

## 1. Preamble & Commitment

Sterling Oil Group recognises that operating in sensitive regions requires balancing **security needs** with the **protection of human rights**. The company is committed to implementing the **Voluntary Principles on Security and Human Rights (VPSHR)** as part of its ESG responsibilities, ensuring that security operations are conducted responsibly, transparently, and in alignment with international human rights standards.

This policy establishes Sterling Oil's framework for embedding VPSHR across its operations, guiding interactions with employees, communities, contractors, public security forces, and private security providers.

## 2. Purpose

The objectives of this policy are to:

- Integrate VPSHR into Sterling Oil's corporate governance and ESG systems.
- Provide standards for managing relationships with public and private security forces.
- Ensure security arrangements respect human rights and dignity.
- Establish monitoring, reporting, and remediation systems for VPSHR compliance.
- Demonstrate accountability through ESG disclosure and international best practice alignment.

## 3. Scope

This policy applies to:

- All Sterling Oil facilities, project sites, and field operations.
- All company employees, contractors, subcontractors, and security providers.

- All engagements with **public security forces** (police, military, paramilitary) and **private security providers** contracted by Sterling Oil.

#### 4. Guiding Principles

Sterling Oil's VPSHR approach is grounded in:

1. **Respect for Human Rights** – Alignment with UNGPs, ILO conventions, and Nigerian law.
2. **Proportionality in Security Response** – Security actions must be necessary, proportionate, and lawful.
3. **Transparency & Accountability** – Clear agreements with security providers; documentation of engagements.
4. **Community Trust** – Engagement with local communities to ensure security practices build confidence, not fear.
5. **Non-Complicity** – Avoid contributing to or being complicit in human rights abuses.
6. **Remedy & Grievance Access** – Mechanisms for reporting and addressing VPSHR-related concerns.

#### 5. Governance & Responsibilities

- **Board / Audit & Risk Committee (ARC):** Oversight of VPSHR integration into ESG.
- **CEO / COO:** Accountable for resource allocation and company-wide compliance.
- **Head – HRSS & Head – Security:** Joint custodians of policy implementation.
- **Security & Risk Team:** Manages operational security arrangements; ensures VPSHR integration in contracts, training, and monitoring.
- **HSE & Community Relations:** Coordinate to ensure VPSHR compliance overlaps with community engagement and health/safety policies.

- **Contractors & Security Providers:** Required to comply fully with Sterling Oil's VPSHR standards.

## **6. Standards for Public & Private Security**

### **6.1 Public Security Forces**

- Engagements documented through Memoranda of Understanding (MoUs) with government authorities.
- Security support requested only when necessary and consistent with VPSHR.
- Training and awareness provided to public forces on human rights and appropriate use of force.
- Reporting of any human rights incident involving public forces.

### **6.2 Private Security Providers**

- Must be licensed, vetted, and contractually bound to Sterling Oil's VPSHR standards.
- Required to undergo mandatory training on VPSHR, use of force, and respect for human rights.
- Use of force restricted to self-defence and defence of personnel/assets, strictly proportionate and lawful.
- Prohibited from engaging in torture, degrading treatment, or unlawful detention.

## **7. Risk Assessment & Due Diligence**

- Security risk assessments conducted periodically at all sites.
- Human-rights due diligence integrated into contractor and security provider selection.
- Continuous monitoring of local conflict dynamics, community concerns, and security threats.

## **8. Training & Awareness**

- All company security staff and contracted private security must complete VPSHR training.
- Refresher training conducted annually.
- Awareness extended to employees and contractors on how to report security-related human rights concerns.

## **9. Grievance & Incident Management**

- VPSHR-related concerns may be reported via the **Workforce Grievance Mechanism** or Community Feedback Mechanism.
- All incidents logged, investigated, and reported transparently.
- Corrective actions and remedies applied promptly, including disciplinary action, contract suspension, or escalation to authorities.