



SUSTAINABILITY IMPACT STATEMENT

QUARTER ONE
2026

RESPONSIBLE. RESILIENT. ROOTED.

Q1 2026 SUSTAINABILITY IMPACT STATEMENT

Pan Ocean Oil Corporation (Nigeria) Limited

January – March 2026

About This Report

This Q1 2026 Sustainability Impact Statement covers the operations of Pan Ocean Oil Corporation (Nigeria) Limited for the period January to March 2026. It is our first entity-level quarterly sustainability report prepared for public stakeholders, marking an important step in Pan Ocean's commitment to transparency, accountability, and world-class ESG disclosure.

The report covers three asset areas within Pan Ocean's portfolio: OML 147 (operated upstream oil and gas, Delta State); the Amukpe-Escravos Pipeline (AEP), a 67-kilometre, 20-inch piggyback crude export pipeline connecting Amukpe to the CNL Escravos Tank Farm; and the Ovade-Ogharefe Gas Plant (OOGP), a 200 MMscfd gas processing facility in which Pan Ocean holds a 40 percent interest alongside NEPL (60 percent).

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, IPIECA/API/IOGP Oil and Gas Sector Guidance on Voluntary Sustainability Reporting, the United Nations Sustainable Development Goals (SDGs), and the requirements of the Nigerian Petroleum Industry Act 2021. It reflects Pan Ocean's commitment to progressive, measurable, and comparable sustainability reporting aligned with international best practice.

Pan Ocean is committed to advancing the quality, depth, and assurance of its sustainability reporting with each successive publication. We welcome feedback from investors, regulators, communities, and all stakeholders on the content and presentation of this report.

Who We Are

Pan Ocean Oil Corporation (Nigeria) Limited is a Nigerian energy company with a long history of responsible hydrocarbon development in the Niger Delta. Across our upstream, midstream, and gas processing operations, Pan Ocean contributes to Nigeria’s domestic energy supply, its gas monetisation agenda, and the economic and social development of the communities in which we operate.

Our portfolio spans three interconnected asset areas. At OML 147, our operated upstream asset in Delta State, we produce oil and gas that flows through our facilities to the Ovade Tank Farm and beyond. The Amukpe–Escravos Pipeline (AEP), a 67-kilometre midstream, joint venture asset in which we hold a 40% equity interest, remains a key component of regional energy infrastructure, providing a dependable crude evacuation route that supports operational continuity, efficiency, and long-term value creation. And through our 40 percent stake in the Ovade-Ogharefe Gas Plant, we are active participants in one of Nigeria’s most productive gas processing facilities — a facility that converts associated gas from multiple upstream assets into lean gas for the domestic grid, LPG, propane, and condensate.

What unites these three asset areas is a shared commitment: to produce and process Nigeria’s hydrocarbon resources responsibly, to protect the people and communities around our operations, and to contribute meaningfully to the country’s energy security and industrial development.

OML 147 <i>Upstream Oil & Gas</i> Delta State	AEP <i>Amukpe-Escravos Pipeline</i> 67 km · 20-inch piggable	OOGP <i>Ovade-Ogharefe Gas Plant</i> Pan Ocean 40% interest
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Executive Summary

Responsible operations are not a response to external pressure. They are the foundation on which Pan Ocean has built, and will continue to build, its license to operate. This Q1 2026 Sustainability Impact Statement is our clearest expression of that conviction — a transparent, public account of how we managed our environmental responsibilities, our safety obligations, our community commitments, and our governance standards during the first quarter of the year.

The quarter was one of genuine achievement and honest challenge. Our safety record — zero fatalities and zero lost-time injuries across every one of our operated and joint venture assets is the result we are most proud of, and the one that underpins everything else. With a combined **163,551** man-hours worked at OML 147, the Amukpe-Escravos Pipeline, and the Ovade-Ogharefe Gas Plant during Q1, our workforce delivered an exceptional safety performance that we will not take for granted.

The Amukpe-Escravos Pipeline evacuated 1,517,569 barrels of crude oil during Q1 with 99.9 percent accuracy operating with 100 percent facility uptime across every component. This is the infrastructure performance that crude producers across the region depend on, and our teams delivered it consistently for ninety consecutive days. The Ovade-Ogharefe Gas Plant delivered strong operational performance, achieving 98% uptime and surpassing LPG and propane production targets following the commissioning of the initial 100MMscf/d Turbo Expander. By converting associated gas into cleaner energy products for homes and businesses, the facility supports energy security, enhances resource efficiency, and reinforces the Group's commitment to responsible gas utilisation and sustainable value creation.

At OML 147, we are honest about the headwinds the asset faced. Infrastructure disruptions on the Trans-Forcados Pipeline, pipeline criminal interference, and gas compressor downtime all affected production volumes during the quarter. We managed these challenges actively, maintaining our safety record, executing our environmental compliance programme, and advancing the capital projects such as, LACT Unit installation, crude storage tank, and Okete-H drilling, that will strengthen the asset's performance and reliability in the quarters ahead.

Our communities are central to our sustainability story. In Q1, we extended and managed our HCDT Clearance Certificate at OML 147, maintained active community engagements, and continued our commitment to the host community development programme that underpins our social licence across the Niger Delta. We recognise that sustainable operations and community trust are inseparable.

Looking ahead, Pan Ocean is committed to progressive improvement in our environmental performance, in the depth and quality of our sustainability reporting, and in the consistency with which we embed ESG principles into every operational decision. This report is a foundation, that we will build on every quarter.

Our Approach to Sustainability

For Pan Ocean, sustainability is not a reporting exercise. It is the framework through which we manage risk, protect value, and build the long-term relationships with communities, regulators, investors, and partners; that allow us to operate and grow. Our approach is grounded in three convictions: that safe, responsible operations are the foundation of everything; that the environment and communities we work within are assets to be protected, not costs to be managed; and that transparent accountability builds the trust on which lasting enterprise is built.

We structure our sustainability commitments across three horizons that reflect Pan Ocean's current stage of development and long-term ambitions:

Horizon	Near Term 2025–2028	Medium Term 2029–2035	Long Term 2036–2060
Environment	Zero routine flaring; gas monetisation over flaring; full OOGP feedstock maximisation; 100% spill containment effectiveness	Systematic GHG intensity reduction; Scope 1/2 inventory annually assured; produced water treatment programme established	Net Zero pathway defined and published; biodiversity management integrated; carbon market participation explored
Social	Zero harm culture sustained; HCDDT fully funded and operational; community enterprise development through HCDDT	Workforce diversity baseline published annually; gender equity targets set and tracked; skills localisation programme active	Human rights due diligence framework fully embedded; host community economic self-sufficiency measurably advanced
Governance	GRI-aligned quarterly reporting established; third-party assurance pathway initiated; Board ESG oversight formalised	Annual sustainability report externally assured; IFRS S1/S2 gap assessment completed; ESG integrated into capital allocation	Full IFRS S1/S2 alignment; ESG-linked financing explored; supply chain ESG screening operational

Materiality Assessment

Our sustainability reporting is guided by a materiality assessment that identifies the ESG topics most significant to Pan Ocean's operations and to our stakeholders. We apply a dual materiality framework that examines sustainability from two directions: the impact of our operations on the environment and society (outside-in), and the impact of sustainability risks and opportunities on Pan Ocean's business performance (inside-out). Both dimensions matter. Both are reflected in this report.

Our Q1 2026 materiality priorities are structured across three tiers:

Tier	Classification	Pan Ocean Material Topics
TIER 1 <i>Critical</i>	Essential to business continuity; influence strategy, compliance, and stakeholder trust	Operational Safety and Worker Protection · Environmental Compliance and Spill Prevention · Gas Flaring Reduction and Gas Monetisation · Community Relations and Social Licence · Pipeline and Infrastructure Integrity
TIER 2 <i>Key Focus</i>	Significant drivers of operational and long-term sustainable performance	Regulatory Engagement and Statutory Compliance · GHG Emissions Inventory and Reporting · Workforce Development and Localisation · HCDDT Implementation and Community Investment · Capital Project Governance and Asset Reliability · AEP Commercial Governance

TIER 3
*Emerging***Lower immediate priority;
requires proactive
monitoring and
management**Energy Transition Positioning · Biodiversity Management · Supply Chain ESG
Screening · IFRS S1/S2 Alignment · Third-Party Reporting Assurance · Diversity,
Equity, and Inclusion Formalisation

Safety and Workforce Protection

Zero Harm: Our Most Important Result

Pan Ocean recorded zero fatalities and zero lost-time injuries across all operated and joint venture assets during Q1 2026. This is our most important result. With a combined 163,551 man-hours worked at OML 147, the Amukpe-Escravos Pipeline, and the Ovade-Ogharefe Gas Plant during the quarter, a period that included active drilling campaign support, pipeline maintenance, turnaround activities, and gas plant operations — our workforce delivered a performance that reflects a genuinely embedded culture of safety.

0

Fatalities

0

Lost-Time Injuries

163,551

Safe Man-Hours Q1 2026

0Tier 1 Process Safety
Incidents**0**Legal non-
compliances

Safety performance by asset demonstrates the consistency of this record:

Asset	Q1 2026 Man-Hours	Fatalities	LTIs	LOPC
OML 147 — Owa Alidinma, Delta State	68,112	0	0	0
Amukpe-Escravos Pipeline (AEP)	3,836	0	0	0
Ovade-Ogharefe Gas Plant (Pan Ocean 40%)	91,603	0	0	0

Building a Culture of Safety: Leading Indicators

Pan Ocean's safety culture is built on more than lagging statistics. Our leading indicator performance; the proactive behaviours and systems that prevent incidents before they occur, reflects the depth of safety consciousness across our workforce.

At OML 147, our teams recorded 178 Unsafe Act and Unsafe Condition (UA/UC) reports during Q1 against a quarterly target of 150 — 19 percent above target, reflecting a workforce actively engaged in hazard identification rather than simply counting incidents after they occur. All 3 scheduled Life Saving Rules compliance assessments were completed. All three mandatory emergency drills including medevac, community invasion response, and oil spill response were conducted and documented. Safety meetings were held as scheduled throughout the quarter.

At the Ovade-Ogharefe Gas Plant, 174 UA/UC reports were recorded against a quarterly target of 250, with 12 HSSE meetings held during Q1 against a quarterly target of 3; a fourfold outperformance that reflects the facility's commitment to structured

safety leadership. The OOGP has processed gas safely for 1,703,582 cumulative man-hours from inception without a single lost-time injury.

“The OOGP’s 1,703,582 cumulative LTI-free man-hours since inception is a milestone that reflects not just operational systems, but the values of every person who has worked at the facility.”

Incident Transparency

One gas leak incident was reported in Q1 2026 at OML 147. A 2” valve was inserted on a 6” gas bulk line from Okete Manifold to the flow station by vandal. This resulted in the emission of gas into the environment. The incident was managed immediately, with suspension of operations for sectional replacement. A Joint Investigation visit was conducted with the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), the National Oil Spill Detection and Response Agency (NOSDRA), and the representatives of the host community in attendance. Third party interference was generally agreed by participants at the JIV as cause of incident. No compensation was required as containment and cleanup were done immediately. The incident was formally closed within the quarter.

One near-miss incident was recorded and investigated at OML 147 during the quarter. It was closed with corrective actions implemented and learnings shared across the team. The AEP recorded zero near misses during the quarter. The active reporting and investigation of near misses is a critical element of Pan Ocean’s safety culture; it is how incidents are prevented before they occur.

Security

Pan Ocean maintained active security management across all asset areas during Q1. At OML 147, pipeline criminal interference remains an ongoing operational risk that our security teams, working in collaboration with law enforcement agencies, community intelligence networks, and surveillance contractors, manage continuously. One incident of vandalism recorded in the quarter compared with three in the corresponding quarter was an indication of improved in security mitigations.

The Amukpe-Escravos Pipeline maintained a clean security record for the quarter, with no incidents along the ROW. At the OOGP, the quarterly security audit and inspection was completed, and security awareness training was delivered to all security personnel.

Environmental Stewardship

Our Environmental Commitments

Pan Ocean's environmental strategy is anchored in three commitments: eliminating routine gas flaring through gas monetisation; maintaining zero environmental non-compliances through proactive regulatory engagement; and ensuring that any release or spill incident is contained, cleaned up, and closed out without lasting environmental impact. Q1 2026 performance against these commitments was largely positive, with areas of ongoing focus and improvement clearly identified.

Gas Flaring: The Priority Environmental Challenge

We are transparent about gas flaring: it is Pan Ocean's most material environmental challenge, and addressing it is our highest environmental priority. At OML 147, the Q1 2026 average gas flare rate of 1.34 MMscfd was below the quarterly target of 1.40 MMscfd and below the Q4 2025 rate of 1.38 MMscfd — a measured but meaningful improvement. This improvement was achieved despite ongoing infrastructure disruptions that intermittently force gas back into the flare system.

Our approach to flare reduction is infrastructure-led, not production-constrained. We are committed to reducing flaring by increasing the volume of gas that is captured, processed, and commercialised rather than by limiting production. The completion of the Gas Compressor 4 and 5 in-frame overhauls at OML 147, which is our primary near-term flare reduction action, will restore additional gas processing capacity and allow us to route more associated gas into the network rather than to the flare.

“Every cubic foot of gas we process at the OOGP rather than flare is both an environmental gain and an economic one. That alignment between responsible operations and sustainable value creation is the model we are building across our portfolio.”

The OOGP: Gas Monetisation as Environmental Leadership

Our 40 percent interest in the Ovade-Ogharefe Gas Plant is the clearest expression of Pan Ocean's commitment to gas monetisation over flaring. The OOGP processes associated gas from OML 147, OML 152, OML 111, and OML 98 — converting what would otherwise be a source of greenhouse gas emissions into lean gas for the domestic grid, LPG, propane, and condensate.

In Q1 2026, the OOGP processed 13,640 MMscf of inlet gas, producing 12,269 MMscf of lean gas for the ELPS network, 13,450 metric tonnes of LPG (24 percent above quarterly target), 13,557 metric tonnes of propane (26 percent above quarterly target), and 95,164 barrels of condensate. The LPG and propane outperformance was driven by the Turbo Expander, which enhances NGL recovery from the gas stream. Every tonne of LPG and every MMscf of lean gas sold is gas that was not flared.

OOGP Q1 2026 Production	Q1 Target	Q1 Actual	Year-on-Year Change vs Q1 2025
Inlet Gas (Feed)	185 MMscfd	152 MMscfd (13,640 MMscf total)	Low feedstock supply from OML 98 and OML 111
Lean Gas Sold to ELPS	—	12,269 MMscf	+12.83% vs Q1 2025 (11,725 MMscf)
LPG Produced	120 MT/d	149 MT/d (13,450 MT total)	+20.99% vs Q1 2025 (10,627 MT) — Initial 100MMscf/d Turbo Expander uplift

Propane Produced	120 MT/d	151 MT/d (13,557 MT total)	+42.04% vs Q1 2025 (7,858 MT) — Turbo Expander uplift
Condensate Produced	1,100 bbl/d	1,057 bbl/d (95,164 bbl total)	+15.27% vs Q1 2025 (80,633 bbl)
Gas Processing Plant Uptime	≥95%	98%	100% facility availability throughout Q1

Environmental Compliance

Pan Ocean recorded zero legal non-compliances across all asset areas in Q1 2026. Our regulatory engagement was proactive, structured, and transparent:

OML 147

- Facilitated and supervised 9 Environmental Compliance Monitoring (ECM) activities on-site with NUPRC representatives in attendance.
- Submitted the updated 2026 Oil Spill Contingency Plan (OSCP) to both NUPRC and NOSDRA.
- Received all statutory permits required for the Okete-H drilling campaign.
- Facilitated Joint Investigation Visits with multi-agency attendance, including NUPRC, NOSDRA, and representatives of host community.
- Completed monthly inspection of Safety Critical Equipment (SCE) with 95 percent availability maintained.

Amukpe-Escravos Pipeline

- Maintained full functionality of the Impressed Current Cathodic Protection (ICCP) system throughout Q1 — zero corrosion incidents, zero pipeline leakage events.
- Conducted consistent ROW surveillance, integrity patrol, and corrosion monitoring activities.
- Zero recorded spillage or pollution incidents along the AEP corridor.

Ovade-Ogharefe Gas Plant

- Conducted Environmental Compliance Monitoring with NUPRC representatives in attendance; reports forwarded to NUPRC.
- Completed Process Safety Audit; recommendations tracked and closed out within the facility.
- Completed Risk Assessments and Job Hazard Analysis for all high-risk activities.

Spill Response

No spill was recorded within the quarter, however a gas leak occurred from our 6" gas bulk line from Okete Manifold to the flowstation. The joint investigation process was completed within the quarter, regulatory closure was achieved, and the incident did not result in lasting environmental impact. The containment and response were classified as effective by the attending regulatory agencies.

Climate & Emissions

Green House Gas Accounting

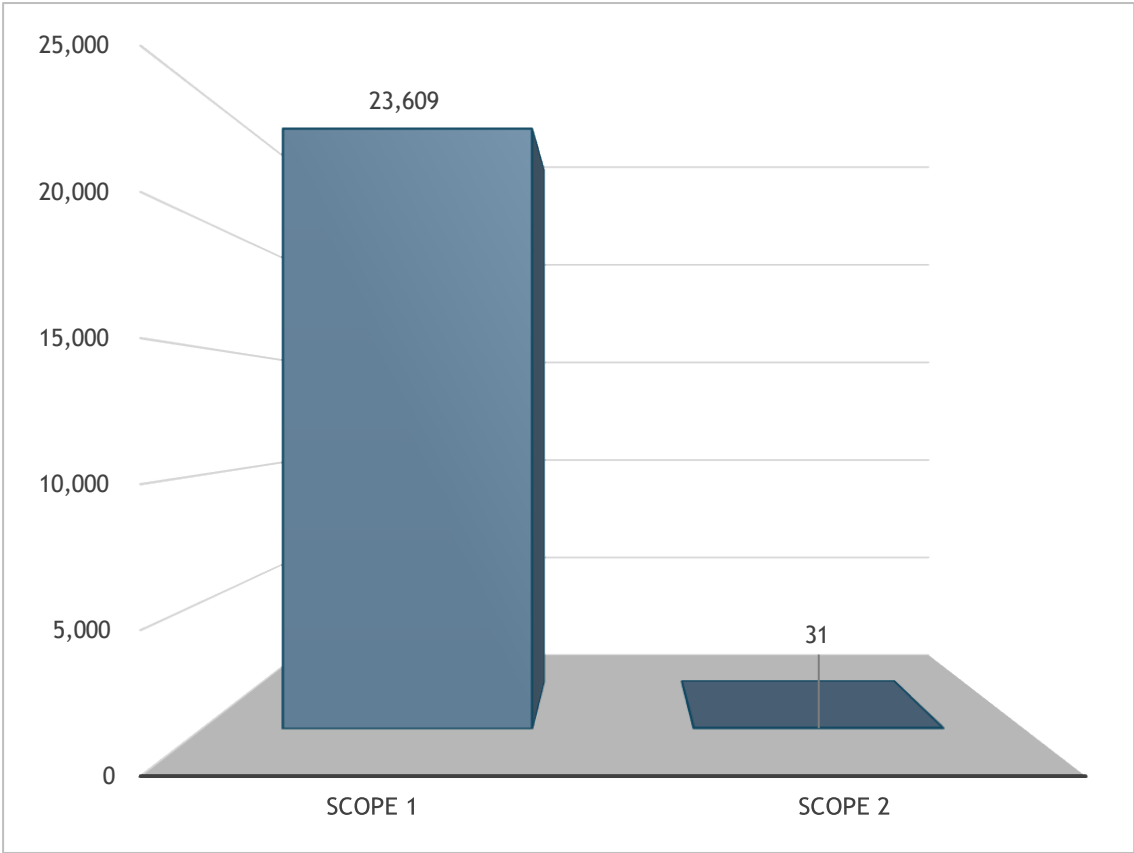
Pan Ocean's Scope 1 and Scope 2 greenhouse gas emissions for the first quarter of 2026 were quantified across defined operational boundaries in alignment with applicable Nigerian regulatory requirements, including the Petroleum Industry Act (2021), NUPRC guidelines, and the Gas Flaring, Venting and Methane Emissions Regulations (2022). The quantification approach applied internationally recognized methodologies, including the GHG Protocol, ISO 14064-1:2018, and IPCC guidance.

The inventory covered direct emissions from stationery and mobile combustion activities across operational locations, as well as indirect emissions associated with purchased electricity consumption. Developed in accordance with the core greenhouse gas accounting principles of transparency, accuracy, completeness, consistency, and relevance, it provides credible, traceable, and decision-useful emissions data.

Beyond regulatory compliance, this establishes a baseline carbon performance index for Pan Ocean, supporting long-term emissions management, environmental performance improvement, and informed mitigation planning. Overall, it strengthens Pan Ocean's framework for measuring, managing, and progressively reducing its carbon footprint.

- **Scope 1** – Direct operational emissions
- **Scope 2** – Indirect emissions from electricity consumption

Total GHG Emissions Scope	Categories	January Emissions (tCO ₂ e)	February Emissions (tCO ₂ e)	March Emissions (tCO ₂ e)	Total Q1 Emissions (tCO ₂ e)
Scope 1	Direct Emissions	9,715	7,800	6,094	23,609
Scope 2	Indirect Emissions	12	10	9	31
Total Emissions	Indirect Emissions	9,726	7,810	6,103	23,639



Our Communities

The Foundation of Our Social Licence

Pan Ocean's relationship with the communities around our operations is not a compliance obligation. It is the foundation of our licence to operate, the source of the trust that makes our production possible, and a reflection of our values as a Nigerian company. We engage with communities honestly, invest in their development through the Host Community Development Trust framework, and manage our operations in ways that minimise disruption and maximise local benefit.

OML 147 — Host Community Development Trust

Pan Ocean obtained and maintained the HCDT Clearance Certificate for OML 147 covering Q1 2026, in compliance with the requirements of the Petroleum Industry Act 2021. All HCDT obligations for the quarter were met, and zero facility shutdowns arising from community disputes or litigation occurred during the period.

Active community engagements during Q1 2026 included:

- Introductory engagement with newly elected executive committee members of the Ugo community, sustaining the relationship continuity that is essential for stable operations.
- A solidarity visit to the Obi-Anyima community following third-party pipeline interference that caused a gas pipeline leakage in the community — demonstrating Pan Ocean's commitment to standing with communities through difficult events, not only during smooth operations.
- Active intervention in a work stoppage at the Top Inlet Control Venture construction site, achieving a resolution that allowed work to resume.
- Continued engagement with community stakeholders as part of our ongoing security intelligence and surveillance programme along the OML 147 pipeline corridor.

Amukpe-Escravos Pipeline — Community Relations

The AEP maintained a clean community relations record in Q1 2026, with zero community-related operational disruptions along the 67-kilometre pipeline corridor. Our security and community relations teams maintained active stakeholder engagement throughout the quarter, ensuring open lines of communication with communities along the ROW.

Ovade-Ogharefe Gas Plant — Stakeholder Engagement

The OOGP held regular stakeholder liaison meetings with the Ovade and Ogharefe communities during Q1. Engagements with the Delta State Ministry of Oil and Gas were maintained. Zero community interference events were recorded at the Gas Plant during the quarter.

“Our community relationships are built on consistency — consistent communication, consistent respect, and consistent follow-through on our commitments.”

Governance, Compliance and Regulatory Engagement

Our Governance Approach

Pan Ocean's governance framework ensures that sustainability is embedded in decision-making at every level of the organisation. The Board of Directors maintains active oversight of ESG performance, with Q1 2026 Board presentations for OML 147 and the AEP providing detailed HSSE, operational, and community performance data at the Board level. The Business Leadership Council met monthly to review and escalate material ESG risks across all asset areas.

Regulatory Compliance

Pan Ocean recorded zero regulatory non-compliances across all asset areas in Q1 2026. Our approach to regulatory engagement is proactive — we do not wait for compliance assessments to identify issues; we maintain continuous, open dialogue with NUPRC, NOSDRA, NMDPRA, and other relevant authorities.

Key regulatory milestones and engagements during Q1 2026:

- Received all statutory permits for the Okete-H drilling campaign at OML 147 — enabling the Q2 2026 drilling programme to proceed on schedule.
- Facilitated 9 onsite Environmental Compliance Monitoring activities at OML 147 with NUPRC representatives in attendance throughout.
- Submitted the updated 2026 Oil Spill Contingency Plan to both NUPRC and NOSDRA.
- Completed two Joint Investigation Visits at OML 147 with multi-agency regulatory attendance, achieving formal closure of both incidents within the quarter.
- Conducted Environmental Compliance Monitoring at the OOGP with NUPRC representatives in attendance; reports submitted for regulatory review.
- Completed the quarterly security audit and inspection at the OOGP.

Capital Project Governance

Pan Ocean maintained rigorous governance over its capital programme in Q1 2026. Key projects advanced as follows:

Project	Q1 2026 Progress	Strategic Significance
LACT Unit Installation— OML 147	Unit delivered to site; export pumps delivered; MCC construction ongoing; contractor remobilising April 2026	Establishes fiscal-grade crude measurement; strengthens revenue reporting accuracy and investor confidence
Okete-H Well Drilling — OML 147	All statutory permits received; Geoplex contractor readiness confirmed; spud scheduled Q2 2026	Production growth and reserves addition; supports long-term asset development
20,000 bbl Crude Storage Tank — OML 147	85.3% complete at Q1 end; shell, valves, staircase installed; hydrotest preparations underway	Operational continuity during evacuation route disruptions; reduces production deferment risk
Gas Compressor 4 & 5 Overhaul — OML 147	Parts and re-kitted cylinder heads delivered to site; contractor mobilisation in progress	Restores gas compression capacity; enables increased gas volumes to OOGP; reduces flaring
OOGP Turbo Expander Commissioning	Commissioned; delivering NGL yield enhancement in Q1 2026 — LPG +24% and propane +26% above target	Increases value of gas processed; enhances LPG and propane revenues; reduces NGL losses to flare

Operational Performance

Pan Ocean's Q1 2026 operational performance reflects an organisation managing real complexity — infrastructure disruptions, active capital programmes, and the continuous demands of safe, compliant operations with discipline and forward momentum.

OML 147

OML 147 produced an average of **3,646 barrels** of oil per day and **29.37 MMscfd** of gas during Q1 2026. Production was affected by Trans-Forcados Pipeline outages in January and February, which temporarily disrupted crude liftings, and by pipeline criminal interference that resulted in flowline leakages requiring repair and inspection. These disruptions, while operationally challenging, were managed without safety incidents and without lasting environmental impact.

Crude realisation benefited from favourable international pricing during the quarter, with a realised price of **\$115.59 per barrel** against a budget of \$60.00 per barrel. This price performance contributed to Q1 revenue and EBITDA results that were both above budget despite the volume shortfall. The financial resilience demonstrated by this price outcome underscores the importance of operational continuity — when the market is strong, every barrel counts more.

The gas flare rate of **1.34 MMscfd** was below the quarterly target of **1.40 MMscfd** and continued the downward trend from Q4 2025. Completion of the compressor overhaul programme is the key action that will enable further, more substantial progress.

Amukpe-Escravos Pipeline

The AEP evacuated 1,517,569 barrels of crude oil in Q1 2026 with 99.9 percent accuracy losing just 1,572 barrels against 1,517,569 evacuated. All pipeline components, including the LACT Unit, the AEP End Facility, and both the Ovade and Escravos segments, maintained 100 percent uptime throughout the quarter. The Impressed Current Cathodic Protection system remained fully functional, with zero corrosion incidents or pipeline integrity events.

The pipeline's current throughput of 21,052 barrels per day against a designed capacity of 50,000 barrels per day reflects injector availability rather than any limitation in the pipeline's own operational capability. Expanding throughput through additional injector onboarding is the primary commercial opportunity for the AEP in 2026.

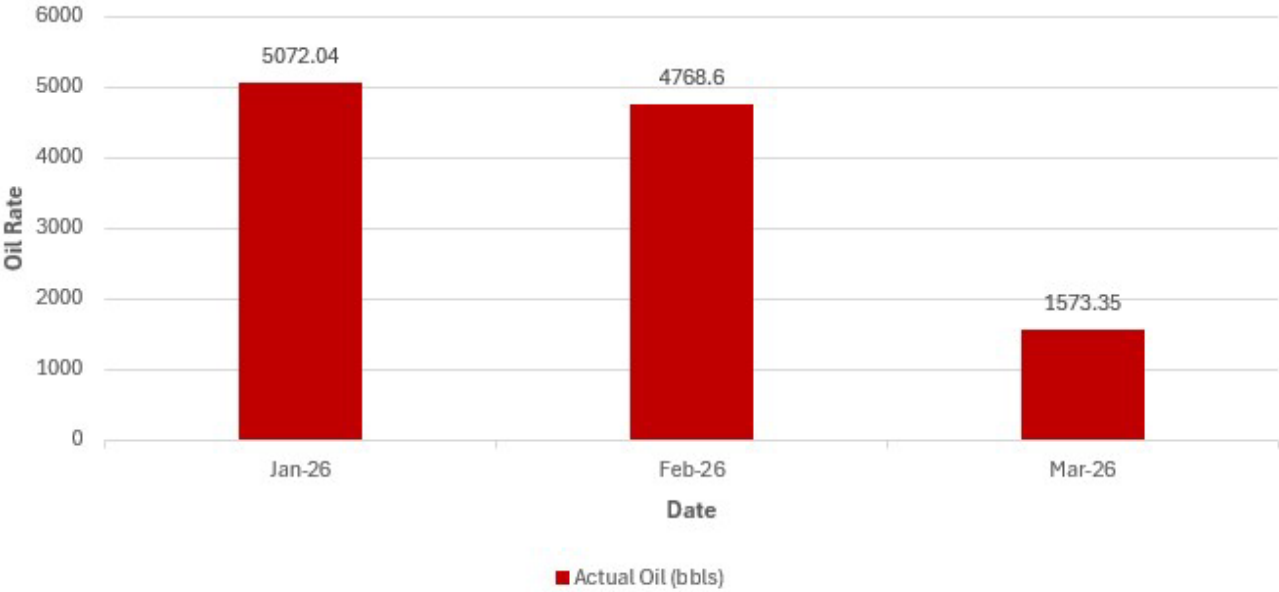
Ovade-Ogharefe Gas Plant

The OOGP delivered a strong Q1 2026 performance, with 98 percent plant uptime and all four product lines — lean gas, LPG, propane, and condensate — in active production throughout the quarter. LPG production of 149 MT per day was 24 percent above the quarterly target; propane production of 151 MT per day was 26 percent above target. Both outperformances were driven by the initial 100MMscf/d Turbo Expander, which enhanced NGL recovery from the feed gas stream.

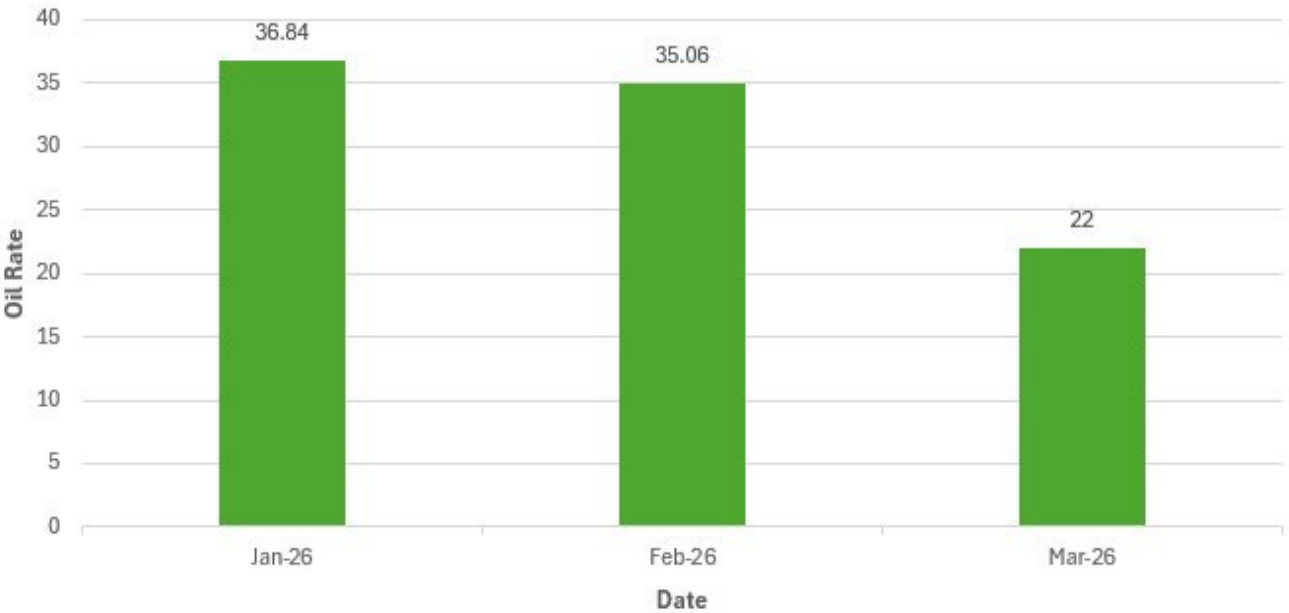
Inlet gas of 152 MMscfd was below the 185 MMscfd target due to reduced feedstock supply from OML 98 and OML 111 during the quarter. This is the primary challenge the OOGP faces: the facility is operationally capable of processing significantly more gas than it currently receives. As upstream production from its supplier assets grows, the OOGP is positioned to capture that growth and convert it into multiple revenue streams.

The OOGP is the clearest proof that gas monetisation is both the right environmental choice and a compelling financial one.

OML 147 Q1 2026 Average Daily Oil Production (bopd) Performance



OML 147 Q1 2026 Average Daily Gas Production (mmscf) Performance



Looking Ahead: Q2 2026 and Beyond

Our Commitments for Q2 2026

Pan Ocean enters Q2 2026 with clear priorities and accountable commitments. These are not aspirations — they are actions with owners, timelines, and measurable outcomes that we will report against in our next quarterly statement.

Commitment	Expected Outcome	Timeline
Commission the LACT Unit at OML 147	Fiscal-grade crude oil measurement established; measurement accuracy aligned to international standard	Q2 2026
Spud Okete-H well at OML 147	Production growth and reserves addition initiated; drilling executed under full environmental permit coverage	Q2 2026
Complete Gas Compressor 4 and 5 overhaul	Restored gas compression enables more gas routed to OOGP; measurable reduction in gas flare rate at OML 147	Q2 2026
Commission crude storage tank at OML 147	Operational buffer against evacuation route disruptions; reduced production deferment risk	Q2 2026
Resolve Pan Ocean's inclusion in AEP commercial agreements	JOA formalised; Pan Ocean's JV rights and commercial position established in CHA/CTA	Q2 2026
Advance HCDT implementation at OML 147	Outstanding 2024 HCDT obligations resolved; 2026 HCDT programme fully funded and operational	Q2 2026
Commence Seplat three-layer security plan on AEP corridor	Enhanced pipeline security reducing criminal interference risk across the AEP ROW	Q2 2026

Our Sustainability Journey

Pan Ocean is at the beginning of a structured, long-term sustainability journey — not at the end of one. This inaugural quarterly report establishes a baseline. The commitments we have made in these pages will be reported against with transparency in every subsequent publication. Where we fall short, we will say so and explain what we are doing differently. Where we advance, we will document it with data.

Our ambition is to grow this report: in depth, in the quality of our data, in the sophistication of our ESG commitments, and in the confidence our stakeholders can place in what we publish. We are committed to pursuing third-party assurance of key metrics as our reporting matures, and to progressive alignment with IFRS S1 and S2 climate disclosure standards.

SDG Alignment and Reporting Frameworks

UN Sustainable Development Goals — Q1 2026 Contributions

SDG	Pan Ocean Contribution — Q1 2026	Asset / Programme
SDG 7 Affordable and Clean Energy	OOGP processed 13,640 MMscf of feed gas into 12,269 MMscf of lean gas for the ELPS domestic network, 13,450 MT of LPG, 13,557 MT of propane, and 95,164 barrels of condensate. Associated gas converted to products rather than flared.	OOGP (Pan Ocean 40%); OML 147 gas supply
SDG 8 Decent Work and Economic Growth	163,551 safe man-hours across Pan Ocean's portfolio in Q1 2026 with zero fatalities and zero LTIs. All emergency drills completed. Supplier and contractor engagement maintained.	OML 147, AEP, OOGP
SDG 13 Climate Action	Gas flare at OML 147 averaged 1.34 MMscfd, below the 1.40 MMscfd target and below Q4 2025 rate of 1.38 MMscfd. OOGP converts associated gas to products, maintaining near-zero flaring at the OML 152 assets that supply the plant.	OML 147 flare reduction; OOGP gas monetisation
SDG 15 Life on Land	One oil spill at OML 147 (~7 bbls) contained and cleaned up within the quarter with no lasting environmental impact; JIV closed. Zero spills on AEP. AEP ICCP fully operational throughout Q1 — zero pipeline corrosion incidents.	OML 147 spill response; AEP ICCP programme
SDG 16 Peace, Justice and Strong Institutions	Zero legal non-compliances across all assets. HCDT Clearance Certificate maintained at OML 147. All regulatory engagements conducted through proper institutional channels. Proactive NUPRC, NOSDRA, and NMDPRA engagement throughout the quarter.	All assets; regulatory compliance
SDG 17 Partnerships for the Goals	Active JV arrangements with NEPL (AEP, OOGP); Seplat (primary AEP injector); OML gas supply partnerships (OML 111, OML 98, OML 152); NUPRC, NOSDRA, NMDPRA, NUIMS regulatory partnerships.	AEP JV; OOGP JV; regulatory bodies

Reporting Framework Alignment

Framework	Application in This Report
GRI Standards	This report has been prepared with reference to the GRI Standards. Material topics have been identified through a stakeholder-informed materiality assessment. GRI 300 (Environmental), GRI 400 (Social), and GRI 200 (Economic) topics are addressed across the report. A full GRI Content Index will be published in Pan Ocean's annual sustainability report.
IPIECA/API/IOGP	Pan Ocean's HSSE reporting — including incident classification, man-hours, flaring data, and spill reporting — follows the IPIECA/API/IOGP Oil and Gas Industry Guidance on Voluntary Sustainability Reporting (2020 edition).
UN SDGs	Pan Ocean's sustainability commitments are aligned with SDGs 7, 8, 13, 15, 16, and 17 as documented in the SDG alignment table above.

Nigerian Petroleum Industry Act 2021	HCDT obligations, environmental compliance requirements, and community engagement standards set under the PIA 2021 are referenced throughout this report. Pan Ocean maintains active HCDT governance at OML 147 in compliance with PIA requirements.
IFRS S1/S2	Pan Ocean acknowledges the growing importance of IFRS S1 (General Sustainability Disclosures) and IFRS S2 (Climate-related Disclosures) requirements. A gap assessment against these standards is planned as part of our progressive reporting development agenda.

Contact and Feedback

Pan Ocean Oil Corporation (Nigeria) Limited welcomes feedback on this Sustainability Impact Statement from investors, regulators, communities, civil society, and all interested stakeholders. We are committed to continuous improvement in the quality, depth, and transparency of our sustainability reporting.