



# Savannah Energy Sustainability Review 2022



**SAVANNAH ENERGY**

# Embedding our sustainability strategy

## At Savannah, sustainability underpins everything we do.

### Introduction

We developed our sustainability strategy in 2021 based on an in-depth materiality assessment, involving extensive consultations with our internal and external stakeholders, which identified 12 material issues and an additional eight to report on. The 12 material issues are grouped into our four core sustainability pillars, which are set out below, together with our ambitions for each. Our four sustainability pillars are linked to a range of key sustainability metrics that we measure across our business and are aligned with 13 specific UN Sustainable Development Goals (“UN SDGs”), where we aim to make a positive impact.

We are pleased to publish our first disclosure report in accordance with the requirements of the Task Force for Climate-Related Financial Disclosures (“TCFD”) on page 17.

### Basis of reporting

In 2022 we have chosen to adopt the net equity basis for emissions reporting purposes, having previously reported our emissions on an operational control basis. In practical terms, as we had operational control over all of our hydrocarbon assets in previous reporting periods this resulted in Savannah

reporting 100% of all of our assets’ emissions as our own. However, as we prepare to incorporate additional assets into our portfolio, where for example we may not have operational control, our previous approach to emission accounting would have resulted in our emissions being under reported by Savannah.

Accordingly, our environmental emissions data is expected to be reported on an equity share basis for all assets where we have a financial interest, regardless of whether we have operational control or not. This is consistent with the World Resources Institute Greenhouse Gas Protocol (Equity Share Approach) and is also in line with our financial reporting.

Where we refer to 2021 emissions in this report, we have restated them according to our new equity share organisational reporting boundary standard. Data relating to Pillars 1, 2 and 3 will continue to be reported on an 100% basis for all assets.

All data covers the period from 1 January to 31 December 2022, unless otherwise noted. As the acquisition of the Cameroon assets was completed on 9 December 2022, Cameroon data is not included in this review but will be included for the 2023 reporting period.

Pillars	1. Promoting socio-economic prosperity	2. Ensuring safe and secure operations	3. Supporting and developing our people	4. Respecting the environment
Material issues	<ul style="list-style-type: none"> <li>Socio-economic prosperity.</li> <li>Tax transparency and contribution.</li> <li>Community engagement and development.</li> <li>Local content and responsible procurement.</li> </ul>	<ul style="list-style-type: none"> <li>Operational health and safety.</li> <li>Security and human rights.</li> </ul>	<ul style="list-style-type: none"> <li>Workplace culture and engagement.</li> <li>Training and development.</li> <li>Diversity and equality.</li> <li>Compliance.</li> </ul>	<ul style="list-style-type: none"> <li>GHG emissions.</li> <li>Climate change and the energy transition.</li> <li>Biodiversity.</li> <li>Water management.</li> </ul>
Ambitions	<ul style="list-style-type: none"> <li>Make a positive difference to the socio-economic development of our host countries.</li> <li>Build strong and meaningful relationships with our local communities based on mutual trust and benefit.</li> <li>Enhance value creation potential by championing the development of local content.</li> </ul>	<ul style="list-style-type: none"> <li>Continually prioritise and improve upon the safety and security of our work environment.</li> </ul>	<ul style="list-style-type: none"> <li>Cultivate a winning and inclusive culture to position our employees and the business for success.</li> <li>Recruit, develop and retain the best talent through our commitment to professional development.</li> </ul>	<ul style="list-style-type: none"> <li>Deliver a cleaner performance by minimising our GHG emissions.</li> <li>Monitor and manage our impacts on biodiversity and water.</li> </ul>
UN SDGs				





Fayama Yellowe, Senior Electrician at Savannah's City Gate Gas Receiving Facility, Nigeria

## 2023 materiality assessment

In line with peer practice, post-year end we conducted a fresh materiality assessment of the key ESG issues relevant to Savannah. We conducted a stakeholder engagement exercise with key investors and media, together with an evaluation of the material issues for the stakeholders in the countries in which we operate. This was conducted in order to ensure that we continue to focus on the issues that matter to our stakeholders as we grow our business in the region. The stated view of our key investors and media was that issues such as GHG emissions, climate change & the energy transition, compliance, and diversity & inclusion have increased in significance for Savannah since the previous assessment was conducted in 2020. GHG emissions and diversity & inclusion were already included in our 12 material issues, while climate change & the energy transition and compliance were included in the additional eight topics which we already chose to report on. However, reflecting the increase in their materiality to investors and media, going forward we plan to include climate change & the energy transition and compliance as material issues within our four pillars.

The materiality assessment also identified some suggestions for improving Savannah's sustainability strategy and reporting - including the potential to rationalise the number of reporting standards we align to - which we will take under consideration.

## Governing sustainability at Savannah

Responsibility for the implementation of the strategy in each of our four sustainability pillars lies with Savannah's CEO, supported by the relevant members of the senior management team. The Group is structured in such a way that we seek to embed sustainability in all our business practices. Together

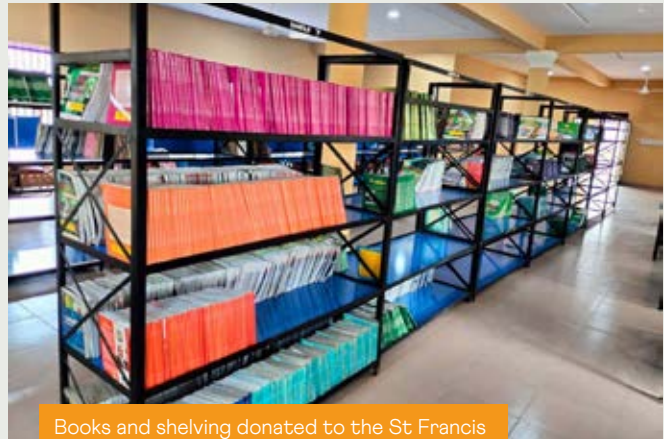
with the Health, Safety, Environment and Security ("HSE&S") Committee, the senior management team promotes behaviours and a culture that supports our sustainability strategy, through communicating the Company's commitments to our people, contractors, and other stakeholders. This embeds sustainability as part of our corporate culture and values.

Responsibility for sustainability strategy oversight in 2022 lay with the HSE&S Committee, while the Audit and Risk Committee assisted the Board in discharging its oversight responsibilities with regards to the system of internal controls and management of risk. The HSE&S Committee oversees compliance with the Company's framework of policies, procedures, systems and controls in place around sustainability. This Committee, which meets quarterly, receives reports on progress and performance from the relevant members of the senior management team and liaises with the Audit and Risk Committee of the Board on the mitigation of sustainability-related risks<sup>1</sup>.

## Looking ahead to 2023

Savannah is committed to identifying and adopting best practice across the Company, as well as implementing our Sustainability Strategy in our expanded portfolio. In 2023, we are integrating our Cameroon assets into our sustainability and performance reporting framework, as well as any other assets we may acquire during the year.

# 1 Promoting socio-economic prosperity



Books and shelving donated to the St Francis Secondary School, Nigeria

The first pillar of our sustainability strategy is to promote socio-economic prosperity within the countries in which we operate. Savannah’s gas enables approximately 24% of Nigeria’s thermal power generation capacity. In Niger, we are participating in a wider energy sector project which is forecast to contribute up to 24% of Niger’s GDP by 2025<sup>2</sup>. In addition, we provide a positive economic contribution through tax payments, payments to our people, suppliers and contractors.



### 2022 performance

- We supplied gas enabling approximately 24% of Nigeria’s thermal power generation capacity and continued to play a strategic role providing a stable and reliable supply of gas to power stations and industrial users, adding four new gas customers.
- Our Total Contributions<sup>(d)</sup> to our host countries increased by 3% to US\$56.9 million in 2022 (2021: US\$55.1 million).
- Our social impact investment increased by 23% to US\$304,000 in 2022 (2021: US\$246,000) across 26 projects (2021: eight).
- We spent US\$22.9 million in 2022 with local suppliers and contractors in Nigeria and Niger (2021: US\$26.2 million).



### 2023 objectives

- Develop targeted impact metrics that reflect Savannah’s expanded portfolio and that further measure Savannah’s contribution to socio-economic prosperity in our host communities and countries.



### Strategic objectives

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### Principal risks

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- 12
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### Contribution to UN SDGs



### Reporting metrics

- Total Contributions<sup>(d)</sup> in US\$
- Social impact investment in US\$
- Number of social impact projects
- Payments to local suppliers and contractors in US\$



# Creating a positive impact

## Our approach

Our ambition in the first pillar of our sustainability strategy is to make a positive difference to the socio-economic prosperity in our host communities and countries. Extreme poverty alleviation is the most important issue facing African countries today, with 32% of Sub-Saharan Africans classified as suffering from extreme poverty<sup>3</sup>. The World Bank also calculates that only 56% of Africans have access to electricity<sup>4</sup>. Studies have shown the strong relationship between power consumption, income levels and broader human development metrics; ceteris paribus, the higher a country's per capita power consumption, the higher GDP per capita, human life expectancy and those metrics are expected to be. Therefore, energy poverty alleviation would substantially contribute to solving Africa's extreme poverty problems. That is why we focus on providing our host countries with energy to drive socio-economic prosperity.

[Read more](#) on page 8 of our 2022 Annual Report

## Using energy to drive prosperity

Savannah supplies gas to enable approximately 24% of Nigeria's thermal power generation capacity, playing a strategic role in providing a reliable supply to power stations and industrial users. In 2022 we expanded our customer base, and signed GSAs with four new customers, delivering gas to eight customers in total.

In Niger, we are participating in a wider energy sector project which is forecast to contribute up to 24% of Niger's GDP by 2025 and up to 45% of tax revenues<sup>2</sup>. The expected completion of the Niger-Benin pipeline in 2023 will facilitate the export of up to 110 Kbpod of oil from Niger to the international market. Savannah expects to tie our planned production directly into the Niger-Benin export pipeline.

In March 2022, we announced plans to build and operate Niger's first wind farm, which is expected to increase Niger's on-grid national electricity consumption by up to 40%, create 500 jobs in the construction phase alone and reduce the cost of electricity for ordinary Nigeriens.



We are a pan-African energy and resources company seeking to deliver excellent performance for our stakeholders. We want to meaningfully contribute to the economic development of the countries in which we operate through the development of businesses and projects that make a material difference to those countries."

**Andrew Knott**

Chief Executive Officer, Savannah

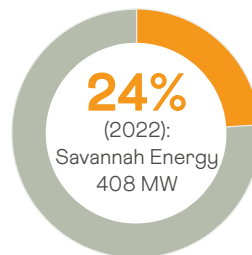
At a local and regional level, Savannah creates significant socio-economic impact. Our impact includes payments to employees, contractors and suppliers as well as social impact investment in community projects. This contribution has a multiplier effect, creating economic impacts in the wider community and economy of our host communities. Our approach here is built on creating strong and meaningful relationships with our local communities based on mutual trust and benefit.

## Our performance in 2022

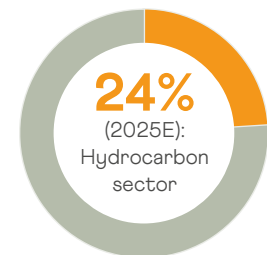
In 2022, our Total Contributions<sup>(d)</sup> increased by 3% to US\$56.9 million (2021: US\$55.1 million). This is primarily the result of an increase in tax and royalty payments to local governments as we increased production in Nigeria.

## Our economic impact

Contribution to Nigeria's thermal power generation capacity 2022



Estimated contribution to Niger's GDP 2025<sup>2</sup>



Total Contributions<sup>(d)</sup> (US\$m)

+3%

2022	56.9
2021	55.1

Strategy in action

Case study: Investing in a library



Saint Francis Secondary School, Nigeria

As part of our programme of investment in social impact projects, we constructed, furnished and commissioned a library at Saint Francis Secondary School in Akwa Ibom State, Nigeria. This project was executed in collaboration with our joint venture partner, Frontier Oil. The project supports Pillar 1 of our sustainability strategy, to make a positive difference to the socio-economic prosperity in our host communities and countries.

Access to a library is a major challenge that students face in many public secondary schools in Akwa Ibom State and across Nigeria. There was no existing library at Saint Francis

Secondary School, and the leadership of both the community and the school identified the rectification of this issue as a major objective for improving the school.

Savannah invested approximately US\$100,000 in the library project, comprising a new building with two staff offices, bookshelves and reading desks.

The new library is expected to support the work of the classroom teachers and ensure that students have access to quality resources, facilitating academic performance and helping to contribute to local socio-economic prosperity.



## Making a local and regional difference

We give first consideration to local people in our areas of operation. We also advocate promoting local employment and development opportunities to drive local socio-economic prosperity. In 2022 we employed 177 people in Nigeria (2021: 174), of whom 99% were local, and in Niger we employed 17 people (2021: 15), all of whom were local. Through formal training and on-the-job development with experienced Savannah employees, we continue to build the capability of the local workforce in our host countries.

Savannah operates a global procurement policy across the Group as we have a significant supply chain impact. In 2022, we spent US\$22.9 million (2021: US\$26.2 million) with local contractors and suppliers. The fall in spending in 2022 reflects the fact that spending in 2021 was unusually higher due to the drilling of the Uquo-11 well. The policy ensures all our contractors and suppliers meet the same standards and practices for all our operations, with some exceptions for specific local regulations. This approach affords opportunities for shared optimisation across regions but also enforces high standards because we recognise that the nature and context of our business exposes us to the potential risk of fraud, bribery, modern slavery and human trafficking. In our centralised vendor performance management system, we actively monitor the performance of all our suppliers and require re-qualification every four years.

## Investing in social impact

In 2022, we completed 23 social impact projects in Nigeria and three in Niger (2021: eight). We invested US\$304,000 in these projects, up 23% on the previous year (2021: US\$246,000), amounting to a cumulative total of US\$2.2 million in social impact investment since 2014.

## Contributing to the UN SDGs

Our approach to local content, responsible procurement and tax payments plays an important role in achieving the goals of UN SDG 8 Decent Work and Economic Growth. Our commitment to sourcing talent from the surrounding communities creates stability through long-term employment engagement and supplier relationships.

## Looking ahead to 2023

Savannah is committed to further strengthening our contribution to socio-economic prosperity in our host communities and countries. For 2023, we plan to:

- Develop targeted socio-economic impact metrics that reflect Savannah's expanded portfolio for 2023 and that further measure Savannah's contribution to socio-economic prosperity in our host communities and countries.

### Strategy in action

## Case study: Marking International Women's Day in Niger



L–R: Maternity patient with a newborn; Mohamed Silimane, Head of Stakeholder Relations Niger; Savannah distributing donations from Savannah to the Issaka Gazobi Central Maternity Hospital, Niger

Savannah marked International Women's Day on 8 March 2023 in Niger by supporting the incredible work that is being done to help disadvantaged women and children at the Issaka Gazobi Central Maternity Hospital in the capital, Niamey. The hospital was founded in 1929 and its mission is to provide gynaecological, obstetrical, neonatal, post-natal and family planning services. With more than 8,000 deliveries per year, it is the largest maternity hospital in Niger and mainly supports low-income and/or vulnerable patients. As well as ensuring maternal-foetal protection, the hospital is a leading centre in Niger for training and research in gynaecology, obstetrics and neonatology. The hospital has 183 beds and employs a total staff of 638. While the hospital faces several difficulties due to lack of funding, it manages to offer 24-hour care and emergency services to all patients who require them.

Savannah was welcomed by the General Director of the hospital, Dr. Madi Nayama, and his team. We were also honoured to have the opportunity to meet with the patients for whom we arranged much needed donations of healthcare, hygiene and baby products.

# 2

## Ensuring safe and secure operations



Engineers arriving at Savannah's Uquo Central Processing Facility, Nigeria

Ensuring a high standard of health and safety throughout our operations is a top priority for Savannah and we firmly embed this culture across the business. Our robust health and safety policies are accompanied by strong security practices.



### 2022 performance

- Our Lost Time Injury Rate ("LTIR") was 0.34 per 200,000 working hours in 2022 (2021: zero).
- Our Total Recordable Incident Rate ("TRIR") was 0.68 per 200,000 working hours (2022: 0.34).
- We recorded 11 security incidents in 2022 (2021: one).
- In 2022, we covered 1.38 million transport kilometres with only one transport-related incident (2021: two in 1.63 million km).
- Our Road Traffic Accident Rate ("RTAR") was 0.14 (2021: 0.25).
- During the year, we rolled out our new SAP HSE business information system, a new QR system for reporting incidents and refreshed Life Saving Rules.
- We continued to act in accordance with internationally recognised human rights standards.



### 2023 objectives

- Continue to develop and implement training and knowledge transfer to embed a zero-harm culture.
- Maintain the current high level of performance for human rights within the Voluntary Principles on Security and Human Rights ("VPoSHR") framework.



### Strategic objectives

- 1
- 2
- 3



### Principal risks

- 12
- 14



### Contribution to UN SDGs



### Reporting metrics

- LTIR
- TRIR
- Number of security incidents
- Number of transport incidents
- Total length of journeys safely managed
- RTAR (new for 2022)



# Further strengthening our HSE&S culture

## Our approach

Our ambition in the second pillar of our sustainability strategy is to continuously prioritise and improve upon the safety and security of our workplace. We safeguard the health and wellbeing of everyone on our sites, including our employees, contractors, suppliers and visitors. From a security point of view, we also protect the integrity of all aspects of our operations, including site transport buses and our people on business travel. We strongly believe this is critical to the ongoing success of Savannah's operations, activities and projects, and also to safeguard human rights.

We continue to develop global health and safety, environment and security management systems that create a robust compliance environment, with policies, procedures, systems and controls aimed at embedding a positive safety culture inside and outside our Company. This allows us to measure, mitigate and/or minimise our health and safety, environmental and security risks, and learn from accidents, incidents and near misses. Led by our Chief Operating Officer, we continuously refresh our training and development opportunities to reinforce our commitment to an injury-free working environment for our employees, contractors, suppliers and visitors.



“With a focus on maintaining a strong HSE&S culture, Savannah's health and safety performance remains robust.”

**Antoine Richard**

Chief Operating Officer, Savannah

## Our performance in 2022

Key achievements in 2022 include the optimisation of the Health, Safety and Environment (“HSE”) reporting system with the rollout of our new SAP HSE business information system to all operating assets. This system is designed to streamline and standardise all HSE data collection and reporting. We also introduced a QR code system for reporting HSE incidents across the Group.

Additionally, in 2022 we undertook an initiative focusing on improving road transport safety to all Savannah assets and rolled out our refreshed Life Saving Rules to all employees across the Group.

Savannah continued its strong health and safety record in 2022 with a 0.34 LTIR per 200,000 working hours within our operations (2021: zero). Our TRIR increased to 0.68 per 200,000 working hours (2021: 0.34). Our new digitalised HSE reporting system has resulted in improved accuracy in the reporting of some minor incidents, which has contributed to the increases in the LTIR and the TRIR.

In 2022 we strengthened our HSE function with the appointment of a new Group HSE Manager and a new HSE Manager in Nigeria.

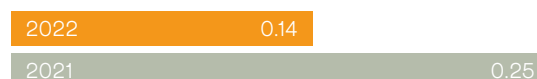
## Ensuring transport safety

In 2022 there was one transport-related incident, as compared to two the previous year. This year, for the first time, Savannah is reporting a new Road Traffic Accident Rate (“RTAR”) metric of 0.14 (2021: 0.25) based on 1.38 million kilometers driven (2021: 1.63 million) in Nigeria and Niger in 2022. This will be included in our reporting metrics going forward.

### Number of transport incidents



### RTAR (number of incidents per 200,000 km driven)



**Prioritising security at Savannah**

We recognise the security challenges in the regions where we operate. Savannah’s main focus is identifying the security risks which our people and business face and then implementing appropriate plans to mitigate these risks. We reported 11 security incidents in 2022, which were principally in relation to opportunistic, small-scale attempted thefts along the gas pipeline in Nigeria. In response, we have increased the deployment of patrols along the pipeline and fostered the increased involvement of the local communities in monitoring and reporting incidents.

In 2022, we conducted regular security risk and threat assessments for our areas of operation and project locations, both for predictive and preventive purposes. We further developed our crisis management and emergency response planning.

Our Asset Protection Team, tasked with continually monitoring security threats and risks, works closely with local and host governments to conduct conflict analysis in our operational and project areas.

In ensuring safety, as well as engaging with all our stakeholders, we are committed to acting in accordance with internationally recognised human rights standards. Savannah has a stringent set of policies, regulations and work practices, underpinned by our Human Rights Policy and our Code of Ethics.



“Savannah has introduced numerous improvements and technological advancements that will ensure risks are identified and controlled in line with as low as reasonably practicable (“ALARP”) principles. Savannah continues to look at industry best practice and adopt this where we can to ensure that our workers go home safe and healthy to their families and loved ones each and every day”.

**Moussa Chetima**

Health, Safety and Environment Officer, Niger, Savannah



Nameer Lotfy, Firnas Shuman Engineer, conducting maintenance work on the meteorological mast, Parc Eoilen de la Tarka wind farm project, Niger

**Contributing to the UN SDGs**

Our approach to human rights inside and outside the workplace makes a contribution to achieving UN SDG 3 Good Health and Wellbeing. Our commitment to maintaining a strong HSE&S culture safeguards the human rights of our people, contractors, suppliers and visitors. Together this protects lives and livelihoods by avoiding accidents, incidents and near misses.

**Looking ahead to 2023**

Savannah is committed to ensuring safe and secure operations. For 2023, we plan to:

- Continue to develop and implement comprehensive training, best practice and knowledge transfer in relation to HSE&S;
- Promote the greater involvement of the local communities to assist with security-related issues along the gas pipelines in Nigeria; and
- Continue to focus on transport-related activities and ensure the safety of our workers.



# 3

## Supporting and developing our people



Funmilola Ogunmekan, Head of Finance, Nigeria, Savannah at the Strategy Event, UK

Our people bring a broad range of experience, expertise and perspectives that are essential to the delivery of our strategic objectives. We recognise that recruiting, developing and retaining the best talent, and cultivating a winning culture are critical to maintaining a sustainable business. As such, they are important factors in Savannah’s ongoing and long-term success.



### 2022 performance

- At the end of 2022, Savannah employed a total of 277 people<sup>5</sup>, a 20% increase on the prior year (2021: 230).
- We provided 12,754 working hours of training (2021: 6,104), an increase of 109%.
- Senior management gender diversity decreased to 32% (2021: 35%) and our female representation across the Group rose from 19% to 22% in 2022.
- We maintained our local content ratios, with 99% local employees in Nigeria and 100% local employees in Niger (2021: 99% and 100%).
- In the UK, we substantially increased our ethnic minority representation from 24% to 38% in 2022.



### 2023 objectives

- Contribute to Savannah’s growth strategy through the provision of proactive high-end compliance support and solutions.
- Help Savannah sustain a positive reputation to support its growth ambitions.
- Protect Savannah by continuing to embed fit for purpose controls and a compliance culture that is both competitive and values based.
- Introduce graduate programmes.
- Optimise ongoing recruitment programmes to appoint staff and support the growth of the business.



### Strategic objectives

1



### Principal risks

11 14 15



### Contribution to UN SDGs



### Reporting metrics

- Number of employees
- Total amount of training in hours
- Gender diversity percentages for senior management and the Group as a whole
- Percentage of local employees
- Ethnic minority representation

# Empowering our colleagues to thrive

## Our approach

Our ambition in the third pillar of our sustainability strategy is to recruit, develop and retain the best talent across the Group. Hand-in-hand with this goes our cultivation of a diverse workplace, positioning our people and business for success, and developing a winning culture that is grounded in our values and behaviour. We strongly believe that supporting and developing our people is key to helping us achieve our strategic objectives as a Company.

We have continued to drive and embed a winning culture across the business through the creation of key policies, procedures, systems and controls.

## Our performance in 2022

A key achievement in 2022 was the implementation across the business of SAP SuccessFactors, a human resources (“HR”) information system which is part of the Group-wide enterprise resource planning tool (SAP) that was introduced during the year. SuccessFactors provides our HR team with the latest technology to manage all aspects of the employee experience in an integrated way, including recruitment, employee onboarding, performance management, training and development.

Savannah expanded the HR team to meet the expected future needs of the business, adding a Head of Talent Acquisition and a Head of Reward, which is expected to further enhance our ability to attract and retain the best talent.

Our HR business partners work with our in-country teams to recruit the best talent for each role. We have a range of vendors in place locally that support our strategic objectives around diversity, helping us reach talent from disadvantaged groups. We work with the Sequoia Platform, a not-for-profit organisation, which looks to provide employment opportunities, together with entrepreneurship and education support for young people from diverse and under-represented backgrounds in the UK. In 2022, two individuals who had previously joined as interns via the Sequoia Platform, were both offered permanent positions. We also offered another

two individuals internships in the Health, Safety and Environment Department and the Administration Department. We participate in local school and university initiatives to reach the next generation of talent. We offer tailored training programmes, both external and “on-the-job”, for new starters and existing employees alike.

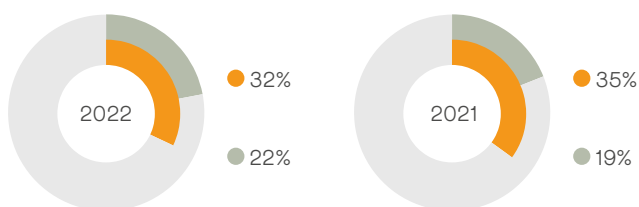
We provided 12,754 working hours of training (2021: 6,104), an increase of 109%. This translates into an average of 46 hours per person per year (2021: 26.5), delivered through a mix of in-person and online channels. The substantial increase in training hours in 2022 is mainly due to increased IT training in connection with the rollout of the new SAP system across the business, as well as other new training initiatives.

## Creating a diverse workplace

Savannah strongly believes that diversity throughout the organisation builds a strong workforce and improves business performance. We are committed to being an equal opportunities employer, with policies in place to ensure that the best person, irrespective of gender, race, disability, ethnicity, religious belief or sexual orientation, is appointed to a particular role or position within the organisation. Our senior management female gender diversity ratio fell to 32% in 2022 (2021: 35%). However, our gender diversity for the organisation as a whole increased, with female representation across the Company rising from 19% to 22%. Two new female Non-Executive Directors joined the Board in December 2022 and another new female Non-Executive Director joined post-year end in February 2023, which has resulted in a 30% female representation on the Board.

We maintained our commitment to local content in 2022, prioritising the hiring of local talent, with 99% local employees in Nigeria and 100% local employees in Niger (2021: 99% and 100% respectively). In the United Kingdom, we increased our ethnic minority representation from 24% in 2021 to 38% in 2022. This is a proud achievement given that the 2021 UK census benchmark for a non-white ethnic background is approximately 18.4%.

## Gender diversity (%)



● Senior management: female  
● Group: female

## Employee and contractor numbers





“Compliance and ethics are embedded into the fabric of our organisation, fostering a culture where our people and business partners understand their role and obligation in driving and sustaining an ethical culture within Savannah.”

**Titilayo Okoye**

Group Chief Compliance Officer, Savannah

### Fostering employee engagement and ethical behaviours

At the centre of our efforts to create an inclusive workplace is our engagement with our employees. We have open, collaborative and inclusive management that prioritises employee engagement. We approach this in two ways: through a continuous feedback performance management process, with structured career conversations and regular touch points to monitor career progression; and through wider communication tools such as town hall sessions, our intranet and employee surveys.

We foster strong ethical behaviours and, as part of that, Savannah sets clear guidelines as to what is acceptable and what is not acceptable. Our Anti-Corruption and Anti-Money Laundering, and Anti-Bribery Policy, for instance, and our Group Code of Ethics, set out responsibilities shared between the Company and the employee to uphold high standards of behaviour. We provide a confidential “Speak Up” whistleblowing service where employees can report unethical behaviour without fear of penalty or punishment.

### Embedding our values

Our five core SEE-IT values of Sustainability, Excellence, Entrepreneurialism, Integrity and Teamwork represent the essence of Savannah and fundamentally underpin our corporate culture.

They represent what we want our Company to be known for, how we want others to remember us, our core competitive advantages and the basis upon which our staff are rewarded.

### Contributing to the UN SDGs

Our approach to training and development in the workplace makes a contribution to achieving UN SDG 4 Quality Education. Our commitment to delivering a full programme of on-the-job and classroom-based learning, inside and outside the Company, maintains the focus on life-long learning and equips our people for their development, wherever it may take them.

### Looking ahead to 2023

Savannah is committed to supporting and developing our people. For 2023, we plan to:

- Contribute to Savannah’s growth strategy through the provision of proactive high-end compliance support and solutions;
- Help Savannah sustain a positive reputation to support our growth ambitions;
- Protect Savannah by continuing to embed fit for-purpose controls and a compliance culture that is both competitive and values based;
- Support Executive MBAs to develop our pipeline of future leaders and partner with top-ranking global universities to provide an accessible outstanding education;
- Enhance our knowledge base offering specific training courses to key employees;
- Introduce a focused graduate programme, which will provide graduates with an outstanding opportunity to build their careers and provide experiences that are unique to our culture and the way we work; and
- Optimise our ongoing recruitment programmes to appoint staff and build business growth.



4  
Respecting  
the  
environment



Camels of Tarka, Niger  
Photo credit: Abdoul Razack,  
Sahara Conservation

Savannah believes that fossil fuels have a critical role to play in the energy transition in Africa. Recognising the threat of climate change, we are committed to the responsible stewardship of our assets and operations – both existing and those we seek to acquire in the future – by reducing our greenhouse gas (“GHG”) emissions where possible and managing our other environmental impacts such as biodiversity and water use. At the same time we are also focusing on the growth of our renewable energy business, investing in the construction and operation of large-scale renewable solar, wind and hydroelectric power projects in Africa.



2022 performance

- Our total direct GHG emissions (Scope 1) increased by 7% to 71,543 tonnes of CO<sub>2</sub>e in 2022 (2021: 66,877 tonnes of CO<sub>2</sub>e).
- Our total indirect GHG emissions (Scope 2) remained stable at 88 tonnes of CO<sub>2</sub>e in 2022 (2021: 88 tonnes of CO<sub>2</sub>e).
- Our carbon intensity ratio decreased by 13% to 9.7 kg CO<sub>2</sub>e/boe in 2022 (2021: 11.2 kg CO<sub>2</sub>e/boe).
- Our g CO<sub>2</sub>eMJ<sup>-1</sup> carbon intensity ratio was stable at 52.6 in 2022 (2021: 52.8 g CO<sub>2</sub>eMJ<sup>-1</sup>).
- In the United Kingdom, we consumed 112,586 kWh of energy in 2022 (2021: 164,638 kWh), a year-on-year decrease of 32%.
- Zero hydrocarbon spills (2021: zero).
- 11,314 m<sup>3</sup> of freshwater usage (restated 2021: 11,645 m<sup>3</sup>).



2023 objectives

- Identify opportunities to improve the performance and efficiency of our plants.
- Implement measures to end routine flaring at Uquo by 2025.



Strategic objectives

- 1
- 2
- 3



Principal risks

- 12
- 14



Contribution to UN SDGs



Reporting metrics

- Scope 1 GHG emissions in CO<sub>2</sub>e
- Scope 2 GHG emissions in CO<sub>2</sub>e
- Carbon intensity ratio in kg CO<sub>2</sub>e/boe
- Carbon intensity ratio in g CO<sub>2</sub>eMJ<sup>-1</sup>
- Energy consumption in the United Kingdom in kWh
- Number of hydrocarbon spills
- Freshwater usage in m<sup>3</sup>

# Managing our environmental impacts

## Our approach

Our ambition in the fourth pillar of our sustainability strategy is to minimise our GHG emissions and manage our impacts on the environment. As an energy producer, we recognise that our impacts extend beyond our direct operations to the transportation and use of our end-products.

Our GHG emissions consist of a range of gases which are all included in our carbon inventory. However, we realise that our environmental impacts extend beyond our GHG emissions and so we also track other aspects, such as biodiversity and water impacts. Our focus is on meeting our regulatory obligations in

the countries where we operate through a robust framework of policies, procedures, processes and controls. Since its establishment in 2021, we have grown our Renewable Energy Division and currently have up to 525 MW of projects in motion.

[Read more](#) about our Renewable energy projects on page 34 of our 2022 Annual Report.

### Scope 1 CO<sub>2</sub>e GHG emissions (tonnes)



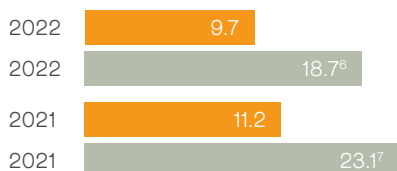
Scope 1 GHG emissions are emissions that come from sources owned or controlled by an organisation, such as fuel combustion.

### Scope 2 CO<sub>2</sub>e GHG emissions (tonnes)



Emissions resulting from the purchase of third-party electricity or national grid company electrical power related to Savannah's offices and headquarters in our three principal countries of operation in 2022.

### Savannah vs. Supermajors' carbon intensity (kg CO<sub>2</sub>e/boe)



● Savannah  
● Supermajors

### Scope 1 carbon intensity (tonnes of CO<sub>2</sub>e/'000 tonnes of hydrocarbons)



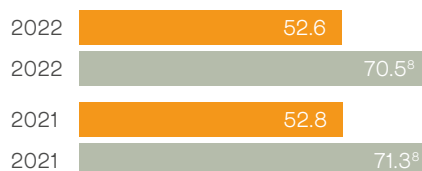
### Scope 1 carbon intensity (kg CO<sub>2</sub>e/boe)



### Scope 1, 2 and 3 carbon intensity (g CO<sub>2</sub>eMJ<sup>-1</sup>)



### Savannah vs. Supermajors' carbon intensity (g CO<sub>2</sub>eMJ<sup>-1</sup>)



● Savannah  
● Supermajors

### Our performance in 2022

Our commercial focus in 2022 was to increase gas production in Nigeria in line with growing domestic Nigerian demand for power. Our total direct GHG emissions (Scope 1) consequently increased by 7% to 71,543 tonnes of CO<sub>2</sub>e (2021: 66,877 tonnes of CO<sub>2</sub>e), largely reflecting the increase in gas production during the year. Our total average production per day increased by 24% from 16.4 to 20.2 Kboepd adjusted to equity share percent.

Our total indirect GHG emissions (Scope 2) remained stable at 88 tonnes of CO<sub>2</sub>e in 2022 (2021: 88 tonnes of CO<sub>2</sub>e).

The carbon intensity of our Scope 1 emissions decreased by 13%, to 9.7 kg CO<sub>2</sub>e/boe in 2022 (2021: 11.2 kg CO<sub>2</sub>e/boe) attributable to the fact that, while our total emissions were predominantly associated with increased production, there was more stable production from our Uquo Central Processing Facility ("CPF") which improved efficiency.

We continue to focus on projects to reduce flaring, which contributed 40% of our Scope 1 emissions in 2022 (2021: 50%). A project to upgrade the compressors and reduce flaring was implemented in Q4 2022 and its impacts were evaluated in Q1 2023.

In 2022 we implemented a comprehensive sustainability supplier screening process to improve sustainability within our supply chain and to communicate the importance of sustainability considerations to our vendors and contractors. In addition, we have incorporated more detailed ESG due diligence into the business development process when assessing the acquisition of new assets.

### Mitigating our environmental impacts

Beyond our GHG emissions, we recognise that oil and gas production can have other environmental impacts. We are pleased to report that in 2022 we had zero (2021: zero) hydrocarbon spills (defined as not greater than one barrel) reaching the environment. We remain focused on avoiding any unplanned discharge that has negative environmental impacts.

We used approximately 11,314 m<sup>3</sup> of freshwater in 2022 from boreholes and mains supply (2021: 11,645 m<sup>3</sup>). The figures for 2021 have been restated, the increase is due to more accurate estimates of water consumption and an improved data collection.

We aim to minimise any negative impacts on biodiversity. We operate four sites (2021: four) near or adjacent to protected areas of specific biodiversity value. As a result, we have put in place Biodiversity Action Plans to minimise any impacts from our operations.

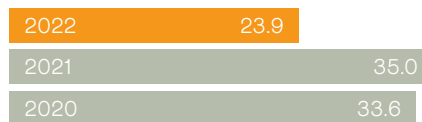
Savannah is exploring the potential of selling carbon credits from the renewable energy projects on the voluntary carbon market. There is a strong interest in credits from high quality renewables projects, particularly those based in Africa. We are working with consultants to establish the best strategy for converting our emissions reduction projects into revenues to fund future projects.

### Our performance in the United Kingdom

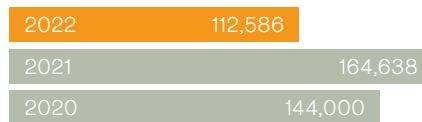
In accordance with the Streamlined Energy and Carbon Reporting ("SECR") regulations, we specifically provide an overview of our environmental performance in the United Kingdom. Our reporting covers the 2022 financial year and relates to our operations in the United Kingdom. We did not have any direct Scope 1 GHG emissions last year, or in previous years. In terms of indirect Scope 2 GHG emissions, we consumed 112,586 kWh of energy in 2022 (2021: 164,638), translating to 23.9 tonnes of CO<sub>2</sub>e (2021: 35.0 tonnes of CO<sub>2</sub>e). Our carbon intensity decreased by 61% to 1,481 kWh/person in 2022 (2021: 3,829 kWh/person). This reduction is primarily due to more accurate electricity meter readings provided by our supplier. CO<sub>2</sub> emissions from UK operations make only a very minor contribution (0.02%) to Savannah's total CO<sub>2</sub> emissions.

#### SECR data<sup>9</sup>

##### Scope 2 emissions (tonnes of CO<sub>2</sub>e)



##### Energy consumption (kWh)



##### Carbon intensity (kWh/person)



### Contributing to the UN SDGs

Our approach to respecting the environment makes a contribution to achieving UN SDG 13 Climate Action. We are committed to minimising our GHG emissions where practicable and this makes a direct contribution to tackling climate change, which is a cornerstone of the climate action goals.

### Looking ahead to 2023

Savannah is committed to respecting the environment. For 2023, we plan to:

- Identify opportunities to improve the performance and efficiency at our plants; and
- Implement measures to end routine flaring at our Uquo CPF by 2025.



## Strategy in action

### Savannah's Anthony Ejuaye explains how Savannah is reducing flaring at Stubb Creek



“

Associated gas is a form of natural gas found with deposits of oil. Historically the energy industry has treated associated gas as a waste product and burned it off in gas flares. Although this practice is still common in many countries around the world, Savannah, in step with leading energy companies, is making efforts to reduce gas flaring in order to both minimise our GHG emissions and avoid wasting this fuel resource.

The export gas compressor at Stubb Creek compresses associated gas from the production separator and exports it via a 6 inch 31 km pipeline to our Uquo CPF to reduce the amount of gas flared to the atmosphere. The exported gas is also used to generate power for the plant.

The compressor was originally commissioned in August 2019. In 2022 we designed a new maintenance strategy to anticipate and avoid potential compressor failure, including:

- A renewed focus by Savannah's Maintenance Team to ensure that the compressor continues to work efficiently;
- Constant monitoring of the equipment's operating parameters in line with the Original Equipment Manufacturer ("OEM") manual;
- A review of the existing maintenance programme to understand the potential causes of equipment failure and establish a new maintenance schedule;
- Increased engagement with the compressor OEM representatives in-country to train our Maintenance Team on how to carry out preventive maintenance of the equipment and to establish a call-out service; and
- Ensuring the availability of critical spares and tools on site.

Execution of the new maintenance strategy commenced at the end of Q4 2022 and was completed with a reliability test of the compressor undertaken post-year end in January 2023. Since the implementation of this strategy, the compressor has been functioning with little or no downtime. Recent production records show a daily average of approximately 0.8 MMscfpd is being exported to our Uquo CPF rather than being flared, which avoids approximately 44 tonnes CO<sub>2</sub>e per day of GHG emissions. Since the implementation of the new maintenance strategy, the compressor has been functioning with little or no downtime."

#### Anthony Ejuaye

Pipeline and Infrastructure Manager, Savannah, Nigeria



Savannah's Stubb Creek Early Production Facility, Nigeria

# Task Force on Climate-Related Financial Disclosures Report

The Taskforce for Climate-Related Financial Disclosures (“TCFD”) was created by the Financial Stability Board to develop recommendations on the types of information that companies should disclose to support investors, lenders and insurance underwriters in appropriately assessing and pricing climate-related risks. This 2022 TCFD Report is our first disclosure under the recommendations of the Taskforce and, as such, we expect our disclosures on these topics to evolve and mature over time.

In the United Kingdom, where our shares are quoted on the AIM market of the London Stock Exchange, both the government and the Financial Conduct Authority have been taking steps to make reporting in line with the TCFD framework mandatory for listed companies. Accordingly, to ensure that we are following best practices, our work on this report has been informed by the October 2021 guidance on climate reporting provided by the London Stock Exchange, and by the latest observations from the TCFD itself as set out in its 2021 Status Report.

All data covers the period of 1 January to 31 December 2022, unless otherwise noted. It includes all of Savannah Energy PLC’s (“Savannah”, “the Company” or “the Group”) wholly and partially-owned entities as at 31 December 2022.

The structure of this report follows the recommendations of the TCFD disclosure, key sections include:

- Governance: the organization’s governance around climate-related risks and opportunities;
- Strategy: the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning;
- Risk Management: the processes used by the organization to identify, assess, and manage climate-related risks; and
- Metrics and Targets: the metrics and targets used to assess and manage relevant climate-related risks and opportunities.

## Governance

### Recommended Disclosure a) Describe the Board’s oversight of climate-related risks and opportunities.

Responsibility of the day-to-day oversight for the Company’s management of climate-related risks and opportunities sits with the CEO. The Board of Directors has overall responsibility for the oversight of the development and implementation of the Company’s wider sustainability strategy.

Climate change issues are discussed regularly at Board and Board Committee meetings. Responsibility for sustainability strategy oversight in 2022 lay with the HSE&S Committee while the Audit & Risk Committee assisted the Board in discharging its oversight responsibilities with regards to the system of internal controls and management of risk. Senior management can be called upon to provide relevant information to the Board and/or Board Committee as and when required<sup>1</sup>.

The HSE&S Committee ensures that there is an appropriate framework of policies, procedures, systems and controls in place in relation to the health, safety, operational integrity, security and environmental risks arising from the operations of the Company. It oversees compliance with, and effectiveness of, the HSE&S framework. It oversees the quality and integrity of any reporting to external stakeholders regarding health, safety, operational integrity, security and environmental matters. It receives operational updates on the progress and performance of the Company’s sustainability strategy on a regular basis. The HSE&S Committee meets at least three times a year and reports to the Board after every meeting.

The Audit & Risk Committee reviews the Group’s processes and procedures for ensuring that material risks, threats and opportunities are properly identified, assessed, managed and reported, and that appropriate systems of monitoring and control are in place. The Audit & Risk Committee meets at least four times a year and reports to the Board after every meeting.

Where there is an overlap of responsibilities between the Audit & Risk and HSE&S Committees, the respective Committee Chairs have the discretion to agree which is the most appropriate committee to fulfil any obligation.

The Board continuously considers climate-related risks and opportunities when making strategic decisions

### Recommended Disclosure b) Describe the management’s role in assessing and managing climate-related risks and opportunities.

Direct oversight for the management of climate-related risks and opportunities rests with the CEO, who reports to the Board. He is supported in this by the relevant members of the senior management team who assess the climate-related risks and opportunities, define the sustainability strategy and direct activities to control and mitigate risks and explore opportunities. Assessing and managing climate-related risks and opportunities are part of the broader management’s role and responsibilities at Savannah. Savannah has a Risk Manager who manages the corporate risk register and collates information for the management of risks from across the business. The Group is structured in such a way that risk management is conducted at all levels across the Group and this approach is embedded within all of our business practices.

## Strategy

### **Recommended Disclosure a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.**

The climate-related risks and opportunities are set out in Tables 1, 2 and 3 on pages 64 and 65.

### **Recommended Disclosure b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning.**

Understanding of climate related risk and opportunities is integral to our business, strategy and financial planning. An example of this was the establishment of our Renewable Energy Division in late 2021.

### **Recommended Disclosure c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario.**

While Savannah has not yet undertaken detailed climate-related scenario planning, in the formulation of its corporate strategy, the Company has incorporated extensive academic analysis vis a vis energy transition scenarios and poverty alleviation models. This work resulted in the formulation of our hydrocarbons AND renewables strategy.

## Risk management

### **Recommended Disclosure a) Describe the organisation's processes for identifying and assessing climate-related risks.**

Savannah considers climate-related risks very broadly, drawing on academic research, and regards them among the many risks that impact the business. We evaluate the critical role and importance of our current projects, as well as those we seek to pursue, for the countries in which we operate and their citizens, with poverty alleviation a principal overriding concern.

Savannah's risk management framework is comprised of six components that combine to create an effective system of risk management and internal control. Savannah has a Risk Manager who manages the corporate risk register and collates information on risks and mitigants from across the business.

Climate Change is one of the 15 principal risks identified within Savannah's risk management framework. It is through the application of the risk management framework that clear procedures for risk identification, assessment, measurement, mitigation, monitoring and reporting are aligned with the Group's strategy.

Risks are assessed on a likelihood versus impact matrix, and the Group considers both prevailing and emerging risks in the risk identification process. Every risk has a designated Risk Owner and a member of the executive management team has responsibility for oversight of each risk. The Risk Owner for Climate Change is the CEO who is supported by relevant members of the senior management team. Whilst the Board is ultimately responsible for the management of risk, the Group is structured in such a way that risk management is conducted at all levels across the Group and is embedded in our business practices.

The assessment of climate related risks is based on both the qualitative and quantitative evaluation of the likelihood and impact of each particular risk arising, taking into account the Group's strategic and business objectives. We analyse the trending of principal risk factors from year to year, assigning a status of increased, stable or reduced relative to the prior year.

### **Recommended Disclosure b) Describe the organisation's processes for managing climate-related risks.**

We seek to mitigate climate related risks through the ongoing implementation of our sustainability strategy, and through our monitoring and reporting systems and policies. We also promote efficient energy use in our activities with business partners and service providers.

### **Recommended Disclosure c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.**

At Savannah, risk registers that identify, assess and have clear mitigation plans are maintained at the business and functional levels, which are consolidated into the corporate risk register managed by the Risk Manager. Climate-related risks are fed into business and functional risk registers and are consolidated into the corporate risk register, where climate change is one of the 15 principal risks.

After taking into account management plans and actions, these risks are assessed on two levels: the likelihood of the risk arising and the potential impact of such risk.

## Metrics and targets

### **Recommended Disclosure a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management approach.**

As part of our sustainability strategy, we monitor and report on the following metrics:

- Scope 1 GHG emissions in metric tonnes CO<sub>2</sub>e
- Scope 2 GHG emissions in metric tonnes CO<sub>2</sub>e
- Scope 1 GHG emissions intensity in kg CO<sub>2</sub>e/boe and metric tonnes CO<sub>2</sub>e/000' metric tonnes hydrocarbons
- Scope 1 + Scope 2 + Scope 3 GHG emissions intensity in g CO<sub>2</sub>eMJ<sup>-1</sup>

### **Recommended Disclosure b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.**

Our ESG and climate-related metrics are disclosed in the Sustainability Review section of our Annual Report and Accounts, and are available on our website. A trend analysis of our key GHG metrics is provided within our Pillar 4 "Respecting the Environment" reporting. For 2022:

- Scope 1 GHG emissions: 71,543 metric tonnes of CO<sub>2</sub>e
- Scope 2 GHG emissions: 88 metric tonnes of CO<sub>2</sub>e
- Scope 1 GHG emissions intensity: 9.7 kg CO<sub>2</sub>e/boe
- Scope 1 GHG emissions intensity: 71.1 metric tonnes CO<sub>2</sub>e/000' metric tonnes hydrocarbons
- Scope 1 + Scope 2 + Scope 3 GHG emissions intensity: 52.6 g CO<sub>2</sub>eMJ<sup>-1</sup>

### **Recommended Disclosure c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.**

Savannah does not currently have targets regarding climate-related risks and opportunities.



## Transition risk

Risk	Timeframe	Potential impact	Mitigation
Access to capital for oil and gas projects becomes more restricted.	Short-term	Restricted access to and/or higher costs of capital could result in a diminished ability to meet one or more of our strategic objectives.	<ul style="list-style-type: none"> <li>• Evaluate the critical role and the importance of the projects we have, and seek to pursue, for the countries in which we operate and their citizens, where poverty alleviation is a principal overriding concern.</li> <li>• Demonstrate that climate change is being considered alongside the other benefits of projects and conduct appropriate climate change impact assessments to mitigate risks, where possible and consistent with the reality of the underlying asset.</li> <li>• Implement systems to accurately record the transparent disclosure of GHG emissions.</li> <li>• Continue to actively seek programmes to reduce GHG emissions, bearing in mind the realities of the underlying assets and areas of operation.</li> <li>• Maintain strong relationships with existing and potential lenders, shareholders and other providers of finance.</li> <li>• Target more diversified sources of financing.</li> <li>• Pursue an energy focused corporate strategy consistent with expected energy transition that includes both hydrocarbon and renewable projects.</li> <li>• Grow our renewable energy business.</li> <li>• Explore the potential trading of carbon credits from our proposed renewable energy projects.</li> </ul>
Introduction of carbon taxation and other climate-related regulation such as emissions reduction requirements.	Short to medium-term.	Increased operating costs and/or taxation costs.	<ul style="list-style-type: none"> <li>• Implement systems to accurately enable the transparent disclosure of GHG emissions.</li> <li>• Implement GHG emissions reduction initiatives as part of our overall sustainability strategy.</li> <li>• Work with governments and industry groups to assess policy and political developments relating to the energy transition.</li> <li>• Price in carbon tax in future assets.</li> <li>• Explore the potential trading of carbon credits from our proposed renewable energy business.</li> </ul>
Reduced demand for hydrocarbons as a result of the energy transition	Medium to long-term	Potential for decreased hydrocarbon asset values	<ul style="list-style-type: none"> <li>• Continue to analyse and review the expected future global energy mix and develop the capacity and capability to undertake energy projects consistent with that vision and provide the energy that Africa and the rest of the world needs (i.e. understand that both hydrocarbons AND renewables will be needed in the future, and have the capacity to deliver both).</li> <li>• Grow our renewable energy business.</li> <li>• Focus on the energy solution most appropriate for the countries in which we operate.</li> <li>• Ensure Savannah is the operator of choice in our host countries.</li> </ul>
Perceived poor sustainability performance.	Short to medium-term	Reputational damage limiting stakeholders and counterparties to do business with us, increased costs both direct and regulatory, and potential additional challenges in retaining and attracting talent.	<ul style="list-style-type: none"> <li>• Ongoing implementation of our sustainability strategy, and monitoring and reporting systems and policies.</li> </ul>

Transition opportunity			
Opportunity	Timeframe	Potential impact	Action
Shift to natural gas as a transition fuel in the energy transition.	Short to medium-term	Increased demand for gas will provide growth and new business opportunities for Savannah to exploit our 503 Bscf of gross natural gas 2P Reserves and our further 598 Bscf of gross 2C Resources in Nigeria.	<ul style="list-style-type: none"> <li>Support the gas transition in Africa through our long-term gas contracts and utilise our existing infrastructure to bring other gas projects to market.</li> </ul>
Becoming a 'responsible steward' of managing existing assets in an environmentally friendly way.	Short to medium-term	Savannah solidifies its position as an operator of choice in our focus countries and beyond.	<ul style="list-style-type: none"> <li>Implement GHG emissions reduction initiatives and ensure strong ESG management.</li> </ul>
Develop carbon credits from our renewable energy projects.	Medium term	Reduce net emissions by developing carbon credits from Savannah's large-scale renewable energy projects or monetise credits.	<ul style="list-style-type: none"> <li>Explore the potential to trade carbon credits from our proposed renewable energy projects.</li> </ul>
Diversification to different energy sources.	Medium to long-term	The transition provides an opportunity to expand into other and new sources of energy.	<ul style="list-style-type: none"> <li>Grow our Renewable Energy Division.</li> <li>Monitor the development of new energy sources.</li> </ul>
Potential for Carbon Capture, Utilisation and Storage ("CCUS").	Medium to long-term	CCUS could provide opportunities to capture and store carbon to allow the production of hydrocarbons in an environmentally neutral way.	<ul style="list-style-type: none"> <li>Monitor developments in CCUS</li> </ul>
Growth of hydrogen	Long term	Gas production and renewable energy provides opportunities to produce blue and green hydrogen, which potentially could become key parts of the future global energy mix.	<ul style="list-style-type: none"> <li>Monitor developments in hydrogen.</li> </ul>

### Acute risks (driven by climatic events)

Physical risks	Timeframe	Potential impact	Mitigation
Extreme weather such as flooding, extreme heat and water stress.	Short to medium-term	Impacts of extreme weather on operations and infrastructure could include delays in receiving supplies, materials and equipment, and increased costs of logistics and insurance.	<ul style="list-style-type: none"> <li>Insurance coverage, where appropriate and cost effective.</li> <li>Contingency and emergency planning.</li> <li>Incorporation of any rising operational costs in budgeting and planning.</li> </ul>

### Chronic risks (driven by longer-term shifts in climate patterns)

Extreme heat days associated with climate change increase	Medium to long-term	Personnel health and safety could be impacted by working in prolonged heat.	<ul style="list-style-type: none"> <li>Contingency and emergency planning.</li> <li>Strong occupational health and safety culture.</li> <li>Provisions for potential extra operational costs for the workforce.</li> </ul>
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# Glossary

<b>2P Reserves</b>	the sum of proved plus probable reserves;
<b>2C Resources</b>	the best estimate of Contingent Resources;
<b>3D seismic</b>	geophysical data that depicts the subsurface strata in three dimensions. 3D seismic typically provides a more detailed and accurate interpretation of the subsurface strata than 2D seismic;
<b>Accugas Midstream Business</b>	the business currently operated by Accugas Limited, comprising a 200 MMscfpd gas processing facility and approximately 260 km gas pipeline network and associated gas processing infrastructure;
<b>AIIM</b>	African Infrastructure Investment Managers;
<b>Barrels or bbl</b>	a unit of volume measurement used for petroleum and its products (for a typical crude oil 7.3 barrels = 1 tonne; 6.29 barrels = 1 cubic metre);
<b>Bcm</b>	billion cubic metres;
<b>Bn</b>	billion;
<b>Bscf</b>	billion standard cubic feet;
<b>Bscfpd</b>	billion standard cubic feet per day;
<b>best estimate</b>	the middle value in a range of estimates considered to be the most likely. If based on a statistical distribution, can be the mean, median or mode depending on usage;
<b>block</b>	an area defined for exploration licensing;
<b>boe</b>	barrels of oil equivalent. One barrel of oil is approximately the energy equivalent of 6 Mscf of natural gas;
<b>Chad-Cameroon pipeline</b>	is the 1,081 km, 30 inch oil pipeline connecting the Doba Oil Project to the Kome Kribi 1 FSO offshore Cameroon, with a nameplate capacity of 250 Kboepd (as defined in the Supplementary Admission Document dated 9 December 2022);
<b>condensate</b>	light hydrocarbon compounds that condense into liquid at surface temperatures and pressures. They are generally produced with natural gas and are a mixture of pentane and higher hydrocarbons;
<b>Contingent Resources</b>	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies;
<b>COTCo</b>	Cameroon Oil Transportation Company;
<b>CPF</b>	Central Processing Facility;
<b>Cretaceous</b>	geological strata formed during the period 140 million to 65 million years before the present;
<b>crude oil</b>	hydrocarbons that at atmospheric temperature and pressure are in a liquid state, including crude mineral oil, asphalt and ozokerites, and liquid hydrocarbons that are obtained by separation, processing or extraction;
<b>debottlenecked</b>	process of identifying specific areas and/or equipment in oil and gas facilities that limit the flow of product and optimising them so that overall capacity in the plant can be increased;
<b>EBITDA</b>	Earnings before interest, tax, depletion, depreciation and amortisation;
<b>E&amp;P</b>	exploration and production;
<b>ETS</b>	Export Transportation System;
<b>exploration well</b>	a well drilled to find hydrocarbons in an unproved area or to extend significantly a known oil or natural gas reservoir;
<b>field</b>	an area consisting of either a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition;
<b>FSO</b>	floating storage and offloading facility;
<b>geophysical</b>	measurement of the earth's physical properties to explore and delineate hydrocarbons by means of electrical, seismic, gravity and magnetic methods;
<b>GDP</b>	Gross Domestic Product;
<b>gross resources</b>	the total estimated petroleum that is potentially recoverable from a field or prospect;
<b>GSA</b>	gas sales agreement;
<b>1 Gt</b>	gigatonne (1 gigatonne = 1 billion tonnes);
<b>GW</b>	gigawatt;
<b>HSE</b>	health, safety and environment;
<b>HSE&amp;S</b>	health, safety, security and the environment;
<b>hydrocarbon</b>	a compound containing only the elements hydrogen and carbon. May exist as a solid, a liquid or a gas. The term is mainly used in a catch-all sense for oil, gas and condensate;
<b>investment grade</b>	a rating that indicates that a municipal or corporate bond has a relatively low risk of default;
<b>Kboepd</b>	thousands of barrels of oil equivalent per day;
<b>Kbopd</b>	thousands of barrels of oil per day;
<b>km</b>	kilometre;
<b>km<sup>2</sup></b>	square kilometres;
<b>kt</b>	kilotonne;
<b>kV</b>	kilovolt;



<b>kWh</b>	kilowatt;
<b>lead</b>	an identified opportunity with sufficient support from geological analogues and the like to encourage further data acquisition and/or study on the basis that hydrocarbon accumulations may be found in the future;
<b>licence</b>	an exclusive right to search for or to develop and produce hydrocarbons within a specific area and/or a pipeline licence, as the context requires. Usually granted by the State authorities and may be time limited;
<b>M</b>	thousand;
<b>MJ</b>	megajoules;
<b>MMboe</b>	millions of barrels of oil equivalent;
<b>MMbopd</b>	millions of barrels of oil per day;
<b>MMscf</b>	million standard cubic feet;
<b>MMscfpd</b>	millions of standard cubic feet per day;
<b>MMstb</b>	millions of standard stock tank barrels of oil;
<b>MT</b>	million tonnes;
<b>Mtoe</b>	million tonne of oil equivalent
<b>Mscf</b>	thousand standard cubic feet;
<b>Mscfe</b>	thousand standard cubic feet of gas equivalent;
<b>MW</b>	megawatt;
<b>Nationalisation</b>	On 23 March 2023 and the subsequent promulgation in law on 31 March 2023, the Republic of Chad nationalised the interests of any kind of SCI located in Chad or arising from the conventions between SCI and the Republic of Chad in respect of the exploration, exploitation and transportation of hydrocarbons in Chad and the interests of any kind of SML, including the shares and rights held by SML in any branch office in Chad and any company having its principal place of business in Chad.
<b>natural gas</b>	hydrocarbon that at a standard temperature of sixty degrees Fahrenheit (60°F) and a standard pressure of one atmosphere are in a gaseous state, including wet mineral gas and dry mineral gas, casing head gas, residual gas remaining after separation treatment, processing, or extraction of liquid hydrocarbons;
<b>Nigerian assets</b>	the interest in the Uquo Gas Project owned by SEUGL, the interest in the Stubb Creek Field owned by Universal Energy Resources and the interest in the Accugas Midstream Business owned by Accugas Limited;
<b>oil equivalent</b>	international standard for comparing the thermal energy of different fuels;
<b>operator</b>	the entity that has legal authority to drill wells and undertake production of hydrocarbons found. The operator is often part of a consortium and acts on behalf of this consortium;
<b>petroleum</b>	a generic name for hydrocarbons, including crude oil, natural gas liquids, natural gas and their products;
<b>play</b>	a project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects;
<b>prospect</b>	a project associated with a potential accumulation of oil or natural gas that is sufficiently well defined to represent a viable drilling target;
<b>prospective resources</b>	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects;
<b>PSC</b>	Production Sharing Contract;
<b>Quad BTU</b>	quadrillion British thermal units;
<b>R3 East Development</b>	Comprises the development of Savannah main discoveries (i.e. Amdigh, Eridal, Bushiya and Kunama);
<b>reserves</b>	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions;
<b>reservoir</b>	a subsurface body of rock having sufficient porosity and permeability to store and transmit fluids. A reservoir is a critical component of a complete petroleum system;
<b>resources</b>	deposits of naturally occurring hydrocarbons which, if recoverable, include those volumes of hydrocarbons either yet to be found (prospective) or if found the development of which depends upon a number of factors (technical, legal and/or commercial) being resolved (contingent);
<b>SCI</b>	Savannah Chad Inc.
<b>seal</b>	a relatively impermeable rock, commonly shale, anhydrite or salt, that forms a barrier or cap above and around reservoir rock such that fluids cannot migrate beyond the reservoir. A seal is a critical component of a complete petroleum system;
<b>seismic survey</b>	a method by which an image of the earth's subsurface is created through the generation of shockwaves and analysis of their reflection from rock strata. Such surveys can be done in two or three-dimensional form;
<b>SML</b>	Savannah Midstream Investment Limited
<b>stratigraphic</b>	a mode of trapping hydrocarbons which is not dependent on structural entrapment;
<b>Stubb Creek Field</b>	the Stubb Creek marginal field located in the OML 14 block onshore Nigeria;
<b>Tscf</b>	trillion standard cubic feet;
<b>Tertiary</b>	geological strata formed during the period from 65 to 1.8 million years ago;
<b>TOTCo</b>	Tchad Oil Transportation Company;
<b>Uquo CPF</b>	the 200 MMscfpd gas processing facilities, owned by Accugas Ltd, and located at the Uquo Field;
<b>Uquo Field</b>	the Uquo marginal field located in the OML 13 block onshore Nigeria;
<b>Uquo Gas Project</b>	the gas project at the Uquo Field;

## Definitions

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- (a) **Total Revenues** are defined as the total amount of invoiced sales during the period. This number is seen by management as appropriately reflecting the underlying cash generation capacity of the business as opposed to Revenue recognised in the Consolidated Statement of Comprehensive Income. A detailed explanation of the impact of IFRS 15 revenue recognition rules on our Consolidated Statement of Comprehensive Income is provided in our 2020 Annual Report in the Financial Review section on page 56. Note that Total Revenues is not an audited number.
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- (b) **Remaining life of contact revenues** estimated on a maintenance adjusted take-or-pay basis including contributions from three of our customers: Calabar Generation Company Limited (owner of the Calabar power station), Ibom Power Company Limited (owner of the Ibom power station) and the Lafarge Africa PLC (owner of the Lafarge Mfamosing cement plant). Note this is not an audited number.
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- (c) **Adjusted EBITDA** is calculated as profit or loss before finance costs, investment revenue, foreign exchange gains or loss, expected credit loss and other related adjustments, fair value adjustments, gain on acquisition, taxes, transaction costs, depreciation, depletion and amortisation and adjusted to include deferred revenue and other invoiced amounts. Management believes that the alternative performance measure of Adjusted EBITDA more accurately reflects the cash-generating capacity of the business.
- The figure presented for 2022 is for the Group excluding Chad (which removes the impact of the Chad operations period of ownership from 9 December to 31 December 2022) as described in the Financial Review to provide a meaningful comparison with 2021. Note that the Adjusted EBITDA presented in Note 35(g) of the Financial Statements is for the Group, not Group excluding Chad.
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- (d) **Total contributions** to Nigeria and Niger defined as payments to governments, employee salaries and payments to local suppliers and contractors. Where total contributions refer to the period 2014–2022 they include contributions to Nigeria during the period pre-acquisition of the Nigerian assets by Savannah.
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- (e) **Investment grade** indicates credit support from an entity which holds an investment grade rating from either Standard & Poor's, Moody's or Fitch Ratings.
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- (f) **Adjusted Net debt** is defined as Net debt adjusted for US\$98.4 million (2021: US\$75.5 million) equivalent held in Naira that is set aside to cover interest payments. This measure recognises the fact that when interest is paid the Net debt will rise.
- The figure presented for 2022 is for the Group excluding Chad (which removes the impact of the Chad operations period of ownership from 9 December to 31 December 2022) as described in the Financial Review to provide a meaningful comparison with 2021. Note that the Adjusted EBITDA presented in Note 35(g) of the Financial Statements is for the Group, not Group excluding Chad.
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- (g) **Operating expenses plus administrative expenses** are defined as total cost of sales, administrative and other operating expenses excluding royalty and depletion, depreciation and amortisation.
- The figure presented for 2022 is for the Group excluding Chad (which removes the impact of the Chad operations period of ownership from 9 December to 31 December 2022) as described in the Financial Review to provide a meaningful comparison with 2021.
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- (h) **Interest cover ratio** is Adjusted EBITDA<sup>(c)</sup> divided by Finance costs excluding: (i) unwinding of a discount on a long-term payable; (ii) unwinding of a discount on contract liabilities; and (iii) unwinding of decommissioning discount, less Interest Finance Income.
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- (i) **Net debt** is defined as Borrowings less Cash at bank and Restricted cash.
- Cash at bank excludes cash funds held in Chad at year end
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- (j) **Cash collections** are defined as the amount of cash received from customers.
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- (k) **Leverage** is defined as Net debt divided by Adjusted EBITDA.
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# Footnotes

Section title	Footnotes
<b>Sustainability Review</b>	
Pages 1 to 16	<ol style="list-style-type: none"> <li>1. Post-year end, the Board approved the transfer of risk responsibilities from the Audit &amp; Risk Committee to the HSE&amp;S Committee. To reflect this change in remit of the two committees, the HSE&amp;S Committee became the HSE&amp;S and Risk Committee, while the Audit &amp; Risk Committee became the Audit Committee.</li> <li>2. Source: République Du Niger, Politique Pétrolière Nationale, December 2019.</li> <li>3. Source: Gapminder.org.</li> <li>4. Source: World Bank.</li> <li>5. This figure includes Savannah employees as at 31 December 2022 in Cameroon, France, Niger, Nigeria and the United Kingdom.</li> <li>6. Carbon intensity figures based on the latest available published data reported by bp, Eni and Total.</li> <li>7. Carbon intensity figures based on the latest available published data reported by bp, ConocoPhillips, Eni and Total.</li> <li>8. Carbon intensity figures based on the latest available published data reported by bp, Chevron, Eni, Shell, and Total.</li> <li>9. Our UK Scope 2 emissions are calculated from electricity consumption meter readings and conversion factors to determine the contribution of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O to total GHG emissions. Carbon intensity is calculated by dividing the annual electricity consumption by the number of staff.</li> </ol>
<b>TCFD</b>	
Page 17	<ol style="list-style-type: none"> <li>1. Post-year end on 16 February 2023, the Board approved the transfer of oversight responsibilities for the management of risk from the Audit &amp; Risk Committee to the HSE&amp;S Committee. To reflect this change in the remit of the two committees, the HSE&amp;S Committee has become the HSE&amp;S and Risk Committee, while the Audit &amp; Risk Committee has become the Audit Committee. Consequently, from 16 February 2023, the HSE&amp;S and Risk Committee has oversight responsibilities for both the sustainability strategy and risk management.</li> </ol>

Front cover photo credit: Abdoul Razack, Sahara Conservation; Tarka, Niger