and rubble removed.

Phase 3: Remediation

Before beginning remediation activities, we will make a technical presentation to relevant authorities for their input and recommendations.

Measuring success

The final outcome of decommissioning activities is that all surfaces will be revegetated on suitable seedbeds for the environment. We will collaborate with our stakeholders, including local communities and administrations, NGOs and environmental experts to ensure local development through technology transfer and consideration of cultural heritage aspects. The success of Assala's strategy to restore operated land would be measured by the speed of revegetation in treated areas.



METRICS & TARGETS

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- Mandatory training
- External audits – ISO 14001 results
- External audits – IFC results

Social

- Safety performance
- Emergency response & preparedness (Assala Gabon)
- Continuous improvement / culture
- Local Content / Social performance

Environment

- Outstanding maintenance on safety-critical elements
- GHG strategy & roadmap
- Legacy waste roadmap
- Biodiversity



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About these metrics & targets

At Assala, we continuously monitor our performance in Environmental, Social and Governance areas, and transparently report on our progress against our targets. Below is a summary of key results. These results are discussed elsewhere in this report, in more detail.

GOVERNANCE

Mandatory training

Subject	Identified audience ¹	2024 target	2023 actuals	2022 actuals	2021 actuals ²	2020 actuals ²	2019 actuals ²
Code of Conduct	All eligible Assala employees & identified contract workers	100% of employees; 90% of identified contract workers	100%	100%	100%	100%	100%
HSSE induction	All Assala employee, contract workers or manpower staff obtaining access to Assala-operated sites or offices	100%	100%	100%	100%	100%	100%

1. Since 2022, this metric is based on "identified audience", and not "location" as in 2019, 2020 and 2021 reports. Training on Assala's Code of Conduct is mandatory for all Assala employees, and contract workers identified as expected to adhere to our Code of Conduct. Some identified contract workers are located outside of the United Kingdom or Gabon. An HSSE induction is mandatory for each person obtaining temporary or long-term access to an Assala-operated site or office, regardless of their normal work location.

2. Refer to footnote 1: the adjustment from "location" to "identified audience" in 2022 did not alter 2021, 2020 or 2019 results.

Governance

Mandatory training

External audits –
ISO 14001 results

External audits – IFC results

Social

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culture

Local Content / Social
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External audits – ISO 14001 results

An ISO certification is valid for three years. The audited company undergoes two surveillance audits during the three-year certification cycle.

Special surveillance audits can be requested by the auditor to address major or minor non-conformities from the previous audit year, or to redefine contract terms between the auditor and the audited company.

Subject	Description	2024 targets	2023 actuals		2022 actuals		2021 actuals	2020 actuals		2019 actuals
		Surveillance audit #2	Change to approval audit	Surveillance audit #1	Special surveillance audit ¹	Special surveillance audit ²	Renewal audit	Surveillance audit #2	Special surveillance audit	Surveillance audit #1
		March 2024 ⁹	March 2023	Feb. 2023	Feb. 2022	Nov. 2022	Nov. 2021	Deferred to March 2021	March 2020	Nov. 2019
Major non-conformities (NC)	Status at previous audit	0	–	0	–	0	0	0	2	0
	Closed ³		–	–	–	–	–	–	-2 ⁴	-0
	New ⁵	new Major NC	+0	0	–	0	–	0	+0	+2
	Status at yearend		0	0	–	0	0	0	0	2
Minor non-conformities (NC)	Status at previous audit	0	–	3	–	4	4	7	5	3
	Closed	new Minor NC, as a point of principle ⁷	–	-3	–	-1	-3	-7	–	-0
	New ⁶		+0	+0	–	+0	+3	+4	2	+2
	Status at yearend		0	0	–	3	4	4	7	5
Other			Successful prequalification for Atora ⁸			–	Certification renewed for 3 years			

1. Purpose: redefine contract terms between Assala Gabon S.A. and the auditor due to a change of Personnel on Board at Assala Gabon S.A.

2. Purpose: address minor non-conformities from the previous audit year.

3. Closed or downgraded from Major to Minor NC.

4. Both were downgraded to Minor NC.

5. New Major NC; or upgraded from Minor to Major NC.

6. New Minor NC; or downgraded from Major to Minor NC.

7. Assala commits to continuous improvement: zero in this context refers to maintaining a zero position or to the timely closing-out of any NC found in an ISO 14001 audit.

8. Prequalification audit of Atora confirmed that Atora could be integrated in the scope of Assala Gabon S.A.'s ISO 14001 certification.

9. So-called "focus audit" to certify critical processes across sites, with a special focus on Atora because Atora was integrated in Assala Gabon S.A.'s ISO 14001 certification in 2023.

Governance

- Mandatory training
- External audits – ISO 14001 results
- External audits – IFC results

Social

- Safety performance
- Emergency response & preparedness (Assala Gabon)
- Continuous improvement / culture
- Local Content / Social performance

Environment

- Outstanding maintenance on safety-critical elements
- GHG strategy & roadmap
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- Biodiversity

External audits – IFC Performance Standards results

Assala undergoes an annual audit of our Environmental Social Action Plan (ESAP) and its adherence to International Finance Corporation Performance Standards (IFC PS).

Findings from these audits are presented below.

Subject	Description	2024 targets ¹	2023 actuals	2022 actuals ^{2,7}	2021 actuals ³	2020 actuals ⁴	2019 actuals ⁵
Major Non-Conformities (NC)	Status at previous audit	2	0	0	8	13	–
	Closed during the year	Close all Major NC within the designated timeframe	–	–	-8	-5	–
	New identified during the year	No new Major NCs identified	+2	0	+0	+0	13
	Status at yearend		2 (+2)	0 (+/-0)	0 (-8)	8 (-7)	13
Minor Non-Conformities (NC)	Status at previous audit	31	31	32	55	64	–
	Closed during the year	85% of Minor NC closed ⁶	-10	-8	-41	-9	–
	New identified during the year	No new Minor NC identified	+10	+7	+18	+0	64
	Status at yearend		31 (+/-0)	31 (-1)	32 (-23)	55 (-9)	64
Improvement opportunity	Status at previous audit	40	45	48	37	37	–
	Closed during the year	Close all Improvement opportunities within the designated timeframe	-17	-11	-0	-0	–
	New identified during the year	No new improvement opportunities identified	+12	+8	+11	+0	37
	Status at yearend		40 (-5)	45 (-3)	48 (+11)	37 (+/-0)	37



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Subject	Description	2024 targets ¹	2023 actuals	2022 actuals ^{2,7}	2021 actuals ³	2020 actuals ⁴	2019 actuals ⁵
Continuous improvement	Status at previous audit	14	23	18	11	11	–
	Closed during the year	Close all Continuous improvements within the designated timeframe	-11	-2	-6	-0	–
	New identified during the year	Close all Continuous improvements within the designated timeframe	+2	+7	+13	+0	11
	Status at yearend		14 (-9)	23 (+5)	18 (+7)	11 (+/-0)	11
Total actions			87 (-12)	99 (+1)	98 (-13)	111 (-14)	125

1. Since Assala took over operatorship of its upstream assets in Gabon, an organisational objective has been to proactively address deficiencies: maintaining zero major non-conformities is a point of principle. For clarity, minor non-conformities have a secondary risk classification and are managed so that they do not escalate or develop into major non-conformities.

2. As COVID-19 logistical constraints eased, 2022's IFC audit was performed on site for the first time since 2019, allowing audit teams to travel safely to our operations.

3. Desktop audit conducted remotely due to COVID-19 logistical constraints.

4. Not audited: progress was made against the previous audit result but could not be verified by an independent auditor in 2020 due to the COVID-19 pandemic.

5. First audit of Assala's performance against IFC Performance Standards.

6. Closing Non-Conformities during the year is a point of principle. However, some actions require longer term planning for adequate closure. A typical industry objective is to close 85% of Minor NCs.

7. Restatement: In 2022, we reported the combined total findings from the annual audit of our ESAP and from a standalone asset integrity audit. In 2023, we removed the asset integrity audit findings to focus on actions relating to our ESAP and improve reporting on this topic.

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Combined workforce ¹	2024 targets ²	2023 actuals	2022 actuals	2021 actuals ³	2020 actuals ³	2019 actuals ³
FAR	0	0	0	0	0	0
LTIR	0	0.15*	0**	0	0	0.55
TRIR	0	1.74*	1.49**	1.68	3.52	3.3

1. Combined workforce includes Assala Gabon employees and contractors, and Assala Energy employees only. Assala Energy contractor data not available. United Kingdom Off Payroll Working Rules (IR35) dictate that a business benefiting from specialist contractor services cannot track a contractor's hours worked nor impose a working schedule. This methodology has been applied since 2022. See also footnote 3.

2. Assala has a target of zero as a point of principle. However, we benchmark actual performance with the IOGP average and set internal targets to measure our performance. See Safety, in Social.

3. From 2019 – 2021, total rates were calculated using Assala Gabon data only. In 2022, Assala strengthened reporting capabilities to improve recording of manhours worked. As such, total rates from 2022 onwards include manhours worked by Assala Energy in the UK. See also footnote 1. For methodologies, please refer to Assala's Basis of reporting.

*Information independently assured in 2023.

**Information independently assured in 2022.

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Emergency response & preparedness (Assala Gabon)

	2024 targets	2023	2022	2021	2020	2019
Site-level exercises (Field response team)						
Target						
Number of exercises to be conducted over the year ^{1,2}	76 ³	76	75 ⁵	69 ⁷	60 ⁹	60 ⁹
Status						
Actual number performed:	–	77 ⁴	81 ^{5,6}	66 ⁸	46 ¹⁰	55 ¹¹
Completion rate:	–	101%	108%	95%	77%	92%
Of which: Site-level exercises simulating a major operational accident (Field response team)						
Target						
Number of exercises to be conducted over the year ^{1,12}	44 ²⁵	39 ¹³	41 ¹⁴	19 ¹⁵	16 ¹⁶	16 ¹⁶
Status						
Actual number performed:	–	36 ⁴	40 ^{1,14,17}	23 ^{1,18}	14 ¹⁹	14 ¹¹
Completion rate:	–	93%	98%	121%	88%	88%
Of which: Country-level comprehensive exercises (Incident Management Team)						
Target						
Number of exercises to be conducted over the year ^{1,20}	1	1	1 ²¹	2 ²²	2 ²²	2 ²²
Status						
Actual number performed:	–	1	1	0	0	0
Completion rate:	–	100%	100%	0% ²³	0% ²³	0% ^{11,24}



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Emergency response & preparedness (Assala Gabon) (contd.)

1. Exercise scenarios are selected from internal LFI findings, project requirements, safety studies approved by industry regulators, and specific industry standards requirements (e.g., International Ship and Port Facility Security). Assala's aim is to exercise scenarios included in our safety studies, which are new to specific sites. Operational requirements and responses to LFI findings cause the annual to target to vary from year to year, as this is determined by the number of exercises arising from these findings. Additionally, operational constraints mean that the calendar is flexible as resources are supplemented or redirected to meet training requirements. Exercises are tracked in a yearly calendar.
2. Target: at least 1 exercise per site per month. See also footnote 1 to understand variance.
3. In 2024, Assala's five operational sites, as well as one office location and one port location aim to simulate at least 1 site-level exercise per month per month at operational sites/offices (1 per quarter at port location). See also footnote 1.
4. Port-Gentil, Gamba and Rabi did fewer exercises than planned, and some sites conducted extra exercises to respond to LFI findings and meet specific project training requirements. 13 unplanned exercises were carried out to address scenarios raised by new projects or LFI findings in each location throughout the year. Some planned scenarios were not performed due to operational constraints (key personnel absences, non-availability of resources, etc). All planned scenarios not performed in 2023 have been inserted into the 2024 calendar to ensure comprehensiveness of the programme. HSSE teams have implemented a digital system in Velocity, Assala's internal incident reporting system, to better facilitate tracking of training requirements at a site level.
5. Restatement: target for 2022 was 75 (1 per month per site, and 3 to account for International Ship and Port Facility Security (ISPS) requirements for training at Assala-operated Mayonami port). Reported as 72 in 2021.
6. Unplanned exercises were carried out to address scenarios raised by new projects or LFI findings in each location. See also footnote 1.
7. At least once per month, for each of the 6 locations [in 2021, Rabi, Gamba, Toucan, Koula, Port-Gentil (office + logistics base) and Atora from April]. In the 2020 ESG Report, we reported 72, considering Atora for the full year, adjusted to 69, considering Atora for 9 months.
8. Port-Gentil office locations did fewer exercises than planned, and some operational sites conducted extra exercises as new contractors required more intense training to reach the expected preparation level.
9. At least once per month, for each of the 5 locations [in 2019 & 2020, Rabi, Gamba, Toucan, Koula, Port-Gentil (office + logistics base)].
10. Variance due to extended rotations due to quarantine, COVID-19 testing, and a modified rotation pattern meant fewer people were captured by the exercise schedule defined for the year.
11. In 2019, Assala's Emergency Response and Preparedness procedures were approved; that year, comprehensive on Major Emergency Management and Oil Spill Response provided large scale simulation opportunities.
12. Target: at least 1 exercise per site per quarter. See also footnote 1 to understand variance.
13. Difference in target between 2023 and 2024 is due adjustments to the schedule prompted by LFI insights. One scenario was added for Gamba, one removed for Rabi, and one removed for Toucan, to reflect LFI analysis findings.
14. Restatement: target for 2022 was 41 to ensure scenarios arising from updated safety studies were addressed and tested.
15. Restatement: one per quarter, for each of the 5 operational sites (in 2021: Rabi, Gamba, Toucan, Koula, and Atora from April). In the 2020 ESG Report, we reported 20, considering Atora for the full year, adjusted to 19, considering Atora for 3 quarters.
16. One per quarter, for each of the 4 operational sites (in 2019 and 2020: Rabi, Gamba, Toucan, Koula).
17. Port-Gentil did fewer exercises than planned, and some sites conducted extra exercises as new contractors required more intense training to reach the expected preparation level.
18. Exercises added at some sites to meet training needs for new contractors, who required more intense training to reach the expected preparation level. See also footnote 1.
19. Variance due to extended rotations due to quarantine, COVID-19 testing, and a modified rotation pattern meant fewer people were captured by the exercise schedule defined for the year.
20. Target: at least 1 exercise per year. See footnote 21 for justification. See also footnote 1 to understand possible variance.
21. Restatement: due to COVID-19 logistical constraints, no major drills were conducted in 2020 or 2021. Assala's Management decided that the target of one comprehensive, company-wide, major drill in 2022, instead of two, would ensure a better quality of participation and engagement.
22. At least 2 per year. See also footnotes 20 and 21.
23. International travel restrictions impacted our UK-based training provider's ability to travel to Gabon to provide training. They did not offer a remote equivalent.
24. No exercises conducted.
25. In 2024, we will enhance our readiness for Major Accident Hazards (MAH) by increasing the target number of exercises. Specifically, we aim to conduct 9 exercises at Rabi, Toucan, Koula, and Gamba, and 8 exercises at Atora, reflecting insights into requirements gained from LFI analysis.

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Description	2024 targets	2023 actuals	2022 actuals	2021 actuals	2020 actuals	2019 actuals
Learning from Incident reports (CIRP) Metric: Timely sharing of each incident report ¹	100%	100%	100%	100%	100%	n/a ²
HSSE performance review with Leadership team Metric: Held quarterly	100%	100%	100%	100%	100%	n/a ²
Assala Safety Day participation Metric: Number of participants from the identified audience ³	100%	871	572 ⁴	705 ⁵	591 ⁶	539
Actions arising from incident investigation or audits are effectively closed out on schedule Metric: Percentage, on average, of actions closed out in their allotted timeframe	100% ⁷	83.6% ⁸	99.6%	94%	84%	71%

- Each incident, regardless of severity, is reviewed and classified according to Assala's Incident Management Procedure and IOGP indicator definition relevant to the incident. Incidents are then categorised according to Assala's internal risk management procedure. Incidents with significant risk or above (high potential risk) are submitted to the CIRP. All incidents submitted to the CIRP are shared in a timely manner through an LFI report.
- Not stewarded under this format at this time. Metric introduced for reporting year 2020.
- Employees and contractors on site and in the offices when the day is marked.
- Conducted in live format, following the easing of COVID-19 restrictions.
- Conducted online due to COVID-19 restrictions.
- Conducted for the first time online due to the COVID-19 pandemic.
- Assala has a target of 100% as a point of principle. However, some actions may require longer term planning for adequate closure.
- In December 2022, Assala implemented Velocity, an incident reporting system, which allows improved tracking of incidents opened and closed, strengthening the accuracy of reporting against this metric, compared to previous years.

Local Content / Social performance

	2024 targets	2023 actuals	2022 actuals	2021 actuals	2020 actuals	2019 actuals
Local community employment	5% increase	762 ¹	741 ¹	589	n/a ²	n/a ²

- Local community employment increase linked to increased operational activities on Assala sites.
- Not stewarded under this format at this time.

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Outstanding maintenance on safety-critical elements

Description	2024 target	2023 actual	2022 actual	2021 actual	2020 actual	2019 actual
Outstanding ¹ maintenance activities on safety-critical elements at yearend	0 ²	0 ³	0 ³	4 ^{4,5}	7 ^{6,7}	29 ⁸
<p>1. Here, “outstanding” means maintenance that has fallen “overdue” according to the equipment’s maintenance latest-allowed-finish-date, but that has a “deviation” to extend this date in place, which has been risk-assessed by both operations and HSSE teams and agreed by Assala’s management. For all deviations, a new maintenance latest-allowed-finish-date is agreed, and mitigations are put in place, with regular control measures, to ensure integrity of the safety-critical element until the planned, deviated maintenance commences.</p> <p>2. Assala has a target of zero for outstanding maintenance activities on safety-critical elements as a point of principle.</p> <p>3. No outstanding maintenance activities on safety-critical elements at yearend; all overdue maintenance had a deviation agreed by management.</p> <p>4. 4 overdue maintenance activities on safety-critical elements i.e., an agreed deviation was not in place at yearend 2021. See also footnote 1.</p> <p>5. Assala took over operatorship of a 5th operational site, Atora, which had some overdue maintenance on safety-critical elements.</p> <p>6. 7 overdue maintenance activities on safety-critical elements at yearend i.e, an agreed deviation was not in place at yearend 2020. See also footnote 1.</p> <p>7. 2020 maintenance efforts were adjusted to reflect the capacities of our Minimal Business Continuity Team.</p> <p>8. Significant maintenance backlogs inherited from the previous operator of Assala’s assets (operatorship take over: January 2018).</p>						

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GHG strategy & roadmap

Assala's strategy to address its GHG emissions is to develop a roadmap to address our emissions sources and reduce our carbon intensity. We work towards the World Bank's "Zero Routine Flaring by 2030" target and align our activities with the Paris Agreement's carbon neutral by 2050 objective.

Our board appointed ESG Committee oversees GHG, amongst other material ESG topics.

	Description	2024 targets	2023 actuals	2022 actuals	2021 actuals	2020 actuals	2019 actuals
Venting & Fugitives	Maintain a no venting position in 2019 and beyond	Plan further implementation of survey recommendations on fugitives	Implemented recommended remediation actions on key installations	Conducted SeekOps onsite measurement study on fugitives	Continued	Continued	Objective set
	Survey & fugitives ALARP	Improve data collection by conducting two surveys per year from 2024.	Conducted second SeekOps onsite measurement study on fugitives				
Routine gas flaring	Continue investments as part of Assala's plan to meet the World Bank's "Zero Routine Flaring by 2030" objective	Reduced routine flaring by more than 45% against 2020 levels	Reduced routine flaring by more than 35% against 2020 levels	Reduced routine flaring by 30% against 2020 levels	Reduced routine flaring by 20% against 2020 levels	Committed to achieve "Zero Routine Flaring by 2030" Established plan to reduce routine flaring by 80% against 2020 levels by 2025	Establish plan to reduce routine flaring, to begin in 2020
Carbon intensity¹	Monitor and reduce scope 1 & 2 emissions	Work towards 30kg CO ₂ e/boe by 2030 objective	36.9kg CO ₂ e/boe ²	37.3kg CO ₂ e/boe ²	38.7kg CO ₂ e / boe ²	44.7kg CO ₂ e/boe ²	Establish plan to strategy and reduction, to begin in 2020
	Account for & monitor scope 3 emissions	Liaise with the value chain to improve data collection on GHG emissions to broaden social understanding of the impact of the consumption of oil and gas products.	Repeated scope 3 emissions estimation exercise to strengthen understanding of value chain emissions. Determined that abatement through alternative energy, or the purchase of carbon credits is not applicable to Assala's business, at this time.	Scoped project to measure 2022 scope 3 emissions from Assala's value chain Began establishing Assala's offsetting position	n/a ³	n/a ³	n/a ³

1. Rate of decrease in emissions lessened in 2022 due to the double effect of reduction in transported barrels and planned increases in Assala's production levels, and while we await the commissioning of an additional gas compressor in Rabi.

2. This is a generic coefficient from the WRI/WBCSD GHG Protocol. It does not take into account the realities of Assala's operations.

3. Target established in 2022.

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Legacy waste roadmap

Assala neither accumulates nor stores waste on its sites.

Asset / Project	Description	2024 targets	2023 actuals	2022 actuals	2021 actuals	2020 actuals	2019 actuals
All / Legacy black spots remediation project (5-year plan)	Project to map black spots. Definition and implementation of remediation plans	Remediate 16700m ³ of contaminated soil ^{4,5}	Phase 3 Implementation of identified remediation actions: 27000m ³ treated land backfilled into excavated zones since 2022 Completion target extended to Q4 2024 ⁴	Phase 3 Implementation of identified remediation actions: 10800m ³ of contaminated ground treated through landfarming	Phase 2 Analysis conducted by specialised contractor to reduced 30 black spots to 7	Vendor identified despite COVID-19 restrictions	Mapping of 30 black spots
Gamba / Oil waste pits – Treatment of sludge and pit repairs	Gamba-01 pit decommissioning	– ²	– ²	– ²	Decommissioned	Completion target extended to Q4 2021 ¹	Q1 2021 completion target established
	Gamba-45 pit restoration	– ²	Project completed by yearend	543m ³ of material removed and treated Q4 2023 completion target established	Preparation	Q1 2022 completion target established	–
All / Stored legacy waste removal project (2-year plan)	Project to map all legacy waste areas & execution of remediation plan	Remaining legacy waste removed by yearend	68% of stored legacy waste removed Project completion date extended to yearend 2024 ⁶	22% of stored legacy waste removed	Company commitment to remove all stored legacy waste from its sites initiated	– ³	– ³

1. COVID-19 restrictions meant that necessary site visits could not take place in 2020 as planned.

2. Project completed.

3. Project initiated in Q3 2021.

4. Volumes remaining reported in 2023 were estimated based core samples taken at the beginning of the project. Further topographic measurement carried out during excavation showed that volumes exceeded initial estimations at certain sites.

5. Estimated volumes.

6. Project completion date extended due to administrative changes in Gabon.

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	Description	2024 targets	2023 actuals ²	2022 actuals ²	2021 actuals ²	2020 actuals	2019 actuals
Biodiversity Management Plan (BMP) including the Biodiversity Action Plan (BAP)	The BMP was updated and approved in June 2021; the BMP includes the BAP	– ³	– ³	– ³	BMP updated and approved, including the BAP	2020 plan completion target extended to 2021 to survey among main stakeholders and ensure company-wide buy-in	2020 plan completion date established
	Evergreen ¹		1	1	1		
	Total carried over from previous reporting years (excl. evergreen)		1	1	1		
BAP actions	Open		0	0	1		
Low priority	In progress		0	1	0		
	Closed		1	0	–		
	Total actions remaining at yearend (excl. evergreen)	55% of all open or in progress BAP actions closed across all priority levels	0	1	1		n/a
	Evergreen ¹		0	0	0		
	Total carried over from previous reporting years (excl. evergreen)		7	7	7		
BAP actions	Open		0	5	6		
Medium priority	In progress		2	2	1		
	Closed		0	0	–		
	Total actions remaining at yearend (excl. evergreen)		7	7	7		



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Biodiversity (contd.)

	Description	2024 targets	2023 actuals ²	2022 actuals ²	2021 actuals ²	2020 actuals	2019 actuals
BAP actions High priority	Evergreen ¹		6	6	6		
	Total carried over from previous reporting years (excl. evergreen)		2	7	7		
	Open	55% of all open or in progress BAP actions closed across all priority levels	0	1	5		n/a
	In progress		1	1	2		
	Closed		6	5	–		
	Total actions remaining at yearend (excl. evergreen)		1	2	7		
Percentage of actions closed at yearend (excl. evergreen)			53%	33% ⁴	–		

1. Evergreen in this context means that some actions are already implemented and executed on a regular basis as they are part of environmental partnership agreements, such as antipoaching patrols led by the Smithsonian National Zoo and Conservation Biology Institute.
2. See also footnote 1. In 2021, we set a target to close out of at least 50% of BAP actions across all priority levels. This target included “evergreen” actions but did not take consider that these actions will not be closed, but rather remain in progress. The status of non-evergreen actions has been reported with improved granularity from 2022.
3. BMP, including BAP, approved in 2021.
4. Restatement: Calculation error made in 2022 reported this figure as 67%.



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